

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

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2010

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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, 2010, and the related statements of activities and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Lifelong Learning Institute in Chesterfield County, VA, Inc.

A review consists principally of inquiries of Institute personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

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 generally accepted accounting principles.

Harris, Hardy & Johnstone, P.C.

Richmond, Virginia
November 3, 2010

LIFELONG LEARNING INSTITUTE IN CHESTERFIELD COUNTY, VA, INC.

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2010

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 125,687
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PROPERTY AND EQUIPMENT

Furniture and equipment	22,993
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Less: Accumulated depreciation	<u>8,918</u>
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NET PROPERTY AND EQUIPMENT	<u>14,075</u>
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TOTAL ASSETS	<u><u>\$ 139,762</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 12,506
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Deferred membership fees	<u>30,475</u>
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TOTAL CURRENT LIABILITIES	42,981
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NET ASSETS

Unrestricted	<u>96,781</u>
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TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 139,762</u></u>
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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, 2010

SUPPORT

In-kind contributions	\$ 234,874
Membership fees, net of refunds	58,640
Contributions - County of Chesterfield, VA	37,940
Other income	24,472
Contributions - other	<u>15,491</u>

TOTAL SUPPORT	<u>371,417</u>
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EXPENSES

Program services	
Facilities	186,701
Contract labor	61,421
Faculty	40,993
Travel	16,187
Exercise program	7,653
Supplies	6,015
Depreciation	3,300
Printing	1,451
Marketing	1,119
Postage	882
Miscellaneous	<u>176</u>

Total Program Services	325,898
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SUPPORT SERVICES

Professional services	<u>2,585</u>
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TOTAL EXPENSES	<u>328,483</u>
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INCREASE IN NET ASSETS	42,934
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Net assets, beginning of year	<u>53,847</u>
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NET ASSETS, END OF YEAR	<u><u>\$ 96,781</u></u>
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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, 2010

CASH FLOWS FROM OPERATING ACTIVITIES

Increase in net assets	\$ 42,934
Adjustments to reconcile increase in net assets to net cash provided by operating activities	
Depreciation	3,300
Increase in accounts payable	3,399
Increase in deferred membership fees	<u>3,787</u>

NET CASH PROVIDED BY
OPERATING ACTIVITIES

53,420

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property and equipment	<u>(8,846)</u>
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NET INCREASE IN CASH

44,574

Cash and cash equivalents, beginning of year

81,113

CASH AND CASH EQUIVALENTS,
END OF YEAR

\$ 125,687

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, 2010

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 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, 2010.

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.

LIFELONG LEARNING INSTITUTE IN CHESTERFIELD COUNTY, VA, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

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, 2010.

The Institute, effective July 1, 2009, adopted FASB ASC 740-10 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 income tax returns for years since 2007 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, 2010, the value of the instructors' hours contributed is \$40,988 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 is \$186,086 and is recorded as unrestricted support and expenses.

Donated computers are included in unrestricted support at their fair market value (\$7,800) when received.

NOTE 4 – CONTRACT LABOR

Effective October 30, 2006, the Institute's Executive Director became 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 considered subsequent events through November 3, 2010, which was the date the financial statements were available to be issued.