Christian Foundation for Children and Aging

Financial Statements as of and for the
Years Ended December 31, 2011 and 2010,
and Independent Auditors' Report

CHRISTIAN FOUNDATION FOR CHILDREN AND AGING

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Christian Foundation for Children and Aging
Kansas City, Kansas

We have audited the accompanying statements of financial position of the Christian Foundation for Children and Aging (the "Foundation") as of December 31, 2011 and 2010, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Foundation'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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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, such financial statements present fairly, in all material respects, the financial position of the Foundation as of December 31, 2011 and 2010, 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.

Deloitte & Touche LLP

May 9, 2012

CHRISTIAN FOUNDATION FOR CHILDREN AND AGING

STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2011 AND 2010

	2011	2010
ASSETS		
CASH AND CASH EQUIVALENTS	$ 11,237,350	$ 11,888,979
INVESTMENTS	22,923,991	20,893,680
RECEIVABLES	142,604	101,879
OTHER ASSETS	838,824	574,863
PROPERTY AND EQUIPMENT — Net	4,741,525	5,108,883
TOTAL	$ 39,884,294	$ 38,568,284
LIABILITIES AND NET ASSETS		
ACCOUNTS PAYABLE AND ACCRUED EXPENSES	$ 1,314,707	$ 1,014,033
ANNUITY OBLIGATION	417,916	199,681
Total liabilities	1,732,623	1,213,714
COMMITMENTS		
NET ASSETS:		
Unrestricted:		
Board designated — operating reserve	2,015,918	2,349,434
Board designated — planned giving	100,000	100,000
Board designated — headquarters building additions	350,000	300,000
Board designated — future capital equipment	200,000	200,000
Board designated — CASA and other software upgrades	350,000	300,000
Board designated — program	4,543,232	3,617,525
Undesignated (not currently available for expenditure due to amounts invested in property and equipment — net)	4,741,525	5,108,883
Total unrestricted net assets	12,300,675	11,975,842
Temporarily restricted net assets	25,850,996	25,378,728
Total net assets	38,151,671	37,354,570
TOTAL	$ 39,884,294	$ 38,568,284

See notes to financial statements.

CHRISTIAN FOUNDATION FOR CHILDREN AND AGING

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2011

	Unrestricted	Temporarily Restricted	Total
PUBLIC SUPPORT AND REVENUE:			
Public support:			
Sponsorships	$ 74,921,331	$ 23,841,522	$ 98,762,853
Contributions	2,928,131	7,396,507	10,324,638
Total public support	77,849,462	31,238,029	109,087,491
Other revenue	1,258,539	8,938	1,267,477
Unrealized loss on investments	(206,173)	(2,240)	(208,413)
Net assets released from restrictions:			
Satisfaction of program restrictions	7,384,905	(7,384,905)	-
Expiration of time restrictions	23,387,554	(23,387,554)	-
Total net assets released from restrictions	30,772,459	(30,772,459)	-
Total public support and revenue	109,674,287	472,268	110,146,555
EXPENSES:			
Program expenses	102,435,279	-	102,435,279
Supporting services:			
Fund raising	3,538,075		3,538,075
General and administrative	3,376,100	-	3,376,100
Total supporting services	6,914,175	-	6,914,175
Total expenses	109,349,454	-	109,349,454
CHANGE IN NET ASSETS	324,833	472,268	797,101
NET ASSETS — Beginning of year	11,975,842	25,378,728	37,354,570
NET ASSETS — End of year	$ 12,300,675	$ 25,850,996	$ 38,151,671

See notes to financial statements.

CHRISTIAN FOUNDATION FOR CHILDREN AND AGING

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010

	Unrestricted	Temporarily Restricted	Total
PUBLIC SUPPORT AND REVENUE:			
Public support:			
Sponsorships	$ 73,505,382	$ 23,387,554	$ 96,892,936
Contributions	3,282,531	7,452,873	10,735,404
Total public support	76,787,913	30,840,427	107,628,340
Other revenue	1,085,202	8,279	1,093,481
Unrealized gain on investments	638,114	4,103	642,217
Net assets released from restrictions:			
Satisfaction of program restrictions	7,258,857	(7,258,857)	-
Expiration of time restrictions	23,111,162	(23,111,162)	-
Total net assets released from restrictions	30,370,019	(30,370,019)	-
Total public support and revenue	108,881,248	482,790	109,364,038
EXPENSES:			
Program expenses	101,095,476	-	101,095,476
Supporting services:			
Fund raising	2,925,380	-	2,925,380
General and administrative	3,205,834	-	3,205,834
Total supporting services	6,131,214	-	6,131,214
Total expenses	107,226,690	-	107,226,690
CHANGE IN NET ASSETS	1,654,558	482,790	2,137,348
NET ASSETS — Beginning of year	10,321,284	24,895,938	35,217,222
NET ASSETS — End of year	$ 11,975,842	$ 25,378,728	$ 37,354,570

See notes to financial statements.

CHRISTIAN FOUNDATION FOR CHILDREN AND AGING

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2011

		Supporting Services			
	Program Services	Fund Raising	General and Administrative	Total Supporting Services	Total
Child, aging, and local outreach support	$ 94,977,446	$ -	$ -	$ -	$ 94,977,446
Staff salaries and benefits	5,005,111	1,434,189	1,318,495	2,752,684	7,757,795
Advertising	1,640	244,484	6,043	250,527	252,167
Postage	636,529	224,398	577,628	802,026	1,438,555
Travel	176,265	247,699	1,636	249,335	425,600
Mission appeals stipends	-	535,314	-	535,314	535,314
Mission awareness and education	640,908	11,661	-	11,661	652,569
Printing and duplicating	195,602	339,242	224,700	563,942	759,544
Grants to parish missions	-	900	-	900	900
Bank service fees	804	323	932,131	932,454	933,258
Professional services	19,839	236,442	79,514	315,956	335,795
Supplies	76,130	23,999	18,301	42,300	118,430
Telephone	46,923	16,803	8,260	25,063	71,986
Insurance	75,102	25,402	13,983	39,385	114,487
Utilities	53,831	13,866	17,183	31,049	84,880
Facility maintenance	62,545	13,139	16,690	29,829	92,374
Equipment maintenance and purchases	83,571	21,197	18,466	39,663	123,234
Seminars, conferences, and educational materials	14,778	20,653	5,236	25,889	40,667
Field audits	27,665	-	-	-	27,665
Photographic materials	18,959	2,108	24	2,132	21,091
Rent	1,456	15,115	375	15,490	16,946
Publications	1,463	2,782	7,102	9,884	11,347
Miscellaneous	17,105	14,892	63,773	78,665	95,770
Total before depreciation	102,133,672	3,444,608	3,309,540	6,754,148	108,887,820
Depreciation	301,607	93,467	66,560	160,027	461,634
Total	$ 102,435,279	$ 3,538,075	$ 3,376,100	$ 6,914,175	$ 109,349,454

See notes to financial statements.

CHRISTIAN FOUNDATION FOR CHILDREN AND AGING

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2010

		Supporting Services			
	Program Services	Fund Raising	General and Administrative	Total Supporting Services	Total
Child, aging, and local outreach support	$ 93,418,942	$ -	$ -	$ -	$ 93,418,942
Staff salaries and benefits	4,793,356	1,313,375	1,267,710	2,581,085	7,374,441
Advertising	2,966	175,731	6,430	182,161	185,127
Postage	774,308	123,224	599,480	722,704	1,497,012
Travel	130,129	254,295	3,407	257,702	387,831
Mission appeals stipends	-	553,980	-	553,980	553,980
Mission awareness and education	924,068	981	124	1,105	925,173
Printing and duplicating	270,790	158,331	202,869	361,200	631,990
Grants to parish missions	-	1,050	-	1,050	1,050
Bank service fees	665	280	832,169	832,449	833,114
Professional services	38,277	110,254	77,193	187,447	225,724
Supplies	73,782	22,619	23,532	46,151	119,933
Telephone	46,076	17,397	9,036	26,433	72,509
Insurance	82,438	18,742	20,020	38,762	121,200
Utilities	51,116	13,166	13,166	26,332	77,448
Facility maintenance	61,898	13,008	12,907	25,915	87,813
Equipment maintenance and purchases	61,755	16,793	14,255	31,048	92,803
Seminars, conferences, and educational materials	11,436	27,303	3,674	30,977	42,413
Field audits	22,198	-	-	-	22,198
Photographic materials	17,442	1,944	-	1,944	19,386
Rent	2,853	15,191	352	15,543	18,396
Publications	1,229	1,647	2,962	4,609	5,838
Miscellaneous	14,582	10,485	50,864	61,349	75,931
Total before depreciation	100,800,306	2,849,796	3,140,150	5,989,946	106,790,252
Depreciation	295,170	75,584	65,684	141,268	436,438
Total	$ 101,095,476	$ 2,925,380	$ 3,205,834	$ 6,131,214	$ 107,226,690

See notes to financial statements.

CHRISTIAN FOUNDATION FOR CHILDREN AND AGING

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 797,101	$ 2,137,348
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized/realized (gains) losses on investments	(3,464)	(894,215)
Net realized (gains) losses on disposition of investments	(74,959)	34,406
Depreciation	461,634	436,438
Changes in operating assets and liabilities:		
Receivables	(40,725)	35,863
Other assets	(49,616)	(71,801)
Liabilities	300,675	(96,735)
Net cash provided by operating activities	1,390,646	1,581,304
CASH FLOWS FROM INVESTING ACTIVITIES:		
Property and equipment additions	(94,276)	(224,045)
Proceeds from maturities and sales of investments	10,366,265	7,890,582
Purchase of reinsurance agreement	(227,763)	(188,051)
Maturity of reinsurance agreements	26,292	-
Purchases of investments	(12,318,154)	(10,546,402)
Net cash used in investing activities	(2,247,636)	(3,067,916)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Investment subject to annuity agreements	231,653	199,681
Payment of annuity obligation	(26,292)	-
Net cash provided by financing activities	205,361	199,681
NET DECREASE IN CASH AND CASH EQUIVALENTS	(651,629)	(1,286,931)
CASH AND CASH EQUIVALENTS — Beginning of year	11,888,979	13,175,910
CASH AND CASH EQUIVALENTS — End of year	$ 11,237,350	$ 11,888,979

See notes to financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Business — The Christian Foundation for Children and Aging (the "Foundation" or CFCA) was organized on November 20, 1981, under the general not-for-profit laws of the state of Missouri and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Foundation has evaluated and determined there are no uncertain tax positions that would need to be analyzed for any of the periods presented.

CFCA's objectives are to provide personal attention and direct benefits to children, their families and the aging living in poverty in developing countries, and to give people in the United States a way to encourage and support them on their path to self-sufficiency and achieving their potential. The CFCA Hope for a Family sponsorship program helps with basic needs such as education, food, medical care and clothing, CFCA also works with families to create long-term solutions through skills training, livelihood initiatives and self-help groups.

Cash and Cash Equivalents — Cash and cash equivalents include cash on hand, amounts due from banks, and highly liquid investments with original maturities of 90 days or less.

Investments — Investments include U.S. Treasury and Agency securities, investment-grade corporate bonds, mutual funds, annuities, life insurance contracts, and common stock. Investments, other than annuities and life insurance contracts, are carried at fair value based on quoted market prices for those or similar securities, with unrealized and realized gains and losses recorded in the statements of activities. Annuities are carried at contract value, plus accrued interest. Life insurance contracts are recorded at the cash surrender value of the policy. Market fluctuations and volatility may adversely affect the value of the investments. There is one financial institution that holds 78% of the Foundation's investments. The Foundation has the discretion and ability at any time to sell any of their investments for market value.

Concentrations of Credit Risk — The Foundation maintains its cash accounts with multiple financial institutions. The cash balances are insured by the Federal Deposit Insurance Corporation (FDIC) who provides unlimited FDIC insurance to all funds in non-interest bearing accounts at U.S. insured institutions. CFCA's cash balances were held in non-interest bearing accounts at U.S. insured institutions at December 31, 2011 and 2010.

Property and Equipment — Property and equipment is stated at cost and is depreciated using the straight-line method over estimated lives of forty years for the buildings and three to fifteen years for furniture, equipment and software.

The Foundation capitalizes costs associated with software development when the preliminary application stage is completed. Capitalization of such costs ceases no later than the point at which the application is substantially complete and ready for its intended purposes. Research and other preliminary costs related to software development, as well as computer software maintenance costs, are expensed as incurred.

Using its best estimates based on reasonable and supportable assumptions and projections, the Foundation reviews long-lived assets to be held and used for impairment whenever events or changes in

circumstances indicate that the carrying amount of its assets might not be recoverable, and has concluded no financial statement adjustment is required as of December 31, 2011 and 2010.

Donated Services — No amounts have been reflected in the financial statements for donated services. However, time and resources have been contributed by volunteers in furtherance of the Foundation's objectives, where the volunteers were not experts in the field they were providing services. Management estimates the value of the 21,350 hours of services donated in 2011 at $297,954 and the 22,421 hours of services donated in 2010 at $287,783. Donated services represent the estimated worth based on the nature of the service and comparable market data for like-kind services.

Contributions — Amounts received for sponsorship are recognized as revenue when received. The Foundation reports sponsorships and donations as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or its purpose is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. The Foundation reports monthly recurring sponsorship gifts as unrestricted support if the objective was met in the same annual reporting period the gift was made.

The Foundation reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Without explicit donor stipulations about how long those long-lived assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Unrestricted Net Assets — Unrestricted net assets represent sponsorship and support services associated with funding the Foundation's operating needs and for which all donor-imposed restrictions, if any, have been satisfied. Additionally, certain unrestricted net assets have been designated by the Board of Directors for specific purposes and are included in the statements of financial position as Board designated unrestricted net assets.

Temporarily Restricted Net Assets — Temporarily restricted net assets represent sponsorship payments and other contributions which are restricted due to donor imposed time restrictions or donor imposed special purpose restrictions such as support for birthday celebrations, Christmas celebrations or urgent needs. Sponsorship is provided to children, their families and the aging living in poverty in developing countries on a recurring monthly basis; however, some donors elect to pay on a yearly or other basis. For those contributions received where the benefit has not been provided to the children or their families, the Foundation includes those contributions as temporarily restricted net assets until such time that the benefits are provided for donor imposed time or special purpose restrictions. Such restrictions generally expire or are otherwise satisfied within the twelve months following receipt. The Foundation had temporarily restricted net assets of $25,850,996 and $25,378,728 as of December 31, 2011 and 2010, respectively. There were $23,387,554 and $23,111,162 in sponsorship contributions that were released from restrictions due to the lapse in time for years ended December 31, 2011 and 2010, respectively.

Cost Allocations — The Foundation allocates certain fundraising costs based on the criteria of purpose, audience, and content. If any of the criteria are not met, all costs of the activity are reported as fund raising costs.

Foreign Affiliations — The Foundation has expended monies in prior years to assist in the startup of a similar organization in Spain. Such amounts were expensed when incurred. Contributions are received

from DFCNA (formerly CFCA-Spain). Such contributions are disbursed by the Foundation as child and aging support. Because the Foundation does not exercise any control over DFCNA, the operations of this entity are not consolidated in these financial statements.

Annuity Obligations — Annuity obligations consist of contributed amounts subject to obligations to make fixed periodic payments to beneficiaries over their lifetimes or a specified length of time. The annuity liability is recorded at the actuarial present value of the aggregate liability determined by the applicable federal rate and life expectancy tables. To reduce the risk that the payments to the beneficiaries will not exceed the amount originally contributed, CFCA purchases annuities to cover the beneficiary payments over the life of the beneficiaries. The annuity investments are included within other assets in the statements of financial position. CFCA evaluates the fair market value of the annuity assets and liabilities on an annual basis.

Management Estimates — 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 as of 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.

2. INVESTMENTS

Investments as of December 31, 2011 and 2010, consist of the following:

	2011	2010
Investments carried at fair value:		
U.S. treasury and agency securities	$8,841,720	$7,223,996
Corporate bonds	2,579,508	1,921,450
Corporate bonds — U.S. government guaranteed	502,160	1,320,687
Common stock	5,819,749	4,314,452
Growth and income mutual funds	185,308	205,775
Total investments carried at fair value	17,928,445	14,986,360
Annuities carried at contract value	4,907,085	5,826,929
Life insurance carried at cash surrender value	88,461	80,391
Total	$22,923,991	$20,893,680

Included in other revenue is interest and dividend income and realized gains (losses) on investments. Total yield on investments is as follows:

	2011	2010
Interest and dividend income	$ 587,777	$ 455,574
Realized gains (losses)	74,959	(34,406)
Unrealized gains (losses)	(208,413)	642,217
Yield on investments carried at fair value	454,323	1,063,385
Yield on investments carried at contract value	211,877	251,998
Total yield on investments	$ 666,200	$ 1,315,383

The Foundation has valued certain assets at fair value on a recurring basis. Fair values determined by Level 1 inputs utilize quoted prices in active markets for identical assets and liabilities that the Foundation has the ability to access. Fair values determined by Level 2 inputs utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. Level 3 inputs are unobservable inputs for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability. In certain cases, the inputs used to measure fair value may fall into different levels of the hierarchy. In such cases, the fair value is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

As of December 31, 2011 and 2010, the Foundation's fair value measurements were determined using the inputs on a recurring basis as follows:

2011	Quoted Prices from Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Cash and cash equivalents	$ 11,237,350	$ -	$ -
Common stock	5,819,749	-	-
Corporate bonds	2,579,508	-	-
Corporate bonds — U.S. government guaranteed	502,160	-	-
U.S. treasury and agency securities	-	8,841,720	
Growth and income mutual funds	185,308	-	-
Total	$ 20,324,075	$ 8,841,720	$ -

2010	Quoted Prices from Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Cash and cash equivalents	$ 11,888,979	$ -	$ -
Common stock	4,314,452	-	-
Corporate bonds	1,921,450	-	-
Corporate bonds — U.S. government guaranteed	1,320,687	-	-
U.S. treasury and agency securities	-	7,223,996	-
Growth and income mutual funds	205,775	-	-
Total	$ 19,651,343	$ 7,223,996	$ -

As of December 31, 2011 and 2010, the Company has annuity obligations and investment totaling $417,916 and $199,681, respectively. Due to the lack of observable market information, the Company uses Level 3 inputs such as the applicable federal rate, life expectancy tables, and expected future cash flows to value the obligation and asset at fair value on a recurring basis.

The following is a reconciliation of beginning and ending balances as of December 31, 2011 and 2010:

	Annuity Obligations	Annuity Investments
Fair value at January 1, 2010	$ -	$ -
Additions	199,681	199,681
Fair value at December 31, 2010	199,681	199,681
Additions	231,653	227,763
Annuity obligations paid	(26,292)	-
Maturity of investments	-	(26,292)
Fair market value adjustment	12,874	16,764
Fair value at December 31, 2011	$ 417,916	$ 417,916

3. PROPERTY AND EQUIPMENT

Property and equipment as of December 31, 2011 and 2010, consist of the following:

	2011	2010
Land	$ 243,128	$ 243,128
Buildings	4,133,389	4,106,095
CASA software	2,755,623	2,755,623
Furniture and equipment	1,403,925	1,341,598
Total property and equipment	8,536,065	8,446,444
Accumulated depreciation	(3,794,540)	(3,337,561)
Property and equipment — net	$ 4,741,525	$ 5,108,883

Depreciation expense was $461,634 and $436,438 for the years ended December 31, 2011 and 2010, respectively.

4. RETIREMENT PLAN

The Foundation's defined contribution plan (the "Plan") covers all eligible employees 18 years of age and older. Under the Plan, the Foundation contributes an amount equal to 6% of each participant's compensation. Participants are fully vested upon entry into the Plan. Total Plan expense was $356,254 and $344,329 for the years ended December 31, 2011 and 2010, respectively.

5. RELATED PARTIES

DFCNA sends sponsorship contributions to the Foundation for distribution to the various Foundation missions. These funds are included in sponsorship support. Total sponsorship contributions received from DFCNA amounted to $493,595 and $498,517 during the years ended December 31, 2011 and 2010, respectively.

6. RECENT ACCOUNTING PRONOUNCEMENTS

In May 2011, the FASB issued ASU 2011-04, Fair Value Measurement (Topic 820) – Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs. The amendments are intended to create consistency between U.S. GAAP and International Financial Reporting Standards on measuring fair value and disclosing information about fair value measurements. The amendments clarify the application of existing fair value measurement requirements including (i) the application of the highest and best use and valuation premise concepts, (ii) measuring the fair value of an instrument classified in a reporting entity's shareholders' equity, and (iii) quantitative information required for fair value measurements categorized within Level 3. In addition, the amendments require additional disclosure for Level 3 measurements regarding the sensitivity of fair value to changes in unobservable inputs and any interrelationships between those inputs. This update is effective for annual periods beginning after December 15, 2011 and should be applied prospectively. The Foundation does not expect the adoption of this guidance to materially impact its financial statements.

In January 2010, the FASB issued ASU 2010-06, Improving Disclosures about Fair Value Measurements, an amendment to ASC 820, which updates authoritative guidance related to fair value measurements requiring certain new disclosures including the following: 1) amounts transferred in and out of Level 1 and Level 2 fair value measurements and the reasons for those transfers, which is effective for interim and annual periods beginning after December 15, 2009; and 2) activities in Level 3 fair value measurements including purchases, sales, issuances and settlements, which is effective for annual periods beginning after December 15, 2010. The Foundation adopted the provision of this updated guidance on January 1, 2011 and the adoption of the standard did not have a material impact on its financial statement disclosures.

7. SUBSEQUENT EVENTS

Subsequent events have been evaluated through May 9, 2012, which is the date the financial statements were available to be issued.

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