

JUBILEE USA NETWORK

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT**

FOR THE YEAR ENDED DECEMBER 31, 2010

**Conlon and Associates, LLC
Certified Public Accountant**

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CONLON AND ASSOCIATES, LLC
CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Jubilee USA Network
Washington, D.C.

We have audited the accompanying statement of financial position of Jubilee USA Network as of December 31, 2010 and the related statements of activities and cash flows for the year then ended. The financial statements are the responsibility of the Organization'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 Jubilee USA Network as of December 31, 2010 and the change in net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Conlon and Associates, LLC

Silver Spring, Maryland
July 7, 2011

JUBILEE USA NETWORK
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2010

ASSETS	
Current assets	
Cash	\$ 38,538
Contributions receivable	<u>3,095</u>
Total current assets	41,633
Non-current assets	
Lease deposit	<u>933</u>
Total non-current assets	933
TOTAL ASSETS	42,566
LIABILITIES AND NET ASSETS	
LIABILITIES	
Payables and accrued expenses	
Total liabilities	<u>14,768</u>
NET ASSETS	
Temporarily restricted	15,000
Unrestricted	<u>12,798</u>
Total net assets	27,798
TOTAL LIABILITIES AND NET ASSETS	\$ 42,566

The Notes to Financial Statements are an Integral Part of These Statements

JUBILEE USA NETWORK
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2010

REVENUES AND OTHER SUPPORT

	Unrestricted	Temporarily Restricted	Total
Foundations	\$ 134,344	\$ 15,000	\$ 149,344
Faith communities	59,870	-	59,870
Individuals	70,592	-	70,592
Network Council members	71,930	-	71,930
Jubilee Congregations	24,040	-	24,040
Honorarium	3,100	-	3,100
Interest	58	-	58
Total revenue	363,934	15,000	378,934
Net assets released from restrictions	368	(368)	-

TOTAL REVENUES AND OTHER SUPPORT

364,302 14,632 378,934

EXPENSES

Program	316,476	-	316,476
Management and general	58,607	-	58,607
Fundraising	15,628	-	15,628
TOTAL EXPENSES	390,711	-	390,711

CHANGE IN NET ASSETS

(26,409) 14,632 (11,777)

NET ASSETS AT BEGINNING OF YEAR

39,207 368 39,575

NET ASSETS AT END OF YEAR

\$ 12,798 \$ 15,000 \$ 27,798

JUBILEE USA NETWORK
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2010

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ (11,777)
Adjustments to reconcile increase in net assets to cash provided by operating activities:	
Decrease in contributions receivable	18,402
Increase in accounts payable	7,329
Total adjustments	<u>25,731</u>
Net cash provided by operating activities	13,954
NET INCREASE IN CASH	13,954
CASH AT BEGINNING OF YEAR	24,584
CASH AT END OF YEAR	<u>\$ 38,538</u>

The Notes to Financial Statements are an Integral Part of These Statements

JUBILEE USA NETWORK
Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Jubilee USA Network (Organization) received exemption from federal income taxes under section 501(a) of the Internal Revenue Code in May 2006. Prior to that time, it was a project authorized under the Center for New Creation, another tax-exempt organization. Jubilee USA Network is a section 501(c)(3) tax-exempt organization.

Significant accounting policies not disclosed elsewhere in the financial statements are as follows:

Fiscal Year

The Organization's fiscal year reporting period is the same as the calendar year.

Basis of Presentation

Financial statement presentation follows the recommendations of the FASB ASC 958-205 *Presentation of Financial Statements for Not-For-Profit Organizations*. Under FASB ASC 958-205, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Organization had temporarily restricted and unrestricted net assets at December 31, 2010.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect: (1) the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements; and (2) the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Organization is exempt from federal income taxes under section 501(a) of the Internal Revenue Code, as an organization described in section 501(c)(3).

The Organization's income tax informational returns are subject to review and examination by federal and state authorities. The Organization is not aware of any activities that would jeopardize its tax-exempt status. The Organization is not aware of activities that are subject to tax on unrelated business income or excise or other taxes.

JUBILEE USA NETWORK
Notes to Financial Statements

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,
CONTINUED**

Revenue Recognition:

All revenue is considered available for the Organization's general programs unless restricted by the donor. Support that is restricted by the donor is reported as an increase in temporarily restricted net assets, depending on the nature of the restriction and when restrictions are met.

Revenue received with temporarily restrictions that are met in the same reporting period is reported as unrestricted support, and increases unrestricted net assets. When a restriction expires (that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets in the Statement of Activities.

NOTE 2: TEMPORARILY RESTRICTED NET ASSETS

The amount of temporarily restricted net assets represents a donor-specified Foundation grant, which is available for use in 2011.

NOTE 3: RESTATEMENT

The Organization has restated its financial statements for the year ended December 31, 2009. There was a restatement of contributions receivable to recognize revenue in the year earned. The restatement is summarized as follows:

	Previously Reported	Adjustment	Restated
Assets			
Contributions receivable	\$ 21,497	\$ (4,001)	\$ 17,496
Net Assets			
Unrestricted	\$ 43,208	\$ (4,001)	\$ 39,207

NOTE 4: SUBSEQUENT EVENTS

In preparing these statements, the Organization has evaluated events and transactions for potential recognition or disclosure through July 7, 2011, the date the financial statements were available to be issued.