

IGNATIAN LAY VOLUNTEER CORPORATION

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2008 AND 2007

IGNATIAN LAY VOLUNTEER CORPORATION

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1
Financial Statements	
Statements of Financial Position	2
Statements of Activities	3
Schedule of Expenses	4
Statements of Cash Flows	5
Notes to Financial Statements	6 - 9

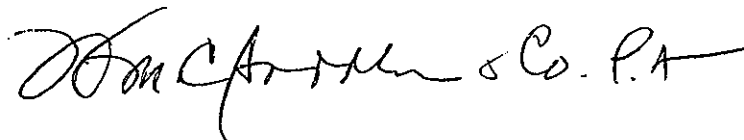
Independent Auditors' Report

To Board of Directors  
Ignatian Lay Volunteer Corporation

We have audited the accompanying statements of financial position of Ignatian Lay Volunteer Corporation (a nonprofit organization) as of June 30, 2008 and 2007, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of Ignatian Lay Volunteer Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 audits provide 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 Ignatian Lay Volunteer Corporation as of June 30, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



September 5, 2008

-1-

IGNATIAN LAY VOLUNTEER CORPORATION  
STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<b>ASSETS</b>		
Cash	\$ 141,733	\$ 47,129
Investments		40,637
Accounts receivable	8,575	6,245
Prepaid expense	4	12
Property and equipment	6,031	14,203
Trademark	<u>3,612</u>	<u>2,262</u>
Total Assets	<u>\$ 159,955</u>	<u>\$ 110,488</u>
 <b>LIABILITIES</b>		
Accounts payable and accrued expenses	<u>33,157</u>	<u>25,796</u>
Total Liabilities	<u>33,157</u>	<u>25,796</u>
 <b>NET ASSETS</b>		
Unrestricted	<u>126,798</u>	<u>84,692</u>
Total Net Assets	<u>126,798</u>	<u>84,692</u>
Total Liabilities and Net Assets	<u>\$ 159,955</u>	<u>\$ 110,488</u>

See Accompanying Notes and Auditors' Report

IGNATIAN LAY VOLUNTEER CORPORATION  
STATEMENTS OF ACTIVITIES  
YEARS ENDED JUNE 30, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
UNRESTRICTED NET ASSETS		
UNRESTRICTED SUPPORT AND REVENUE		
FUNDRAISING		
Jesuit Provinces	\$ 145,600	\$ 130,000
Foundations	164,376	107,750
Annual appeal	96,844	107,276
Major gifts	85,051	42,819
Events	80,121	53,373
Board gifts	39,324	28,826
Jesuit communities	15,250	10,400
Released from restrictions	<u>-</u>	<u>15,145</u>
TOTAL FUNDRAISING	<u>626,566</u>	<u>495,589</u>
OTHER		
Project administrative fee	180,772	146,794
Donated services, materials and facilities	4,648	8,966
Rent income	7,600	7,142
Investment income	(491)	9,485
Miscellaneous income	<u>500</u>	<u>851</u>
TOTAL OTHER	<u>193,029</u>	<u>173,238</u>
TOTAL UNRESTRICTED SUPPORT AND REVENUE	<u>819,595</u>	<u>668,827</u>
EXPENSES		
Program services	557,660	519,739
Management and general	126,340	126,587
Fundraising	<u>93,489</u>	<u>72,266</u>
TOTAL EXPENSES	<u>777,489</u>	<u>718,592</u>
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	42,106	(49,765)
TEMPORARILY RESTRICTED NET ASSETS		
Released from restrictions	<u>-</u>	<u>(15,145)</u>
INCREASE (DECREASE) IN NET ASSETS	42,106	(64,910)
NET ASSETS - Beginning of Year	<u>84,692</u>	<u>149,602</u>
NET ASSETS - End of Year	\$ <u>126,798</u>	\$ <u>84,692</u>

See Accompanying Notes and Auditors' Report

IGNATIAN LAY VOLUNTEER CORPORATION  
SCHEDULE OF EXPENSES  
YEARS ENDED JUNE 30, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
EXPENSES		
Salaries	\$ 515,461	\$ 477,071
Employee benefits and taxes	72,319	50,456
	<u>587,780</u>	<u>527,527</u>
Meetings and retreats	55,737	46,727
Occupancy expenses	33,555	18,500
Office supplies , books, and equipment	15,480	17,011
Printing and promotion	11,074	27,786
Travel	17,468	16,864
Research	-	10,279
Depreciation and amortization	11,778	11,218
Telephone	10,472	8,748
Professional fees	19,621	15,673
Postage	6,513	7,409
Miscellaneous	5,552	8,053
Insurance	<u>2,459</u>	<u>2,797</u>
 TOTAL EXPENSES	 \$ <u>777,489</u>	 \$ <u>718,592</u>

See Accompanying Notes and Auditors' Report

IGNATIAN LAY VOLUNTEER CORPORATION  
 STATEMENTS OF CASH FLOWS  
 JUNE 30, 2008 AND 2007

	2008	2007
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets	\$ 42,106	\$ (64,910)
Adjustments to reconcile change in net assets to to net cash provided by operating activities		
Depreciation and amortization	11,778	11,218
Unrealized (gain) loss on investments	2,138	(6,032)
Non-cash contribution for acquisition of trademark	(1,350)	(1,662)
(Increase) in receivables	(2,330)	6,495
(Increase) decrease in prepaid expense	8	472
Increase in accounts payable and accrued expenses	7,361	392
Net Cash Provided by (Used in) Operating Activities	59,711	(54,027)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	-	(1,283)
Withdrawal from investments	38,499	20,000
Purchase of property and equipment	(3,606)	(6,511)
(Increase) decrease in deposit	-	2,750
Net Cash Provided by Investing Activities	34,893	14,956
<b>NET INCREASE (DECREASE) IN CASH</b>	94,604	(39,071)
CASH - Beginning of Year	47,129	86,200
CASH - End of Year	\$ 141,733	\$ 47,129
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION</b>		
Cash paid during the year for interest	\$ -	\$ -

IGNATIAN LAY VOLUNTEER CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2008 and 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities - Ignatian Lay Volunteer Corporation (d/b/a Ignatian Volunteer Corporation) is a religious nonprofit Maryland corporation whose purpose is to organize men and women who are retired or near retirement age who have professional skills and life experience to serve in programs that serve the poor. The Organization is under the jurisdiction of the Maryland Province of the Society of Jesus (Maryland Province). A member of the Provincial staff serves as an ex officio director of the Organization and has sole authority to appoint or remove directors.

Financial Statement Presentation - The Organization reports 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. Currently, there are no temporarily restricted or permanently restricted net assets.

Estimates - Management uses estimates and assumptions in preparing financial statements. Actual results could vary from the estimates that were assumed in preparing the financial statements.

Cash and cash Equivalents - The Organization considers all short-term investments with an original maturity of three months or less to be cash equivalents.

Investments - Investments consist of stock and bond accounts invested with the accounts of the Maryland Province and are carried at fair value.

Accounts Receivable - Accounts receivable consists of uncollected project administrative fees. No allowance for uncollectible accounts is provided as management believes all open receivables at year-end to be collectible.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -  
(continued)

Property and Equipment - Property and equipment acquisitions are recorded at cost. It is the Organization's policy to capitalize expenditures for these items in excess of \$1,000. Included in property and equipment is the cost to develop the Organization's website. Depreciation and amortization is provided by the straight-line method over estimated lives of 3 to 5 years.

Contributions - Contributions received or pledged are recognized as revenues in the period received or promised. Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as unrestricted.

Tax Status - The Organization is a nonprofit organization as described in Section 501 (c)(3) of the Internal Revenue code and is exempt from federal and state income taxes.

Donated Services, Materials and Facilities - Contributed services are reported in the financial statements for voluntary donations of services when those services (1) create or enhance non-financial assets or (2) require specialized skills provided by individuals possessing those skills and are services which would be typically purchased if not provided by donation.

Donated materials are recorded at their fair value at the date of the gift.

NOTE 2 - INVESTMENTS

Investments at June 30, 2007 consist of the following unrestricted funds:

	<u>2007</u> <u>Fair Value</u>
Stock accounts	\$ 23,796
Bond accounts	<u>16,841</u>
Total Investments	\$ <u>40,637</u>

NOTE 2 - INVESTMENTS (continued)

Approximate cost of investments was \$34,500.

Investment income for the years ended June 30, 2008 and 2007 was as follows:

	<u>2008</u>	<u>2007</u>
Unrealized gain (loss) on investments	\$(3,054)	\$6,032
Interest and dividend income	<u>2,563</u>	<u>3,453</u>
Total Unrestricted Investment Income	\$( <u>491</u> )	<u>\$9,485</u>

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2008 and 2007 consist of the following:

	<u>2008</u>	<u>2007</u>
Computer equipment	\$ 14,643	\$ 11,037
Website development costs	<u>24,800</u>	<u>24,800</u>
Subtotal	39,443	35,837
Accumulated depreciation and amortization	<u>(33,412)</u>	<u>(21,634)</u>
Property and Equipment, Net	\$ <u>6,031</u>	\$ <u>14,203</u>

NOTE 4 - FUNDRAISING EVENTS

Fundraising events are recorded net of their related expenses. For the years ending June 30, 2008 and 2007, gross receipts for Events were \$112,200 and \$72,205. Related expenses for each of the years were \$32,099 and \$18,832, respectively.

NOTE 5 - OCCUPANCY EXPENSE

The Organization leases office space for its headquarters and Baltimore regional office under a month-to-month agreement. In addition, the Organization occupies eight regional offices throughout the United States under similar arrangements. Although some of their space is provided without cost, the value of the donated facilities has not been determined.

NOTE 6 - RETIREMENT PLAN

The Organization provides the opportunity for employees to participate in a 403(b) thrift pension plan. It does not match employees' contributions.