

**LIFELONG LEARNING INSTITUTE IN
CHESTERFIELD COUNTY, VA, INC.**

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

CONTENTS

INDEPENDENT ACCOUNTANT'S REVIEW REPORT	Page	1
FINANCIAL STATEMENTS		
STATEMENT OF FINANCIAL POSITION		2
STATEMENT OF ACTIVITIES		3
STATEMENT OF CASH FLOWS.....		4
NOTES TO FINANCIAL STATEMENTS.....		5 - 6



HARRIS, HARDY & JOHNSTONE, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Directors
Lifelong Learning Institute in Chesterfield County, VA, Inc.
Richmond, Virginia

We have reviewed the accompanying statement of financial position of Lifelong Learning Institute in Chesterfield County, VA, Inc. (the "Institute") as of June 30, 2011, and the related statements of activities and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Institute's 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 accounting principles generally accepted in the United States of America 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 modifications that should be made to the 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 accounting principles generally accepted in the United States of America.

Harris, Hardy & Johnstone, P.C.

Richmond, Virginia
November 18, 2011

LIFELONG LEARNING INSTITUTE IN CHESTERFIELD COUNTY, VA, INC.

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2011

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 143,130
---------------------------	------------

PROPERTY AND EQUIPMENT

Furniture and equipment	25,100
-------------------------	--------

Less: Accumulated depreciation	<u>12,768</u>
--------------------------------	---------------

NET PROPERTY AND EQUIPMENT	<u>12,332</u>
----------------------------	---------------

TOTAL ASSETS	<u><u>\$ 155,462</u></u>
--------------	--------------------------

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 16,104
------------------	-----------

Deferred membership fees	<u>31,282</u>
--------------------------	---------------

TOTAL CURRENT LIABILITIES	47,386
---------------------------	--------

NET ASSETS

Unrestricted	<u>108,076</u>
--------------	----------------

TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 155,462</u></u>
----------------------------------	--------------------------

See Independent Accountant's Review Report and Notes to Financial Statements

LIFELONG LEARNING INSTITUTE IN CHESTERFIELD COUNTY, VA, INC.

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2011

SUPPORT

In-kind contributions	\$ 327,375
Membership fees, net of refunds	65,400
Other income	32,376
Contributions - County of Chesterfield, VA	22,895
Fundraising	22,135
Contributions - other	7,204
TOTAL SUPPORT	<u>477,385</u>

EXPENSES

Program services	
Facilities	187,032
Faculty	141,691
Contract labor	73,428
Travel	19,478
Supplies	10,256
Exercise program	8,495
Depreciation	3,850
Printing	1,765
Postage	811
Miscellaneous	539
Marketing	447
Total Program Services	<u>447,792</u>

SUPPORT SERVICES

Professional services	1,950
-----------------------	-------

FUNDRAISING

Raffle expenses	<u>16,348</u>
-----------------	---------------

TOTAL SUPPORT SERVICES
AND FUNDRAISING

18,298

TOTAL EXPENSES

466,090

INCREASE IN NET ASSETS

11,295

Net assets, beginning of year

96,781

NET ASSETS, END OF YEAR

\$ 108,076

See Independent Accountant's Review Report and Notes to Financial Statements

LIFELONG LEARNING INSTITUTE IN CHESTERFIELD COUNTY, VA, INC.

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2011

CASH FLOWS FROM OPERATING ACTIVITIES

Increase in net assets	\$ 11,295
Adjustments to reconcile increase in net assets to net cash provided by operating activities	
Depreciation	3,850
Increase in accounts payable	3,598
Increase in deferred membership fees	<u>807</u>

NET CASH PROVIDED BY
OPERATING ACTIVITIES

19,550

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property and equipment	<u>(2,107)</u>
------------------------------------	----------------

NET INCREASE IN CASH

17,443

Cash and cash equivalents, beginning of year

125,687

CASH AND CASH EQUIVALENTS,
END OF YEAR

\$ 143,130

See Independent Accountant's Review Report and Notes to Financial Statements

LIFELONG LEARNING INSTITUTE IN CHESTERFIELD COUNTY, VA, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - Lifelong Learning Institute in Chesterfield County, VA, Inc. (the "Institute") was organized as a non-profit corporation under the laws of Virginia for the purpose of providing a curriculum of intellectually stimulating learning opportunities and special activities for persons fifty (50) years of age or older.

Basis of presentation - The accounts of the Institute are maintained, and the financial statements are prepared, on the accrual basis of accounting. Accordingly, revenues are recognized when earned, and expenses are recognized when incurred. The financial statement presentation follows the recommendations of Financial Accounting Standards Board (FASB) ASC 958. Under FASB ASC 958, the Institute is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted. The Institute has no temporarily or permanently restricted net assets at June 30, 2011.

Cash and cash equivalents - Cash equivalents consist of highly liquid investments with an initial maturity of three months or less.

Property and equipment - Property and equipment are recorded at cost and are depreciated using the straight-line method over the estimated useful lives (ranging from five to seven years).

Revenue recognition - Amounts received are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence and/or nature of any donor restrictions.

All donor-restricted contributions are reported as increases 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 activities as net assets released from restrictions.

Membership fees cover classes for twelve months from date of receipt. Deferred membership fees represent unearned income as of year end.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

See Independent Accountant's Review Report

LIFELONG LEARNING INSTITUTE IN CHESTERFIELD COUNTY, VA, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

NOTE 2 - INCOME TAXES

The Institute is a qualified non-profit charitable organization as defined by the Internal Revenue Code Section 501(c)(3) and is thus exempt from federal income taxes. In addition, the Institute qualifies for charitable contributions deductions under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(1). Income which is not related to exempt purposes, less applicable deductions, is subject to federal and state corporate income taxes. The Institute did not have any net unrelated business income for the year ended June 30, 2011.

The Institute applies FASB ASC 740-10, "*Accounting for Uncertainty in Income Taxes*", related to accounting for uncertainty in income taxes, which clarifies the accounting for income taxes by prescribing the minimum recognition threshold that a tax position is required to meet before being recognized in the financial statements. The standard also provides guidance on penalties and interest, classification, and disclosure. The Institute has not identified any uncertain tax positions. The Institute's income tax returns for years since 2008 remain open for examination by tax authorities.

NOTE 3 - CONTRIBUTED SERVICES AND MATERIALS

The Institute provides a variety of classes to its members. All instructors, who are experts in their field, contribute their time to teach the classes. During the year ended June 30, 2011, the value of the instructors' hours contributed is \$141,289 and is recorded as unrestricted support and expenses.

Chesterfield County Public Schools provide the classroom space for the Institute to hold its classes. The value of contributed facilities for the year ended June 30, 2011 is \$186,086 and is recorded as unrestricted support and expenses.

NOTE 4 - CONTRACT LABOR

The Institute's Executive Director is a part of the Virginia Center on Aging, Virginia Commonwealth University's payroll and benefits program. The Virginia Center bills the Institute quarterly for the costs associated with its Executive Director's services.

NOTE 5 - SUBSEQUENT EVENTS

In the preparation of its financial statements, Lifelong Learning Institute in Chesterfield County, VA, Inc. considered subsequent events through November 18, 2011, which was the date the financial statements were available to be issued.

See Independent Accountant's Review Report