

NAVAL HISTORICAL FOUNDATION

WASHINGTON, D.C.

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

FOR THE YEAR ENDED DECEMBER 31, 2009



Independent Auditors' Report

Board of Directors
Naval Historical Foundation
Washington, D.C.

We have audited the accompanying statement of financial position of Naval Historical Foundation as of December 31, 2009, and the related statements of activities, changes in net assets, and cash flows for the year 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 audit. The prior year summarized comparative information has been derived from the Foundation's 2008 financial statements and, in our report dated April 30, 2009, we expressed an unqualified opinion on those financial statements.

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 Naval Historical Foundation as of December 31, 2009, 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.

Councilor, Buchanan + Mitchell, P.C.

Bethesda, Maryland
April 21, 2010

Certified Public Accountants

Naval Historical Foundation

Statement of Financial Position

December 31, 2009

(With Comparative Totals as of December 31, 2008)

	<u>2009</u>	<u>2008</u>
Assets		
Current Assets		
Cash	\$ 860,125	\$ 908,085
Promises to Give	507,500	160,000
Accounts Receivable	177,065	16,509
Accrued Interest Receivable	6,083	7,538
Prepaid Expenses	<u>5,922</u>	<u>5,468</u>
Total Current Assets	<u>1,556,695</u>	<u>1,097,600</u>
Investments	<u>1,113,991</u>	<u>908,868</u>
Promises to Give	<u>786,904</u>	<u>570,880</u>
Property and Equipment		
Furniture, Fixtures, and Equipment	110,596	110,596
Less Accumulated Depreciation	<u>(94,484)</u>	<u>(87,302)</u>
Net Property and Equipment	<u>16,112</u>	<u>23,294</u>
Artifact Collection (Notes 2 and 10)	<u>-</u>	<u>-</u>
Total Assets	<u><u>\$ 3,473,702</u></u>	<u><u>\$ 2,600,642</u></u>
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 51,493	\$ 10,690
Deferred Revenue	<u>57,191</u>	<u>466,038</u>
Total Current Liabilities	<u>108,684</u>	<u>476,728</u>
Net Assets		
Unrestricted	1,430,555	1,130,105
Temporarily Restricted	<u>1,934,463</u>	<u>993,809</u>
Total Net Assets	<u>3,365,018</u>	<u>2,123,914</u>
Total Liabilities and Net Assets	<u><u>\$ 3,473,702</u></u>	<u><u>\$ 2,600,642</u></u>

See accompanying Notes to Financial Statements.

Naval Historical Foundation

**Statement of Activities
For the Year Ended December 31, 2009
(With Comparative Totals for the Year Ended December 31, 2008)**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total 2009</u>	<u>Total 2008</u>
Operating Revenues				
Net Sales				
Historical Services	\$ 88,365	\$ -	\$ 88,365	\$ 118,034
Operating Expenses	<u>72,119</u>	<u>-</u>	<u>72,119</u>	<u>88,347</u>
Total Net Sales	<u>16,246</u>	<u>-</u>	<u>16,246</u>	<u>29,687</u>
Support and Other Revenues				
Donations	112,181	1,441,172	1,553,353	1,157,727
Contract - Museum	1,536,446	-	1,536,446	884,442
Facility Rental	48,000	-	48,000	47,400
Membership Dues	44,031	-	44,031	32,369
Royalties - Navy Book/Calendar/Store	18,000	-	18,000	24,713
Other Revenues	1,757	-	1,757	984
Net Assets Released from Restrictions	<u>500,518</u>	<u>(500,518)</u>	<u>-</u>	<u>-</u>
Total Support and Other Revenues	<u>2,260,933</u>	<u>940,654</u>	<u>3,201,587</u>	<u>2,147,635</u>
Total Operating Revenues	<u>2,277,179</u>	<u>940,654</u>	<u>3,217,833</u>	<u>2,177,322</u>
Operating Expenses				
Program Expenses				
Naval Historical Foundation	196,473	-	196,473	296,943
Museum Support	1,686,992	-	1,686,992	869,865
Naval History and Heritage Command Support	<u>42,023</u>	<u>-</u>	<u>42,023</u>	<u>84,401</u>
Total Program Expenses	1,925,488	-	1,925,488	1,251,209
Office Administration and Management	96,653	-	96,653	102,161
Fund-Raising	<u>231,882</u>	<u>-</u>	<u>231,882</u>	<u>142,204</u>
Total Operating Expenses	<u>2,254,023</u>	<u>-</u>	<u>2,254,023</u>	<u>1,495,574</u>
Excess of Operating Revenues Over Operating Expenses	23,156	940,654	963,810	681,748
Investment Income				
Interest and Dividends	32,279	-	32,279	43,964
Net Investment Gain (Loss)	151,826	-	151,826	(210,078)
Other Revenue - Sales of Artifacts	<u>93,189</u>	<u>-</u>	<u>93,189</u>	<u>33,279</u>
Increase in Net Assets	<u>\$ 300,450</u>	<u>\$ 940,654</u>	<u>\$ 1,241,104</u>	<u>\$ 548,913</u>

See accompanying Notes to Financial Statements.

Naval Historical Foundation

**Statement of Changes in Net Assets
For the Year Ended December 31, 2009
(With Comparative Totals for the Year Ended December 31, 2008)**

	Unrestricted					
	Operating	Board Designated Artifact Collection Support	Total Unrestricted	Temporarily Restricted	Total 2009	Total 2008
Balance at Beginning of Year	\$ 1,083,013	\$ 47,092	\$ 1,130,105	\$ 993,809	\$ 2,123,914	\$ 1,575,001
Increase in Net Assets	<u>239,616</u>	<u>60,834</u>	<u>300,450</u>	<u>940,654</u>	<u>1,241,104</u>	<u>548,913</u>
Balance at End of Year	<u>\$ 1,322,629</u>	<u>\$ 107,926</u>	<u>\$ 1,430,555</u>	<u>\$ 1,934,463</u>	<u>\$ 3,365,018</u>	<u>\$ 2,123,914</u>

See accompanying Notes to Financial Statements.

Naval Historical Foundation

**Statement of Cash Flows
For the Year Ended December 31, 2009
(With Comparative Totals for the Year Ended December 31, 2008)**

	2009	2008
Cash Flows from Operating Activities		
Increase in Net Assets	\$ 1,241,104	\$ 548,913
Adjustments to Reconcile Increase in Net Assets to Net Cash (Used in) Provided by Operating Activities		
Stock Donation	(25,802)	-
Depreciation	7,181	10,565
Net Investment (Gain) Loss	(151,826)	210,078
<u>(Increase) Decrease in Assets</u>		
Promises to Give	(563,524)	(305,478)
Accounts Receivable	(160,556)	3,517
Accrued Interest Receivable	1,455	1,784
Prepaid Expenses	(454)	(180)
<u>Increase (Decrease) in Liabilities</u>		
Accounts Payable and Accrued Expenses	40,804	(2,084)
Deferred Revenue	(408,847)	385,667
	(20,465)	852,782
Net Cash (Used in) Provided by Operating Activities		
Cash Flows from Investing Activities		
Sales and Redemptions of Investments	32,040	6,571
Purchases of Investments	(59,535)	(63,362)
Purchases of Property and Equipment	-	(7,702)
	(27,495)	(64,493)
Net Cash Used in Investing Activities		
Net (Decrease) Increase in Cash	(47,960)	788,289
Cash at Beginning of Year	908,085	119,796
Cash at End of Year	\$ 860,125	\$ 908,085

See accompanying Notes to Financial Statements.

Naval Historical Foundation

Notes to Financial Statements

December 31, 2009

1. ORGANIZATION

Naval Historical Foundation (the "Foundation") was incorporated as a nonprofit organization in the District of Columbia on March 13, 1926.

The Foundation is organized for educational and literary purposes, to acquire and preserve artifacts and memorabilia pertaining to the history and traditions of the United States Navy, and to diffuse knowledge respecting such history and traditions. The Foundation operates a store in the National Museum of the United States Navy and an historic photograph and document reproduction service as part of a support agreement with the Naval Historical Center in the Washington, D.C., Navy Yard. Besides offering a nationwide oral history program and a naval speakers service, the Foundation co-sponsors naval history conferences and symposia with other naval heritage organizations, and provides important financial support for the United States Navy's history programs and National Museum of the United States Navy.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of 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 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.

Promises to Give

Promises to give that are scheduled to be received after the end of the reporting period are shown as increases in temporarily restricted net assets and reclassified to unrestricted net assets when the purpose or time restriction is met. Promises to give subject to donor-imposed stipulations that the corpus be maintained permanently are recognized as increases in permanently restricted net assets. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions to be received after one year are discounted at the risk-adjusted rate applicable to the years in which the promises are to be received. Amortization of any discount is recorded as contribution support. Management believes all promises to give are collectible at December 31, 2009.

Naval Historical Foundation

**Notes to Financial Statements
December 31, 2009**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts, if any. The Foundation provides for losses on accounts receivable using the allowance method. The allowance is based on experience and other circumstances, which may affect the ability of customers to meet their obligations. Receivables are considered impaired if full payments are not received in accordance with the contractual terms. It is the Foundation's policy to charge off uncollectible accounts receivable when management determines the receivables will not be collected. The Foundation's management believes that accounts receivable are fully collectible at December 31, 2009.

Investments

Investments in securities are reported at fair value and, accordingly, gains or losses resulting from market fluctuations are recognized in the statement of activities in the period in which they occur.

Property and Equipment

Property and equipment additions in excess of \$1,000 are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from five to seven years. Depreciation expense for 2009 was \$7,181.

Artifact Collection

The Foundation does not capitalize its historical collection. The historical collection consists of documents and artifacts of historical significance that are held for educational, research, and curatorial purposes. Each of the items is cataloged, preserved, and cared for, and activities verifying their existence and assessing their condition are performed continuously. Proceeds from deaccessions are reflected as increases in unrestricted net assets.

United States Navy Contract Revenue and Cost Recognition and Deferred Revenue

The Foundation recognizes revenue from its fixed-price contract with the United States Navy on the percentage-of-completion method, measured by the percentage of cost incurred to date to estimated total cost for the contract. That method is used because management considers total cost to be the best available measure of progress on the contract. Because of inherent uncertainties in estimating costs, it is at least reasonably possible that the estimates used will change within the near term.

Naval Historical Foundation

Notes to Financial Statements

December 31, 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**United States Navy Contract Revenue and Cost Recognition and Deferred Revenue
(Continued)**

The contract cost includes all direct Foundation personnel and other costs and contractors' fees. Billings to the United States Navy in excess of revenue recognized are reported as deferred revenue on the statement of financial position.

Net Assets

To ensure observance of limitations and restrictions placed on the use of resources available to the Foundation, its accounts are maintained by classes of net assets. Consequently, resources are classified for accounting and reporting purposes into three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets.

Donated Facilities

The Foundation occupies premises, without charge, located in a government-owned building. There is no clearly measurable or objective basis for determining the estimated fair rental value of the government-owned premises. Accordingly, no value has been reflected in the statement of activities.

Income Taxes

The Foundation is generally exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. However, the Foundation is subject to federal and state income taxes to the extent that it generates unrelated business income. The Foundation had no unrelated business income for the year ended December 31, 2009.

Comparative Information

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended December 31, 2008, from which the summarized information was derived.

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified to conform with the presentation in the current-year financial statements.

Naval Historical Foundation

Notes to Financial Statements

December 31, 2009

3. PROMISES TO GIVE

Promises to give are due to be collected as follows:

For the Years Ending December 31,

2010	\$	507,500
2011		407,500
2012		407,500
2013		<u>105,000</u>
		1,427,500
Discounted at 5%		<u>(133,096)</u>
Present Value of Promises to Give	\$	<u>1,294,404</u>

4. INVESTMENTS AND FAIR VALUE MEASUREMENTS

As of December 31, 2009, the Foundation's only assets or liabilities measured at fair value on a recurring basis consisted of the following:

	<u>Fair Value</u>	Level 1 <u>Inputs</u>
Money Market Fund	\$ 40,519	\$ 40,519
U.S. Government Obligations	160,737	160,737
Corporate Obligations	183,892	183,892
Equities	230,875	230,875
Mutual Funds - Equities	362,351	362,351
Mutual Funds - Fixed Income	<u>135,617</u>	<u>135,617</u>
	<u>\$ 1,113,991</u>	<u>\$ 1,113,991</u>

Financial assets valued using Level 1 inputs are based on unadjusted quoted market prices within active markets.

Financial assets valued using Level 2 inputs, if any, are based primarily on quoted prices for similar assets in active or inactive markets.

Naval Historical Foundation

Notes to Financial Statements

December 31, 2009

4. INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

Financial assets valued using Level 3 inputs, if any, are based on unobservable inputs to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. The fair value measurement objective is to determine an exit price from the perspective of a market participant that holds the asset or owes the liability. Therefore, unobservable inputs reflect the Foundation's judgment about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk). Unobservable inputs are developed based on the best information available in the circumstances, which might include the Foundation's own data.

None of the Foundation's financial assets are valued using Level 2 or Level 3 inputs.

Investment return consisted of the following:

Interest and Dividends	\$ 32,279
Net Realized and Unrealized Gain on Investments	<u>151,826</u>
Total Investment Return	<u>\$ 184,105</u>

5. TEMPORARILY RESTRICTED NET ASSETS

At December 31, 2009, the Foundation had temporarily restricted net assets for the following project:

Cold War Gallery Project	<u>\$ 1,934,463</u>
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During 2009, temporarily restricted net assets were released from restrictions for the following projects based on satisfaction of the purpose restrictions:

Oral History Project	\$ 10,705
Cold War Gallery Project	<u>489,813</u>
Total	<u>\$ 500,518</u>

6. RETIREMENT PLAN

The Foundation has a 403(b) plan for all eligible employees who meet length of service requirements. The Foundation matches up to 5% of compensation deferred by employees. The retirement plan cost for the year ended December 31, 2009, was \$14,584.

Naval Historical Foundation

Notes to Financial Statements

December 31, 2009

7. UNITED STATES NAVY CONTRACT

In September 2007, the Foundation entered into a fixed-price contract that covers the acquisition, installation, and maintenance of exhibits in the National Museum of the United States Navy. The award amount for these services is \$3 million.

Costs for the year ended December 31, 2009, on this project that have been included as part of the Museum Support program expenses are as follows:

Contractors	<u>\$ 1,399,823</u>
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8. NATIONAL MUSEUM OF THE UNITED STATES NAVY EVENTS

During 2007, the Foundation was granted a license by the United States Navy to generate revenue in support of the National Museum of the United States Navy through the rental of facilities to the public, commercial and non-profit entities, state and local governments, and other federal agencies. This facilities rental program permits the Foundation to offer individuals and organizations the opportunity to hold events in a setting where the history and heritage of the United States Navy can be experienced and appreciated. This program supports the Foundation's mission of promoting increased support for the United States Navy's historical programs in general and its museums in particular. Proceeds from these events will be made available to the National Museum of the United States Navy through current gift acceptance policies of the United States Department of the Navy.

9. OPERATING LEASE

The Foundation leases a copier under a lease that expires in 2013. Rental expense for the year ended December 31, 2009, was \$5,664.

Minimum future lease payments under the lease are as follows:

For the Years Ending December 31,

2010	\$ 5,664
2011	5,664
2012	5,664
2013	<u>1,416</u>
Total Minimum Future Lease Payments	<u>\$ 18,408</u>

Naval Historical Foundation

Notes to Financial Statements

December 31, 2009

10. ARTIFACT COLLECTION

The Foundation has catalogued approximately 4,000 documents and artifacts of historical interest, obtained as donations during the 83-year life of the Foundation. The collection is not included in the financial accounts of the Foundation because its value is not determinable at a reasonable cost. Although the historical collection has not been valued, management believes that it has significant value. The collection is being dispersed through donation to appropriate government and non-profit museum, library, and archival organizations.

The Foundation maintains the collection in a secured facility at the Washington Navy Yard in Washington, D.C. Expenses of maintaining the collection of \$32,355 are included in Naval Historical Foundation program expenses on the statement of activities.

11. SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through April 21, 2010, the date on which the financial statements were available to be issued.



Independent Auditors' Report on Supplementary Information

Board of Directors
Naval Historical Foundation
Washington, D.C.

Our report on our audit of the basic financial statements of Naval Historical Foundation for 2009 appears preceding page 1. That audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The information in the accompanying pages 13 to 16 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Councilor, Buchanan + Mitchell, P.C.

Bethesda, Maryland
April 21, 2010

Certified Public Accountants

Naval Historical Foundation

**Combining Schedule of Historical Services Operating Expenses
For the Year Ended December 31, 2009
(With Comparative Totals for the Year Ended December 31, 2008)**

	Unrestricted			
	Operating	Board Designated Artifact Collection Support	Total 2009	Total 2008
Historical Services Operating Expenses				
Bank Service Charges	\$ 5,233	\$ -	\$ 5,233	\$ 4,638
Consultant	539	-	539	2,425
Depreciation	2,242	-	2,242	1,682
Equipment	2,288	-	2,288	4,951
Insurance	90	-	90	125
Postage and Shipping	6,899	-	6,899	6,741
Salaries, Benefits, and Payroll Taxes	48,805	-	48,805	61,526
Supplies	5,219	-	5,219	5,046
Telephone	804	-	804	1,213
Total Historical Services Operating Expenses	\$ 72,119	\$ -	\$ 72,119	\$ 88,347

Naval Historical Foundation

Combining Schedule of Expenses
For the Year Ended December 31, 2009
(With Comparative Totals for the Year Ended December 31, 2008)

	Unrestricted			
	Operating	Board Designated Artifact Collection Support	Total 2009	Total 2008
Naval Historical Foundation				
Advertising	\$ 4,466	\$ -	\$ 4,466	\$ 2,524
Artifact Collection Support	-	1,216	1,216	35,884
Awards	750	-	750	1,150
Bank Service Charges	3,656	-	3,656	2,741
Conferences	13,092	-	13,092	3,188
Consultants	1,697	-	1,697	1,057
Depreciation	3,951	-	3,951	7,219
Equipment	7,378	-	7,378	5,964
Facility Rental Expenses	38,043	-	38,043	53,525
Insurance	5,394	-	5,394	4,580
Internet	350	-	350	298
Miscellaneous	3,700	-	3,700	5,353
Oral History - Other	10,812	-	10,812	13,254
Postage and Shipping	6,469	-	6,469	5,201
Printing	7,316	-	7,316	8,532
Publications	1,910	-	1,910	4,136
Salaries, Benefits, and Payroll Taxes	67,748	-	67,748	126,170
Subscriptions	1,330	-	1,330	1,085
Supplies	4,581	104	4,685	4,146
Telephone	4,625	-	4,625	3,915
Travel	1,045	6,840	7,885	7,021
	\$ 188,313	\$ 8,160	\$ 196,473	\$ 296,943
Total Naval Historical Foundation				
Museum Support				
Advertising	\$ -	\$ -	\$ -	\$ 1,335
Cold War Gallery Support	111,987	-	111,987	25,511
Contractors - Cold War Gallery	1,399,823	-	1,399,823	617,593
Contractors - Other	262	-	262	14,112
Miscellaneous	-	8,795	8,795	89
Printing	-	-	-	469
Salaries, Benefits, and Payroll Taxes	166,125	-	166,125	210,756
	\$ 1,678,197	\$ 8,795	\$ 1,686,992	\$ 869,865
Total Museum Support				

Naval Historical Foundation

Combining Schedule of Expenses
For the Year Ended December 31, 2009
 (With Comparative Totals for the Year Ended December 31, 2008)

	Unrestricted		Total 2009	Total 2008
	Operating	Board Designated Artifact Collection Support		
Naval History and Heritage Command Support				
Art Gallery	\$ -	\$ 1,268	\$ 1,268	\$ 1,597
Contemporary History	552	-	552	828
Curator	-	2,610	2,610	1,147
Early History	-	-	-	450
Front Office	487	-	487	22,971
Library	-	5,530	5,530	3,887
Miscellaneous	500	-	500	4,807
Operational Archives	-	5,992	5,992	3,519
Salaries, Benefits, and Payroll Taxes	19,383	-	19,383	44,624
Senior Historian	4,490	-	4,490	-
Telephone	1,211	-	1,211	571
	<u>\$ 26,623</u>	<u>\$ 15,400</u>	<u>\$ 42,023</u>	<u>\$ 84,401</u>
Office Administration and Management				
Advertising	\$ 1,116	\$ -	\$ 1,116	\$ 631
Bank Service Charges	714	-	714	664
Consultants	-	-	-	123
Depreciation	988	-	988	1,664
Equipment	1,844	-	1,844	1,491
Insurance	974	-	974	1,145
Internet	88	-	88	97
Investment Fees	6,238	-	6,238	6,571
Miscellaneous	773	-	773	2,555
Postage and Shipping	1,617	-	1,617	1,303
Printing	-	-	-	932
Professional Services	54,803	-	54,803	47,724
Salaries, Benefits, and Payroll Taxes	24,801	-	24,801	34,858
Subscriptions	333	-	333	249
Supplies	1,156	-	1,156	1,033
Telephone	1,208	-	1,208	1,121
	<u>\$ 96,653</u>	<u>\$ -</u>	<u>\$ 96,653</u>	<u>\$ 102,161</u>
Fund-Raising				
Cold War Gallery Campaign	\$ 99,390	\$ -	\$ 99,390	\$ 59,763
Salaries, Benefits, and Payroll Taxes	132,492	-	132,492	82,441
	<u>\$ 231,882</u>	<u>\$ -</u>	<u>\$ 231,882</u>	<u>\$ 142,204</u>

Naval Historical Foundation

**Schedule of Changes in Investments
For the Year Ended December 31, 2009**

	Cost	Unrealized Gain (Loss)	Fair Market Value
Beginning of Year	\$ 947,352	\$ (38,484)	\$ 908,868
Interest and Dividends (A)	33,733	-	33,733
Realized Gain	11,378	-	11,378
Unrealized Gain	-	140,448	140,448
Investment Management Fees	(6,238)	-	(6,238)
Stock Donations	25,802	-	25,802
End of Year	\$ 1,012,027	\$ 101,964	\$ 1,113,991

(A) Interest and Dividends - Accrual Basis		\$ 32,279
Less 2008 Checking Account Interest		(1)
Interest and Dividends from Investments - Accrual Basis		32,278
Add Accrued Interest at Beginning of Year		7,538
Less Accrued Interest at End of Year		(6,083)
Interest and Dividends from Investments - Cash Basis		\$ 33,733