

JUBILEE USA NETWORK

**Financial Statements
And
Independent Auditor's Report**

For The Year Ended December 31, 2007

**Thomas Raymond Conlon
Certified Public Accountant**

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THOMAS RAYMOND CONLON
CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Jubilee USA Network
Washington, DC

I have audited the accompanying statement of financial position of the Jubilee USA Network as of December 31, 2007, and the related statements of activities, and cash flows for the year then ended. The financial statements are the responsibility of management. My responsibility is to express an opinion on the financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jubilee USA Network as of December 31, 2007, 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.

Thomas Raymond Conlon

Washington, D.C.
June 16, 2008

JUBILEE USA NETWORK
Statement of Financial Position
As of December 31, 2007

ASSETS

Cash	\$ 48,510
Prepaid Expenses	0
Lease deposits	933
Educational and informational material, net	4,180
Property and equipment, net	<u>3,234</u>

TOTAL ASSETS \$ 56,857

LIABILITIES

Deferred revenue \$ 0

TOTAL LIABILITIES \$ 0

NET ASSETS

Unrestricted \$ 56,857

Total net assets 56,857

TOTAL LIABILITIES AND NET ASSETS \$ 56,857

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

JUBILEE USA NETWORK
Statement of Activities and Change in Net Assets
Year Ended December 31, 2007

REVENUES, GAINS, AND OTHER SUPPORT	<u>Total</u>
Foundations	\$ 226,029
Faith communities	82,250
Individuals	114,304
Network Council members	81,632
Jubilee Congregations	14,603
Materials	893
Conference registration	7,046
Reimbursements	2,697
Interest	<u>419</u>
TOTAL REVENUES, GAINS, AND OTHER SUPPORT	529,873
EXPENSES	
Program	396,674
Management and general	45,395
Fundraising	29,728
Amortization	6,340
Depreciation	<u>1,913</u>
TOTAL EXPENSES	480,050
INCREASE IN NET ASSETS	49,823
NET ASSETS AT BEGINNING OF YEAR	
As previously reported	19,287
Adjustment	(12,253)
Balance at beginning of year, as restated	7,034
NET ASSETS AT END OF YEAR	<u>\$ 56,857</u>

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

JUBILEE USA NETWORK
Statement of Cash Flows
Year Ended December 31, 2007

CASH FLOWS FROM OPERATING ACTIVITIES

Increase in net assets	\$ 49,823
Adjustments to reconcile decrease in net assets to cash provided by operating activities:	
Amortization	6,340
Depreciation	1,913
(Increase) decrease in operating assets:	
Prepaid expenses	3,964
Increase (decrease) in operating liabilities:	
Deferred revenue	<u>(60,000)</u>
Net cash provided by operating activities	\$ 2,040
Adjustment to prior-period fund balance	(12,253)
NET DECREASE IN CASH AND CASH EQUIVALENTS	\$ (10,213)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	\$ 58,723
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 48,510</u>

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

JUBILEE USA NETWORK
Notes To Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization:

The Jubilee USA Network received exemption from federal income taxes under section 501(a) of the Internal Revenue Code, in May 2006. Prior, 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 are as follows:

Fiscal Year:

The fiscal year for the Organization coincides with the calendar year.

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 at the date of the financial statements; and (2) the reported amounts of revenues and expenses during the reporting period.

Basis of Accounting:

The financial statements have been prepared on the accrual basis of accounting, and in accordance with the Statement of Financial Accounting Standard (SFAS) No. 117.

According to these provisions, net assets, as well as revenue and expenses, are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the organization and changes therein are classified and reported as follows:

Unrestricted net assets: The balance represents net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets: Net assets subject to donor-imposed restrictions that may or will be met, either by actions of the Fund and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Grants received during the year with restrictions for use, which are expended during the year received, are considered unrestricted grants.

JUBILEE USA NETWORK
Notes To Financial Statements

Promises to Give:

Contributions and grants are recognized when the donor makes a promise to give to the organization that is, in substance, unconditional. Grants and donations are considered to be available for unrestricted use unless specifically restricted by the contributor.

Property and Equipment:

The organization's property and equipment, which consist of computers, telephones, and copier, are carried at cost. Depreciation is provided for the property and equipment, using the straight-line method over their useful lives.

Educational and Informational Material:

The cost of educational and informational material, such as educational packets, informational brochures and other items have been capitalized and then expensed over the estimated life of the assets.

Adjustment to Net Assets at Beginning of Year:

The beginning fund balance at January 1, 2007 was decreased by \$12,253, to record a net overstatement of fund balance at December 31, 2006.

2. Educational and Informational Material, Net

Item	Cost	Accumulated Amortization	Net
Tee Shirts	\$ 5,966	\$ 5,966	\$ 0
Brochures	13,010	13,010	0
Education Packets	2,507	2,507	0
Education Packets Graphics	6,385	6,385	0
Web Site / Logo	2,665	2,665	0
Handbooks	6,485	6,485	0
Website Update	3,750	2,500	1,250
Database Update	6,691	4,460	2,231
CDs – Break the Chains	2,097	1,398	699
Total	\$ 49,556	\$ 45,376	\$ 4,180

JUBILEE USA NETWORK
Notes To Financial Statements

3. Property and Equipment, Net

Item	Cost	Accumulated Depreciation	Net
Copier	\$ 4,500	\$ 4,500	\$ 0
Computers	5,232	2,490	2,742
Other Office Equipment	8,900	8,408	492
Total	\$ 18,632	\$ 15,398	\$ 3,234