

**FUTURE LEADERSHIP
FOUNDATION**

REVIEW REPORT

DECEMBER 31, 2010 AND 2009

FUTURE LEADERSHIP FOUNDATION

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Seaver & Forck, CPAs
1620 Southridge Drive, Suite A
Jefferson City, Missouri 65109

Telephone 573-636-5507
Fax 573-636-3304

Member of
American Institute of
Certified Public Accountants
Missouri Society of
Certified Public Accountants

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Board of Directors of the
Future Leadership Foundation
Jefferson City, Missouri

We have reviewed the accompanying statement of assets, liabilities, and net assets-cash basis of Future Leadership Foundation (a non-profit organization) as of December 31, 2010 and 2009, and the related statement of support, revenue, and expenses-cash basis for the years then ended. A review includes primarily applying analytical procedures to managements' financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with cash basis accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modification that should be made to financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with the cash basis of accounting, described in Note 1.

Sincerely,

Seaver & Forck, CPAs
June 7, 2011

FUTURE LEADERSHIP FOUNDATION
STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS
CASH BASIS
DECEMBER 31, 2010 AND 2009

	<u>ASSETS</u>	
	<u>2010</u>	<u>2009</u>
Current Assets:		
Cash and Equivalents	\$ 19,345.95	\$ 34,435.25
Missouri Baptist Foundation-General	108.65	532.55
Missouri Baptist Foundation-Special Projects	659.67	578.84
Missouri Baptist Foundation-Hatfield Endowment	<u>1,268.20</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 21,382.47</u>	<u>\$ 35,546.64</u>

LIABILITIES AND NET ASSETS

Current Liabilities:		
Payroll Tax Liabilities	<u>\$ 436.59</u>	<u>\$ -</u>
Net Assets:		
Unrestricted	\$ 18,939.93	\$ 34,284.26
Temporarily Restricted (Note 4)	<u>2,005.95</u>	<u>1,262.38</u>
Total Net Assets	20,945.88	35,546.64
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 21,382.47</u>	<u>\$ 35,546.64</u>

See accompanying notes and independent accountants' review report.

FUTURE LEADERSHIP FOUNDATION
STATEMENT OF SUPPORT, REVENUE, AND EXPENSES
CASH BASIS
YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			2009
	Unrestricted	Temporarily Restricted	Total	Total
Public Support and Revenues:				
Contributions Income				
General Contributions	\$ 11,220.86	\$ -	\$ 11,220.86	\$ 25,597.05
Lithuania	-	60.00	60.00	-
Russian Federation	-	1,000.00	1,000.00	-
Belarus	-	73,233.57	73,233.57	9,550.00
Ukraine	-	1,161.00	1,161.00	7,528.00
Other Restricted Gifts	-	-	-	38.20
Participant Trip Cost	-	11,649.74	11,649.74	10,238.68
Administrative Income	-	2,400.00	2,400.00	700.00
Hatfield Endowment	-	100.00	100.00	1,155.00
Fresh Wind CD Sales	-	15.00	15.00	250.00
Leadership Coaching Event	-	-	-	2,200.00
Interest Income	40.13	-	40.13	27.33
Satisfaction of Purpose Restrictions	88,875.74	(88,875.74)	-	-
	<u>100,136.73</u>	<u>743.57</u>	<u>100,880.30</u>	<u>57,284.26</u>
Total Revenues				
Expenses:				
Program Expenses:				
Hope Project	-	-	-	-
Belarus	72,590.00	-	72,590.00	7,855.00
Ukraine	9,657.91	-	9,657.91	1,717.54
Lithuania	140.36	-	140.36	-
Modolva	94.08	-	94.08	-
Russian Federation	2,034.00	-	2,034.00	-
Leadership Coaching Event	-	-	-	2,715.00
Participant Trip Cost	13,716.64	-	13,716.64	8,840.90
Fresh Winds CD Sales	-	-	-	514.22
Other Restricted Gifts	846.44	-	846.44	-
Office Expenses	135.07	-	135.07	123.61
Fundraising Expenses:				
Newsletter	959.44	-	959.44	194.48
Other Fundraising Expenses	1,627.01	-	1,627.01	-
Postage	364.16	-	364.16	2,077.01
Stationary	-	-	-	314.38
Advertising	97.47	-	97.47	208.52
Administrative Expenses:				
Accounting	4,701.48	-	4,701.48	4,870.94
Fees	10.00	-	10.00	275.00
Postage	103.49	-	103.49	336.72
Office Expenses	200.77	-	200.77	367.49
Service Charges	-	-	-	-
Board Expenses	1,024.99	-	1,024.99	3,465.97
Insurance	410.00	-	410.00	418.00
Staff Expenses	725.14	-	725.14	688.81
Strategic Incentives	48.07	-	48.07	190.91
Technology Support	210.86	-	210.86	192.86
Telephone Services	143.35	-	143.35	184.40
Wages	5,200.80	-	5,200.80	-
Payroll Taxes	439.53	-	439.53	-
	<u>115,481.06</u>	<u>-</u>	<u>115,481.06</u>	<u>35,551.76</u>
Total Expenses				
Change in Net Assets	(15,344.33)	743.57	(14,600.76)	21,732.50
Net Assets, Beginning of Year	<u>34,284.26</u>	<u>1,262.38</u>	<u>35,546.64</u>	<u>13,814.14</u>
Net Assets, End of Year	<u>\$ 18,939.93</u>	<u>\$ 2,005.95</u>	<u>\$ 20,945.88</u>	<u>\$ 35,546.64</u>

See accompanying notes and independent accountants' review report.

FUTURE LEADERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009

NOTE 1. Summary Of Significant Accounting Policies:

Organization and Nature of Activities

The Future Leadership Foundation (the Foundation) is a mission-based, nonprofit Foundation that facilitates the development of Christian leaders in Eastern Europe and around the world.

The Foundation uses teams of short term volunteers to meet the expressed needs of Eastern European churches.

Method of Accounting

The financial statements of the Foundation have been prepared on the cash basis of accounting. Therefore, revenues and expenditures are recognized only when collected or paid, and receivables and accrued liabilities are not reflected in the financial statements.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its 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.

Use of Estimates

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

Revenue Recognition

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as unrestricted contributions.

All donor-restricted contributions are reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of support, revenue, and expenses as net assets released from restrictions.

FUTURE LEADERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009

NOTE 1. Summary Of Significant Accounting Policies (cont'd):

Income Taxes

The Foundation is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3).

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

NOTE 2. Restrictions on Net Assets:

Temporarily restricted net assets are available for the following purposes:

	<u>2010</u>	<u>2009</u>
Choir	\$ 7.38	\$ 7.38
Hope Project	100.00	100.00
Hatfield Endowment	1,255.00	1,155.00
Belarus	643.57	-
Total	<u>\$ 2,005.95</u>	<u>\$ 1,262.38</u>

NOTE 3. Functional Allocation of Expenses:

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of support, revenues, and expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 4. Fundraising Expenses:

The organization developed a DVD media presentation in 2007 to distribute to churches and other potential donors. This presentation can be reproduced and or updated at very little cost and will provide fundraising opportunities for several years.

NOTE 5. Credit Card Receivables:

The organization pays for mission trip participants' airfare and on-site expenses while overseas. These expenses are reimbursed back to the organization by the participants. At December 31, 2010 and 2009 the reimbursement amount is \$0 and \$7,067.16, respectively.

FUTURE LEADERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009

NOTE 6. Subsequent Events:

As of June 7, 2011, management is not aware of any subsequent events that would require disclosure or adjustment to the financial statements.