

FUTURE GENERATIONS, INC.

CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2009

FUTURE GENERATIONS, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Future Generations, Inc.
Franklin, West Virginia

We have audited the accompanying consolidated statement of financial position of Future Generations, Inc., (a nonprofit organization) and its related organization as of June 30, 2009, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these consolidated 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 Future Generations, Inc., as of June 30, 2009, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Martin, Beachy & Arehart, PLLC

November 30, 2009

FUTURE GENERATIONS, INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
June 30, 2009

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 1,036,172
Accounts receivable	14,148
Program advances	315,293
Employee advances	<u>8,699</u>

TOTAL CURRENT ASSETS 1,374,312

PROPERTY AND EQUIPMENT

At cost, less accumulated depreciation	325,243
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INVESTMENTS

4,503,408

TOTAL ASSETS

\$ 6,202,963

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Short-term notes payable	\$ 250,000
Current portion of long-term debt	124,738
Accounts payable	<u>663</u>

TOTAL CURRENT LIABILITIES 375,401

LONG-TERM DEBT, net of current portion

1,069,596

1,444,997

NET ASSETS (DEFICIT)

Unrestricted	(1,419,878)
Temporarily restricted	800,615
Permanently restricted	<u>5,377,229</u>

TOTAL NET ASSETS 4,757,966

TOTAL LIABILITIES AND NET ASSETS

\$ 6,202,963

FUTURE GENERATIONS, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES
Year Ended June 30, 2009

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE				
Contributions and grants	\$ 3,554,926	\$ 787,884	\$ 617,711	\$ 4,960,521
Program service fees	167,768	-	-	167,768
Investment income (loss)	(510,562)	(28,546)	-	(539,108)
Unrealized gains (losses)	(132,305)	-	-	(132,305)
Other revenue	13,456	-	-	13,456
Net assets released from restrictions	<u>694,637</u>	<u>(694,637)</u>	<u>-</u>	<u>-</u>
TOTAL SUPPORT AND REVENUE	<u>3,787,920</u>	<u>64,701</u>	<u>617,711</u>	<u>4,470,332</u>
PROGRAM SERVICES				
China	788,958	-	-	788,958
India	121,126	-	-	121,126
Afghanistan	1,361,666	-	-	1,361,666
Peru	388,661	-	-	388,661
Graduate program	618,925	-	-	618,925
Research	232,540	-	-	232,540
	<u>3,511,876</u>	<u>-</u>	<u>-</u>	<u>3,511,876</u>
SUPPORTING SERVICES				
Management and general	620,247	-	-	620,247
Fundraising	268,454	-	-	268,454
Facilities	30,398	-	-	30,398
	<u>919,099</u>	<u>-</u>	<u>-</u>	<u>919,099</u>
TOTAL EXPENSES	<u>4,430,975</u>	<u>-</u>	<u>-</u>	<u>4,430,975</u>
CHANGE IN NET ASSETS	(643,055)	64,701	617,711	39,357
NET ASSETS (DEFICIT) AT BEGINNING OF YEAR	<u>(776,823)</u>	<u>735,914</u>	<u>4,759,518</u>	<u>4,718,609</u>
NET ASSETS (DEFICIT) AT END OF YEAR	<u>\$ (1,419,878)</u>	<u>\$ 800,615</u>	<u>\$ 5,377,229</u>	<u>\$ 4,757,966</u>

See accompanying notes to financial statements.

FUTURE GENERATIONS, INC.
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
Year Ended June 30, 2009

	Program Services						Supporting Services			Total
	China	India	Afghanistan	Peru	Graduate Program	Research	Management and General	Fund-raising	Facilities	
Wages	\$ 80,040	\$ 9,072	\$ 1,008	\$ 80,040	\$ 285,510	\$ 80,040	\$ 349,855	\$ 181,225	\$ -	\$ 1,066,790
Payroll taxes and benefits	12,778	1,428	168	12,778	45,528	12,778	55,202	28,595	-	169,255
In-country wages and taxes	-	-	9,424	-	-	-	-	-	-	9,424
International associates	145,326	-	645,943	176,854	-	-	-	-	-	968,123
Contracts and grants	297,939	90,460	-	750	-	36,731	3,705	263	-	429,848
Travel, meetings and conferences	55,124	13,044	173,676	30,809	67,752	37,861	46,519	30,055	46	454,886
Professional fees	3,837	2,500	84,102	2,598	39,500	57,925	24,857	-	-	215,319
Scholarships	-	-	-	-	141,500	-	-	-	-	141,500
Events and productions	33,792	-	-	24,425	-	4,738	-	558	-	63,513
Supplies	79,821	161	248,348	16,827	9,696	1,162	16,703	864	219	373,801
Printing and reproduction	31,507	-	2,600	7,123	739	165	1,952	9,350	-	53,436
Marketing	2,931	-	-	-	-	-	325	5,636	-	8,892
Rents	25,474	-	103,523	16,446	-	-	104	-	428	145,975
Utilities	1,890	-	28,102	1,419	-	-	329	-	3,049	34,789
Technology and communications	15,726	4,461	39,064	9,165	938	1,140	23,929	11,536	5	105,964
Dues and subscriptions	35	-	-	192	3,811	-	1,011	272	-	5,321
Taxes, interest, and fees	502	-	2,971	2,372	734	-	76,505	-	1,863	84,947
Depreciation	-	-	-	-	-	-	-	-	19,808	19,808
Repairs and maintenance	-	-	3,355	3,564	-	-	707	100	4,980	12,706
Insurance	562	-	-	2,611	3,692	-	13,543	-	-	20,408
Other	1,674	-	19,382	688	19,525	-	5,001	-	-	46,270
Total Expenses	\$ 788,958	\$ 121,126	\$ 1,361,666	\$ 388,661	\$ 618,925	\$ 232,540	\$ 620,247	\$ 268,454	\$ 30,398	\$ 4,430,975

See accompanying notes to financial statements.

FUTURE GENERATIONS, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended June 30, 2009

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ 39,357
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
Depreciation	19,808
Unrealized loss on investments	(132,305)
Contributions restricted for long-term purposes	(617,711)
(Increase) decrease in:	
Accounts receivable	541,610
Other receivables	(77,661)
Prepaid expenses	4,405
Increase (decrease) in:	
Accounts payable	(33,899)
Accrued expenses	<u>(2,490)</u>
 NET CASH USED BY OPERATING ACTIVITIES	 <u>(258,886)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sale of investments	2,718,300
Purchase of investments	<u>(2,310,234)</u>
 NET CASH PROVIDED BY INVESTING ACTIVITIES	 <u>408,066</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Repayment of short-term debt	(100,000)
Proceeds from contributions restricted for investment in permanent endowment	617,711
Repayment of long-term debt	<u>(105,666)</u>
 NET CASH PROVIDED BY FINANCING ACTIVITIES	 <u>412,045</u>
 NET INCREASE IN CASH	 561,225
CASH AT BEGINNING OF YEAR	<u>474,947</u>
 CASH AT END OF YEAR	 <u>\$ 1,036,172</u>
SUPPLEMENTAL INFORMATION	
Cash paid for interest	<u>\$ 64,335</u>

See accompanying notes to financial statements.

FUTURE GENERATIONS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2009

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principals of Consolidation

The consolidated financial statements include the accounts of Future Generations, Inc. and its related organization: Future Generations Graduate School of Applied Social Change and Conservation. All material interorganizational transactions have been eliminated.

Nature of Activities

Future Generations advances research and understanding in a process of equitable and sustainable community change, and offers academic training through a Master's Degree in Applied Community Change & Conservation.

Afghanistan: the Organization partners with communities and government to establish a national network of learning centers, which extend local successes in mother and child health, education and literacy, local governance, the reintegration of ex-combatants and the empowerment of women.

China: In the Tibet Autonomous Region, the Future Generations helps to protect over 40% of the land area through a people-based approach to nature conservation. Nationally across China, the Organization helps to advance nature conservation through initiating and promoting the Green Long March, China's largest youth environmental movement.

India: the Organization coordinates community-based expansion across an entire state promoting both social development and network of biosphere reserves.

Peru: the Organization demonstrates and expands the knowledge of how communities, government, and civil society can form effective partnerships that improve health and human welfare at the household and community level.

Financial Statement Presentation

The Organization follows Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, 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. In addition, the Organization is required to present a statement of cash flows.

Expense Allocation

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Cash

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

Accounts Receivable

Accounts receivable are reported at the amount management expects to collect on balances outstanding at year end. Balances that are still outstanding after management has used reasonable collection efforts are written off to bad debt expense. Management has concluded that realization losses on balances outstanding at year-end will be immaterial.

FUTURE GENERATIONS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2009

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair value in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities.

Income Tax Status

The Organization is a not-for-profit organization as described in Section 501(c) (3) of the Internal Revenue Code and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code.

Property and Equipment

The Organization follows the practice of capitalizing expenditures at cost for property and equipment in excess of \$5,000. The costs of additions and betterments are capitalized, and expenditures for repairs and maintenance are expensed in the period incurred. When items of property and equipment are sold or retired, the related costs and accumulated depreciation are removed from the accounts and any gain or loss is included in income. Contributions of property and materials are capitalized at the current fair market values. Depreciation is computed by the straight-line method over the estimated useful lives of the assets.

Property and equipment are summarized by major classification as follows:

Land	\$ 60,075
Buildings	364,278
Furniture and equipment	<u>141,842</u>
	566,195
Accumulated depreciation	<u>(240,952)</u>
	<u>\$ 325,243</u>

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE B – INVESTMENTS

Investments are presented in the financial statements at fair value. All investments are restricted as part of the endowment funds. Cost and fair values at June 30, 2009 and 2008 are as follows:

	<u>Cost</u>	<u>Fair Value</u>
Money market accounts	\$ 44,554	\$ 44,554
Certificates of deposit	66,994	66,994
Common stocks	523,495	582,784
Mutual funds	<u>4,032,049</u>	<u>3,809,076</u>
	<u>\$ 4,667,092</u>	<u>\$ 4,503,408</u>

FUTURE GENERATIONS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2009

NOTE B – INVESTMENTS (Continued)

The following schedule summarizes the investment return and its classification in the statement of activities:

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Interest and dividend income	\$ 3,297	\$ 147,878	\$ 151,175
Investment management fees	-	(36,481)	(36,481)
Net realized gain (loss)	(513,859)	(139,943)	(653,802)
Net unrealized gain (loss)	<u>(132,305)</u>	<u>-</u>	<u>(132,305)</u>
	<u>\$ (642,867)</u>	<u>\$ (28,546)</u>	<u>\$ (671,413)</u>

NOTE C – FAIR VALUE MEASUREMENTS

In September 2006, the Financial Accounting Standards Board (FASB) issued SFAS No. 157, *Fair Value Measurements*. SFAS 157 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 Inputs consist of unadjusted quoted market prices in active markets for identical assets and have the highest priority, Level 2 Inputs consist of observable inputs other than quoted market prices for identical assets, and Level 3 Inputs have the lowest priority. The Organization has adopted SFAS 157 for the year ended June 30, 2009.

Fair Values Measured on a Recurring Basis

	<u>Fair Value</u>	<u>Quoted Prices in Active Markets (Level 1)</u>
Investments	<u>\$ 4,503,408</u>	<u>\$ 4,503,408</u>

NOTE D – PROGRAM ADVANCES

To maintain operating capital for its overseas operations, the Organization makes cash advances to programs in Afghanistan, China, and Peru. As of June 30, 2009, program advances totaled \$315,293.

NOTE E – SHORT TERM NOTES PAYABLE

The Organization has an unsecured, demand note payable to an individual at 0% interest. As of June 30, 2009, the outstanding balance was \$250,000. The individual is also a major contributor to the Organization.

NOTE F – LONG-TERM DEBT

Long-term debt consists of the following:

Term note payable to an individual with interest at 3.58%, due in installments totaling \$13,789 monthly, including interest, until October 2017. Secured by all real estate and equipment. The individual is also a major contributor to the Organization.

\$ 1,194,334

FUTURE GENERATIONS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2009

NOTE F – LONG-TERM DEBT (Continued)

Maturities of long-term debt are as follows:

Year Ended June 30,	
2010	\$ 124,738
2011	129,278
2012	133,983
2013	138,859
2014	143,913
Thereafter	523,563
	\$ 1,194,334

NOTE G – ENDOWMENT FUNDS

In August 2008, FASB issued Staff Position 117-1, *Endowments for Not-for Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA), and Enhanced Disclosures for All Endowments*, (FSP 117-1). This FSP provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of UPMIFA (West Virginia enacted UPMIFA during 2008). It also requires additional disclosures about an organization's endowment funds. The Organization has adopted FSP 117-1 for the year ending June 30, 2009. The Organization has reviewed its endowment funds and has determined that no reclassification of net assets is required.

The Organization's endowment consists of five individual funds established for a variety of purposes. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Organization has interpreted West Virginia's Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets a) the original value of gifts donated to the permanent endowment, b) the original value of subsequent gifts to the permanent endowment, and c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: 1) the duration and preservation of the various funds, 2) the purposes of the donor-restricted endowment funds, 3) general economic conditions, 4) the possible effect of inflation and deflation, 5) the expected total return from income and the appreciation of investments, 6) other resources of the Organization, and 7) the Organization's investment policies.

FUTURE GENERATIONS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2009

NOTE G – ENDOWMENT FUNDS (Continued)

Investment Return Objectives, Risk Parameters and Strategies.

The Organization has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution while growing the funds if possible. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Spending Policy

The Organization has a policy of appropriating for distribution each year 5% of the market value of the endowment funds as of the beginning of the year. In establishing this policy, the Organization considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, many of which must be maintained in perpetuity because of donor-restrictions, and the possible effects of inflation. The Organization expects this formula to avoid large fluctuations in spending, and allow the endowment corpus and revenue stream to increase over time to keep pace with inflation.

Changes in endowment net assets for the year ended June 30, 2009 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Beginning of year	\$ -	\$ 28,547	\$ 4,759,518	\$ 4,788,065
Contributions	-	-	617,711	617,711
Investment income (loss)	(510,562)	(28,547)	-	(539,109)
Net appreciation (depreciation)	(132,305)	-	-	(132,305)
End of year	<u>\$ (642,867)</u>	<u>\$ -</u>	<u>\$ 5,377,229</u>	<u>\$ 4,734,362</u>

NOTE H – UNRESTRICTED NET ASSETS (DEFICIT)

The net deficit of unrestricted net assets consists of the following:

Investment losses	\$ (642,867)
Other operations	(777,011)
	<u>\$ (1,419,878)</u>

NOTE I – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

China	\$ 613,515
Research	142,659
Development	44,441
	<u>\$ 800,615</u>

FUTURE GENERATIONS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2009

NOTE J – PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets consist of the following:

Tibet Endowment	\$ 701,178
Masters endowment - Fleming	1,077,984
Masters endowment - Taylor	1,590,203
Chun-Wuei Scholarship endowment	1,220,153
Masters endowment - Yeti	<u>787,711</u>
	<u>\$ 5,377,229</u>

NOTE K – CONCENTRATION OF CONTRIBUTIONS

For the year ended June 30, 2009, the organization received approximately 39% of its contributions and grants from one donor.

NOTE L – DEPOSITS WITH FINANCIAL INSTITUTIONS

The Organization maintains its cash accounts at two area banks. Cash accounts at banks are insured by the FDIC up to \$250,000. As of June 30, 2009, amounts in excess of insured limits totaled approximately \$536,000.

NOTE M – PRIOR PERIOD ADJUSTMENT

Certain errors resulting in an understatement of program expenses for the year ended June 30, 2008 were discovered during the current year. Accordingly, an adjustment of \$36,250 was made to record program advances as of the beginning of the year. A corresponding entry was made to decrease previously reported unrestricted net assets.

ADDITIONAL INFORMATION



INDEPENDENT AUDITOR'S REPORT
ON ADDITIONAL INFORMATION

To the Board of Directors
Future Generations, Inc.
Franklin, West Virginia

Our report on our audit of the basic financial statements of Future Generations, Inc. and its related organization appears on page 1. That audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information included in pages 13-15 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.

Martin, Beachy & Arehart, PLLC

November 30, 2009

**FUTURE GENERATIONS GRADUATE SCHOOL
STATEMENT OF FINANCIAL POSITION
June 30, 2009**

ASSETS

CURRENT ASSETS

Accounts receivable \$ 14,148

INVESTMENTS

3,930,963

TOTAL ASSETS

\$ 3,945,111

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Due to Future Generations \$ 122,730

TOTAL LIABILITIES

122,730

NET ASSETS (DEFICIT)

Unrestricted (996,329)

Temporarily restricted 142,659

Permanently restricted 4,676,051

TOTAL NET ASSETS

3,822,381

TOTAL LIABILITIES AND NET ASSETS

\$ 3,945,111

See accompanying notes to financial statements.

**FUTURE GENERATIONS GRADUATE SCHOOL
STATEMENT OF ACTIVITIES
Year Ended June 30, 2009**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE				
Contributions and grants	\$ 300,646	\$ 142,659	\$ 617,711	\$ 1,061,016
Tuition revenue	166,950	-	-	166,950
Investment income (loss)	(438,155)	(24,342)	-	(462,497)
Unrealized gains (losses)	(112,813)	-	-	(112,813)
Net assets released from restrictions	<u>241,380</u>	<u>(241,380)</u>	<u>-</u>	<u>-</u>
TOTAL SUPPORT AND REVENUE	<u>158,008</u>	<u>(123,063)</u>	<u>617,711</u>	<u>652,656</u>
PROGRAM EXPENSES				
Graduate program	618,925	-	-	618,925
Research	<u>232,540</u>	<u>-</u>	<u>-</u>	<u>232,540</u>
	<u>851,465</u>	<u>-</u>	<u>-</u>	<u>851,465</u>
SUPPORTING SERVICES				
Management and general	197,378	-	-	197,378
Fundraising	94,764	-	-	94,764
Facilities	<u>10,730</u>	<u>-</u>	<u>-</u>	<u>10,730</u>
	<u>302,872</u>	<u>-</u>	<u>-</u>	<u>302,872</u>
TOTAL EXPENSES	<u>1,154,337</u>	<u>-</u>	<u>-</u>	<u>1,154,337</u>
CHANGE IN NET ASSETS	(996,329)	(123,063)	617,711	(501,681)
NET ASSETS AT BEGINNING OF YEAR	<u>-</u>	<u>265,722</u>	<u>4,058,340</u>	<u>4,324,062</u>
NET ASSETS (DEFICIT) AT END OF YEAR	<u>\$ (996,329)</u>	<u>\$ 142,659</u>	<u>\$ 4,676,051</u>	<u>\$ 3,822,381</u>

See accompanying notes to financial statements.

**FUTURE GENERATIONS GRADUATE SCHOOL
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2009**

	Program Services		Supporting Services			Total
	Graduate Program	Research	Management and General	Fund-raising	Facilities	
Wages	\$ 285,510	\$ 80,040	\$ 123,485	\$ 63,972	\$ -	\$ 553,007
Payroll taxes and benefits	45,528	12,778	19,484	10,094	-	87,884
Contracts and grants	-	36,731	1,308	93	-	38,132
Travel, meetings and conferences	67,752	37,861	16,421	10,609	16	132,659
Professional fees	39,500	57,925	8,775	-	-	106,200
Scholarships	141,500	-	-	-	-	141,500
Events and productions	-	4,738	-	197	-	4,935
Supplies	9,696	1,162	5,896	305	77	17,136
Printing and reproduction	739	165	689	3,301	-	4,894
Marketing	-	-	115	1,990	-	2,105
Rents	-	-	37	-	151	188
Utilities	-	-	116	-	1,076	1,192
Technology and communications	938	1,140	8,447	4,072	2	14,599
Dues and subscriptions	3,811	-	357	96	-	4,264
Taxes, interest and fees	734	-	5,452	-	658	6,844
Depreciation	-	-	-	-	6,992	6,992
Repairs and maintenance	-	-	250	35	1,758	2,043
Insurance	3,692	-	4,781	-	-	8,473
Other	19,525	-	1,765	-	-	21,290
Total Expenses	\$ 618,925	\$ 232,540	\$ 197,378	\$ 94,764	\$ 10,730	\$ 1,154,337

See accompanying notes to financial statements.