

FRIENDS OF RADNOR LAKE

NASHVILLE, TENNESSEE

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2008 (AUDITED) AND 2007 (REVIEWED)

FRIENDS OF RADNOR LAKE
NASHVILLE, TENNESSEE
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AND
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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Friends of Radnor Lake
Nashville, Tennessee

We have audited the accompanying statement of financial position of Friends of Radnor Lake (a not-for-profit corporation) ("FORL") as of December 31, 2008, and the related statements of activities, cash flows, and functional expenses for the year then ended. These financial statements are the responsibility of FORL's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Friends of Radnor Lake as of December 31, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The 2007 financial statements were reviewed by us, and our report thereon, dated August 15, 2008, stated that we were not aware of any material modifications that should be made to those statements for them to be in conformity with generally accepted accounting principles. However, a review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements taken as a whole.

KraftCPAs PLLC

Nashville, Tennessee
September 16, 2009

FRIENDS OF RADNOR LAKE

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2008 (AUDITED) AND 2007 (REVIEWED)

	<u>2008</u>	<u>2007</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 278,185	\$ 407,206
Accounts receivable - license plate fees	7,529	11,684
Accounts receivable - other	1,050	1,620
Inventory	391	938
Furniture and equipment, net - Note 2	5,717	10,054
Land - Notes 3 and 4	<u>2,353,431</u>	<u>1,827,160</u>
 TOTAL ASSETS	 <u>\$ 2,646,303</u>	 <u>\$ 2,258,662</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 5,465	\$ 7,302
Note payable - Note 5	<u>400,000</u>	<u>-</u>
 TOTAL LIABILITIES	 <u>405,465</u>	 <u>7,302</u>
NET ASSETS		
Unrestricted:		
Invested in land	1,953,431	1,827,160
Undesignated	<u>273,756</u>	<u>406,338</u>
Total unrestricted	2,227,187	2,233,498
Temporarily restricted - Note 6	<u>13,651</u>	<u>17,862</u>
 TOTAL NET ASSETS	 <u>2,240,838</u>	 <u>2,251,360</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 2,646,303</u>	 <u>\$ 2,258,662</u>

The accompanying notes are an integral part of the financial statements.

FRIENDS OF RADNOR LAKE

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2008 (AUDITED) AND 2007 (REVIEWED)

	2008		2007		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted
					Total
REVENUES AND SUPPORT					
Local government grants	\$ -	\$ -	\$ -	\$ -	\$ 10,000
Contributions	133,638	22,714	156,352	126,104	17,633
License plate fees	46,797	-	46,797	57,342	-
Fundraising events	23,304	-	23,304	31,115	-
Calendar and other merchandise sales	14,705	-	14,705	13,142	-
Less: cost of calendar and merchandise sales	(6,895)	-	(6,895)	(11,853)	-
Interest income	7,044	119	7,163	8,343	706
Loss on disposal of equipment	(322)	-	(322)	-	-
Net assets released from restrictions:					
Satisfaction of purpose restrictions - Note 5	27,044	(27,044)	-	14,722	(14,722)
TOTAL REVENUES AND SUPPORT	245,315	(4,211)	241,104	238,915	13,617
EXPENSES					
Program services - Note 4					
Land acquisition, grants and other contract costs	40,025	-	40,025	4,983	-
Land grant to the State of Tennessee - Note 3	95,196	-	95,196	-	-
Other services	56,801	-	56,801	61,480	-
Supporting services:					
Management and general	37,489	-	37,489	40,039	-
Fundraising	22,115	-	22,115	24,049	-
TOTAL EXPENSES	251,626	-	251,626	130,551	-
CHANGE IN NET ASSETS	(6,311)	(4,211)	(10,522)	108,364	13,617
NET ASSETS - BEGINNING OF YEAR	2,233,498	17,862	2,251,360	2,125,134	4,245
NET ASSETS - END OF YEAR	\$ 2,227,187	\$ 13,651	\$ 2,240,838	\$ 2,233,498	\$ 17,862
					\$ 2,251,360

The accompanying notes are an integral part of the financial statements.

FRIENDS OF RADNOR LAKE

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2008 (AUDITED) AND 2007 (REVIEWED)

	<u>2008</u>	<u>2007</u>
OPERATING ACTIVITIES		
Change in net assets	\$ (10,522)	\$ 121,981
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	4,615	5,839
Land grant to the State of Tennessee - Note 3	95,196	-
Loss on disposal of equipment	322	-
(Increase) decrease in:		
Accounts receivable - license plate fees	4,155	1,702
Accounts receivable - other	570	630
Inventory	547	4,001
Increase (decrease) in:		
Accounts payable and accrued expenses	(1,837)	6,040
TOTAL ADJUSTMENTS	<u>103,568</u>	<u>18,212</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>93,046</u>	<u>140,193</u>
NET CASH USED IN INVESTING ACTIVITIES		
Cash paid for purchase of land	(571,467)	-
Proceeds from sale of land	350,000	-
Purchase of equipment	(600)	(1,521)
NET CASH USED IN INVESTING ACTIVITIES	<u>(222,067)</u>	<u>(1,521)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(129,021)	138,672
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>407,206</u>	<u>268,534</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 278,185</u>	<u>\$ 407,206</u>
NONCASH INVESTING AND FINANCING ACTIVITY:		
Note payable issued for financing land purchase	<u>\$ 400,000</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements.

FRIENDS OF RADNOR LAKE

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2008 (AUDITED)

		<u>SUPPORTING SERVICES</u>		
	<u>PROGRAM</u>	<u>MANAGEMENT</u>	<u>FUNDRAISING</u>	<u>TOTAL</u>
	<u>SERVICES</u>	<u>AND GENERAL</u>		
Salaries and wages and related payroll taxes	\$ 23,614	\$ 23,614	\$ 11,808	\$ 59,036
Accounting fees	-	3,900	-	3,900
Bank fees	-	146	829	975
Calendars - cost of sales	-	-	6,895	6,895
Calendars - promotional gifts	-	-	1,728	1,728
Computer maintenance	-	580	-	580
Dues and subscriptions	-	246	-	246
Environmental education	707	-	-	707
Events	1,282	-	1,282	2,564
Fees	-	270	-	270
Frist technology grant	297	446	-	743
Gifts and awards	296	-	295	591
Hospitality	-	-	716	716
Insurance	-	1,680	-	1,680
In-kind interest expense	5,750	-	-	5,750
Junior Ranger Program	6,077	-	-	6,077
Land acquisition costs	40,025	-	-	40,025
Land grant to the State of Tennessee - Note 3	95,196	-	-	95,196
Newsletter	4,768	-	3,179	7,947
Park support	5,981	-	-	5,981
Postage and handling	-	203	203	406
Printing and publications	-	224	-	224
Property taxes	4,027	-	-	4,027
REI grant	1,463	-	-	1,463
Rent	-	550	550	1,100
RLWSI - Water Quality Study	845	-	-	845
Public relations	328	-	-	328
Supplies	-	113	112	225
Telephone	226	902	1,128	2,256
Web site maintenance	1,140	-	285	1,425
 TOTAL EXPENSES BEFORE DEPRECIATION	 192,022	 32,874	 29,010	 253,906
Depreciation	-	4,615	-	4,615
 TOTAL EXPENSES	 192,022	 37,489	 29,010	 258,521
 Less expenses included with revenues on the statement of activities as cost of sales	 -	 -	 (6,895)	 (6,895)
 TOTAL EXPENSES INCLUDED IN EXPENSE SECTION OF THE STATEMENT OF ACTIVITIES	 \$ 192,022	 \$ 37,489	 \$ 22,115	 \$ 251,626

The accompanying notes are an integral part of the financial statements.

FRIENDS OF RADNOR LAKE

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2007 (REVIEWED)

		<u>SUPPORTING SERVICES</u>		
	<u>PROGRAM</u>	<u>MANAGEMENT</u>	<u>FUNDRAISING</u>	<u>TOTAL</u>
	<u>SERVICES</u>	<u>AND GENERAL</u>		
Salaries and wages and related payroll taxes	\$ 22,607	\$ 22,607	\$ 11,303	\$ 56,517
Accounting fees	-	6,300	-	6,300
Bank fees	-	168	949	1,117
Calendars - cost of sales	-	-	11,853	11,853
Calendars - promotional gifts	-	-	918	918
Computer maintenance	-	23	-	23
Dues and subscriptions	-	165	-	165
Environmental education	2,562	-	-	2,562
Events	2,269	-	2,268	4,537
Fees	-	320	-	320
Frist technology grant	416	623	-	1,039
Gifts and awards	625	-	625	1,250
Hospitality	-	-	954	954
Insurance	-	1,065	-	1,065
Junior Ranger Program	5,462	-	-	5,462
Land acquisition grants and related costs	4,983	-	-	4,983
Membership outreach	105	-	104	209
Newsletter	3,176	-	3,176	6,352
Park maintenance	1,000	-	-	1,000
Park support	5,893	-	-	5,893
Postage and handling	-	388	387	775
Printing and publications	-	326	-	326
Property taxes	4,515	-	-	4,515
Rent	-	650	650	1,300
RLWSI - Water Quality Study	3,250	-	-	3,250
Public relations	8,450	-	-	8,450
Supplies	-	435	435	870
Telephone	-	1,130	1,130	2,260
Web site maintenance	1,150	-	1,150	2,300
TOTAL EXPENSES BEFORE DEPRECIATION	66,463	34,200	35,902	136,565
Depreciation	-	5,839	-	5,839
TOTAL EXPENSES	66,463	40,039	35,902	142,404
Less expenses included with revenues on the statement of activities as cost of sales	-	-	(11,853)	(11,853)
TOTAL EXPENSES INCLUDED IN EXPENSE SECTION OF THE STATEMENT OF ACTIVITIES	\$ 66,463	\$ 40,039	\$ 24,049	\$ 130,551

The accompanying notes are an integral part of the financial statements.

FRIENDS OF RADNOR LAKE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2008 (AUDITED) AND 2007 (REVIEWED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Friends of Radnor Lake ("FORL") is a Tennessee not-for-profit corporation. Its purpose is to maintain, improve and protect the natural environment, habitat, facilities and equipment of Radnor Lake State Natural Area and to educate the general public on the importance of the area.

Basis of Presentation

The accompanying financial statements present the financial position and changes in net assets of FORL on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

Resources are classified as unrestricted, temporarily restricted or permanently restricted net assets, based on the existence or absence of donor-imposed restrictions, as follows:

- *Unrestricted net assets* are free of donor-imposed restrictions. All revenues, gains and losses that are not temporarily or permanently restricted by donors are included in this classification. All expenditures are reported in the unrestricted class of net assets, since the use of restricted contributions in accordance with the donors' stipulations results in the release of the restriction.
- *Temporarily restricted net assets* are limited as to use by donor-imposed restrictions that expire with the passage of time or that can be satisfied by use for the specific purpose.
- *Permanently restricted net assets* are amounts required by donors to be held in perpetuity, including gifts requiring that the principal be invested and the income or specific portions thereof be used for operations. FORL had no permanently restricted net assets as of December 31, 2008 or 2007.

Cash and Cash Equivalents

Cash and cash equivalents consist principally of checking and savings account balances with financial institutions.

Contributions and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Contributions and grants are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a restriction is fulfilled (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted and reported in the Statement of Activities as net assets released from restrictions.

FRIENDS OF RADNOR LAKE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2008 (AUDITED) AND 2007 (REVIEWED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions and Support (continued)

FORL reports any gifts of property, equipment, or materials as unrestricted support unless explicit donor restrictions specify how the assets must be used. Gifts of long-lived assets with explicit restrictions as to how the assets are to be used or funds restricted for the acquisition of long-lived assets are reported as restricted support. Expirations of donor restrictions are recognized when the donated or acquired long-lived assets are placed in service.

Contributions Receivable

Unconditional promises to give that are expected to be collected within one year are recorded as contributions receivable at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. Conditional promises to give are not included as support until such time as the conditions are substantially met. There were no contributions receivable at December 31, 2008 or 2007.

License Plate Fees

License plate fees are collected on behalf of FORL by the State of Tennessee when individuals purchase or renew specialty license plates. These fees are recognized by FORL as revenue in the month collected by the State.

Income Taxes

FORL qualifies as a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, income taxes are not provided.

Inventory

Inventory is reported at the lower of cost (first-in, first-out method) or market.

Furniture, Equipment and Land

Furniture, equipment and land are reported at cost at the date of purchase or at estimated fair value at date of gift to the FORL. FORL's policy is to capitalize items with a cost of \$500 or more and an estimated useful life greater than one year. Depreciation is calculated by the straight-line method over the estimated useful lives of the assets, which range from five to fifteen years.

Management reviews long-lived assets for impairment when events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. FORL assesses recoverability of the carrying value of the asset by estimating future net cash flows expected to result from the assets, including eventual disposition. If the future cash flows are less than the carrying value of the asset, an impairment loss is recorded equal to the difference between the asset's carrying value and its estimated fair value.

FRIENDS OF RADNOR LAKE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2008 (AUDITED) AND 2007 (REVIEWED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Program and Supporting Services

The following program and supporting services are included in the accompanying financial statements:

Program services - consists of programs to acquire land to be donated to the natural area, protect and maintain the environment, improve the natural area and educate the general public about the Radnor Lake State Natural Area.

Management and general - includes the functions necessary to ensure an adequate working environment and costs not identifiable with a single program. Includes costs associated with providing coordination and articulation of FORL's program strategy, business management, general record keeping, budgeting, and related purposes.

Fundraising - includes costs of activities directed toward appeals for financial support, including special events and calendar sales. Other activities include the cost of solicitations and creation and distribution of fundraising materials.

Allocation of Functional Expenses

Expenses that can be directly attributed to a particular function are charged to that function. Expenses that relate to more than one function are allocated among applicable functions on the basis of objectively evaluated financial and nonfinancial data or reasonable subjective methods determined by management.

Donated Property, Goods, Services and Interest Expense

Property, professional services, and goods received as donations are reflected as support in the accompanying financial statements at their estimated or appraised fair value in the period received. For the year ended December 31, 2008, \$40,716 in donated goods and services (legal, real estate and photography) and interest expense was recorded in the accompanying Statement of Activities (\$14,103 in donated legal, public relations and photography services for the year ended December 31, 2007).

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

FRIENDS OF RADNOR LAKE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2008 (AUDITED) AND 2007 (REVIEWED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent Accounting Pronouncements

In September 2006, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards No. 157, *Fair Value Measurements* (SFAS No. 157). SFAS No. 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurement. SFAS No. 157 also emphasizes that fair value is a market-based measurement, not an entity-specific measurement, and sets out a fair value hierarchy with the highest priority being quoted prices in active markets. Under SFAS No. 157, fair value measurements are disclosed by level within that hierarchy. In February 2008, the FASB issued FASB Staff Position No. 157-2, *Effective Date of FASB Statement No. 157*, which permits a one-year deferral for the implementation of SFAS No. 157 with regard to nonfinancial assets and liabilities that are not recognized or disclosed at fair value in the financial statements on a recurring basis. FORL adopted SFAS No. 157 for the fiscal year beginning January 1, 2008, except for such nonfinancial assets and liabilities, for which delayed application is permitted until fiscal years beginning after November 15, 2008.

In July 2006, the FASB issued Financial Interpretation No. 48 (FIN 48), *Accounting for Uncertainty in Income Taxes, an Interpretation of FASB Statement No. 109*. FIN 48 provides guidance regarding the recognition, measurement, presentation and disclosure in the financial statements of tax positions taken or expected to be taken on a tax return, including positions that the organization is exempt from income taxes or not subject to income taxes on unrelated business income. The cumulative effect of changes arising from the initial application of FIN 48 is required to be reported as an adjustment to the opening balance of net assets in the period of adoption. In December 2008, the FASB provided for a deferral of the effective date of FIN 48 for certain nonpublic enterprises to annual financial statements for fiscal years beginning after December 15, 2008. FORL has elected this deferral and, accordingly, will be required to adopt FIN 48 in its December 31, 2009 annual financial statements. Prior to adopting FIN 48, FORL will continue to evaluate uncertain tax positions and related income tax contingencies under SFAS No. 5, *Accounting for Contingencies*. SFAS No. 5 requires annual accrual for losses that are considered probable and can be reasonably estimated, or disclosure for losses that are considered reasonably possible and/or cannot be reasonably estimated.

FORL is currently evaluating the impact, if any, of the adoption of these pronouncements on the financial statements.

FRIENDS OF RADNOR LAKE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2008 (AUDITED) AND 2007 (REVIEWED)

NOTE 2 - FURNITURE AND EQUIPMENT

Furniture and equipment consisted of the following as of December 31:

	<u>2008</u>	<u>2007</u>
Furniture and equipment	\$ 39,360	\$ 40,235
Less accumulated depreciation	<u>(33,643)</u>	<u>(30,181)</u>
Furniture and equipment - net	<u>\$ 5,717</u>	<u>\$ 10,054</u>

NOTE 3 - LAND

Land tracts acquired surround the Radnor Lake State Natural Area. FORL intends either to sell or donate the land to the State of Tennessee for future expansion of the Radnor Lake State Natural Area.

Land consisted of the following as of December 31:

	<u>2008</u>	<u>2007</u>
Lipscomb donated property	\$ -	\$ 4,500
Davis property	-	83,000
McCubbin property	-	167,000
Wesnofske property	-	190,696
Cheek property, and related costs	550,241	550,241
Campbell donated property	831,723	831,723
Yarbrough property, and related costs	710,547	-
Beck property, and related costs	<u>260,920</u>	<u>-</u>
Total	<u>\$ 2,353,431</u>	<u>\$ 1,827,160</u>

During 2008, FORL sold the Lipscomb, Davis, McCubbin and Wesnofske properties to the State for \$350,000. The \$95,196 excess of the carrying value of these properties over the sale proceeds is recognized in the accompanying Statement of Functional Expenses as a land grant to the State of Tennessee.

FRIENDS OF RADNOR LAKE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2008 (AUDITED) AND 2007 (REVIEWED)

NOTE 3 - LAND (CONTINUED)

In addition, in December 2008, FORL entered into an agreement with the Tennessee Heritage Conservation Trust Fund Board of Trustees (the "Fund"), under which FORL will receive \$500,000 in exchange for certain property to be identified prior to closing. FORL must submit required documents, specified in the agreement, to the Fund no later than October 1, 2009 in order to receive the funding.

Subsequent to year end, FORL entered into a "Residential Lease with Donation Option" agreement under which FORL will lease a certain parcel of land and the improvements for \$10 a year. The lessor has offered to donate the land and improvements to FORL, and FORL has agreed to accept the donation pending the results of FORL's inspection of the land and improvements and provided the title thereto reveals no material adverse conditions or circumstances. FORL has the option to accept the donation prior to February 6, 2010, which is the expiration of the lease term.

NOTE 4 - PROGRAM ACCOMPLISHMENTS

Total program accomplishments by FORL consist of program services and land acquisitions, as follows for the years ended December 31:

	<u>2008</u>	<u>2007</u>
Program Services:		
Costs related to land acquisition, grants and other contracts	\$ 40,025	\$ 4,983
Land grant to the State of Tennessee	95,196	-
Other services	56,801	61,480
Land acquisitions (including financed amount)	<u>971,467</u>	<u>-</u>
Total	<u>\$ 1,163,489</u>	<u>\$ 66,463</u>

NOTE 5 - NOTE PAYABLE

In connection with the purchase of the Yarbrough property during 2008 (see Note 3), FORL issued a note payable to the sellers in the amount of \$400,000. The note is non-interest bearing and requires four annual installments of \$100,000 each, beginning in 2009 and continuing through 2012. Imputed interest in the amount of \$5,750 is reported as contribution revenue and interest expense for the year ended December 31, 2008.

FRIENDS OF RADNOR LAKE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2008 (AUDITED) AND 2007 (REVIEWED)

NOTE 6 - TEMPORARILY RESTRICTED NET ASSETS

Changes in temporarily restricted net assets for the year ended December 31, 2008 were as follows:

	<u>2008</u>			
	<u>Beginning</u>	<u>Additions</u>	<u>Releases</u>	<u>Ending</u>
Contributions restricted for specific purposes:				
Other land acquisitions	\$ 5,844	\$ 11,529	\$ (17,373)	\$ -
Technology equipment and training	126	1,650	(1,343)	433
Junior ranger program	11,333	1,000	(6,077)	6,256
Environmental Education	-	229	(229)	-
REI Grant	-	8,425	(1,463)	6,962
Netherton Video	559	-	(559)	-
	<u>\$ 17,862</u>	<u>\$ 22,833</u>	<u>\$ (27,044)</u>	<u>\$ 13,651</u>

Changes in temporarily restricted net assets for the year ended December 31, 2007 were as follows:

	<u>2007</u>			
	<u>Beginning</u>	<u>Additions</u>	<u>Releases</u>	<u>Ending</u>
Contributions restricted for specific purposes:				
Other land acquisitions	\$ -	\$ 6,006	\$ (162)	\$ 5,844
Technology equipment and training	2,686	-	(2,560)	126
Junior ranger program	-	12,333	(1,000)	11,333
Reconstruction of deck on lake trail	1,000	-	(1,000)	-
Metro Council Grant	-	10,000	(10,000)	-
Netherton Video	559	-	-	559
	<u>\$ 4,245</u>	<u>\$ 28,339</u>	<u>\$ (14,722)</u>	<u>\$ 17,862</u>

FRIENDS OF RADNOR LAKE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2008 (AUDITED) AND 2007 (REVIEWED)

NOTE 7 - CONCENTRATION OF CREDIT RISK

During 2008, FORL received approximately 20% (23% in 2007) of its total revenues and support from the State of Tennessee for fees generated from the sale of FORL license plates.

FORL maintains cash and investment balances in bank deposit accounts with financial institutions whose accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to statutory limits. The Emergency Economic Stabilization Act of 2008 temporarily increased FDIC coverage from \$100,000 to \$250,000 per depositor, effective October 3, 2008 through December 31, 2009. On May 20, 2009, the Helping Families Save Their Homes Act extended the temporary increase in FDIC coverage through December 31, 2013. As of December 31, 2008 all depositor accounts of FORL were fully insured.

NOTE 8 - RELATED PARTY TRANSACTIONS

Donated services included in contribution income in 2008 include in-kind contributions by Board members as follows: \$600 for photography for the 2009 calendar and approximately \$33,000 for real estate services and attorney fees. Donated services included in contribution income in 2007 include in-kind contributions by Board members as follows: \$2,000 for design and graphics work for the 2008 calendar, \$7,423 for public relations, and \$4,680 for attorney fees. In addition, one Board member is employed by FORL's financial institution.