

MAP FURNITURE BANK
(A Nonprofit Organization)
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008

MAP FURNITURE BANK

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YEARS ENDED JUNE 30, 2009 AND 2008

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INDEPENDENT AUDITORS' REPORT

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Board of Trustees
MAP Furniture Bank
Columbus, Ohio

We have audited the accompanying statement of financial position of **MAP Furniture Bank**, formerly known as Material Assistance Providers, Inc., (a nonprofit organization), as of June 30, 2009, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the management of **MAP Furniture Bank**. Our responsibility is to express an opinion on these financial statements based upon our audit. The financial statements of **MAP Furniture Bank** as of June 30, 2008, were audited by other auditors, whose report dated December 23, 2008, expressed an unqualified opinion on those 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 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 **MAP Furniture Bank** as of June 30, 2009, and the statement of activities for the year then ended, in conformity with accounting principles generally accepted in the United States of America

Brady, Ware & Schoenfeld, Inc.

Columbus, Ohio
November 18, 2009

MAP FURNITURE BANK**STATEMENTS OF FINANCIAL POSITION****YEARS ENDED JUNE 30, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 283,909	\$ 292,189
Accounts receivable, less allowance for doubtful accounts of \$2,060 and \$19,693, respectively	25,461	29,637
Current portion of unrestricted unconditional promises to give, less allowance for uncollectible pledges of \$11,000 and \$10,000, respectively	168,628	162,906
Investment	3,570	-
Inventory	174,599	173,742
Prepaid expenses	<u>7,024</u>	<u>776</u>
	663,191	659,250
PROPERTY AND EQUIPMENT, NET	1,023,983	960,833
OTHER ASSETS	<u>15,072</u>	<u>75,912</u>
	<u>\$ 1,702,246</u>	<u>\$ 1,695,995</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current maturity of note payable	\$ 19,647	\$ 15,791
Accounts payable	33,133	27,260
Accrued expenses	29,552	22,849
Deferred revenue	<u>67,837</u>	<u>37,632</u>
	150,169	103,532
NOTE PAYABLE, LESS CURRENT MATURITY	<u>311,731</u>	<u>368,425</u>
	<u>461,900</u>	<u>471,957</u>
NET ASSETS		
Unrestricted		
Board designated	90,628	159,744
Available for operations	1,149,718	1,039,294
Temporarily restricted	<u>-</u>	<u>25,000</u>
	<u>1,240,346</u>	<u>1,224,038</u>
	<u>\$ 1,702,246</u>	<u>\$ 1,695,995</u>

See notes to accompanying financial statements.

MAP FURNITURE BANK**STATEMENT OF ACTIVITIES****YEAR ENDED JUNE 30, 2009**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
PUBLIC SUPPORT AND REVENUE			
Agency fees	\$ 170,382	\$ -	\$ 170,382
Furniture deliveries and pick-ups	174,483	-	174,483
Contributions	812,641	-	812,641
In-kind contributions			
Furniture, equipment, and household goods	1,917,853	-	1,917,853
Warehouse and office space	100,000	-	100,000
Services	18,900	-	18,900
Interest	2,914	-	2,914
Miscellaneous	23,978	-	23,978
Net assets released from restrictions	<u>25,000</u>	<u>(25,000)</u>	<u>-</u>
Total public support and revenue	<u>3,246,151</u>	<u>(25,000)</u>	<u>3,221,151</u>
EXPENSES			
Program	2,884,329	-	2,884,329
Management and general	119,403	-	119,403
Fundraising	<u>201,111</u>	<u>-</u>	<u>201,111</u>
Total expenses	<u>3,204,843</u>	<u>-</u>	<u>3,204,843</u>
CHANGE IN NET ASSETS	41,308	(25,000)	16,308
NET ASSETS			
Beginning of year	<u>1,199,038</u>	<u>25,000</u>	<u>1,224,038</u>
End of year	<u>\$ 1,240,346</u>	<u>\$ -</u>	<u>\$ 1,240,346</u>

MAP FURNITURE BANK**STATEMENT OF ACTIVITIES****YEAR ENDED JUNE 30, 2008**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
PUBLIC SUPPORT AND REVENUE			
Agency fees	\$ 156,834	\$ -	\$ 156,834
Furniture deliveries and pick-ups	188,243	-	188,243
Contributions	799,238	25,000	824,238
In-kind contributions			
Furniture, equipment, and household goods	1,904,318	-	1,904,318
Warehouse and office space	28,300	-	28,300
Services	300	-	300
Interest	4,189	-	4,189
Miscellaneous	26,824	-	26,824
	<u>3,108,246</u>	<u>25,000</u>	<u>3,133,246</u>
Total public support and revenue			
EXPENSES			
Program	2,630,005	-	2,630,005
Management and general	131,437	-	131,437
Fundraising	221,403	-	221,403
	<u>2,982,845</u>	<u>-</u>	<u>2,982,845</u>
Total expenses			
LOSS ON DISPOSAL OF ASSETS	<u>(2,667)</u>	<u>-</u>	<u>(2,667)</u>
CHANGE IN NET ASSETS	122,734	25,000	147,734
NET ASSETS			
Beginning of year	<u>1,076,304</u>	<u>-</u>	<u>1,076,304</u>
End of year	<u>\$ 1,199,038</u>	<u>\$ 25,000</u>	<u>\$ 1,224,038</u>

MAP FURNITURE BANK**STATEMENT OF FUNCTIONAL EXPENSES****YEAR ENDED JUNE 30, 2009**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Personnel, salaries, and payroll taxes	\$ 533,213	\$ 90,707	\$ 65,342	\$ 689,262
Truck rental and fuel	56,466	-	-	56,466
Repairs and maintenance	27,907	-	-	27,907
Utilities	18,571	1,145	1,103	20,819
Telephone and computer	28,439	1,754	1,689	31,882
Supplies	9,292	1,109	3,467	13,868
Public relations	40,694	5,426	8,139	54,259
Postage	3,247	928	5,101	9,276
Depreciation	50,514	-	-	50,514
Facilities and catering	54,014	-	50,459	104,473
Printing and invitations	865	-	7,789	8,654
Professional fees	-	11,126	44,114	55,240
Insurance	25,124	1,350	-	26,474
Interest	26,598	-	-	26,598
Bad debt recoveries	(13,305)	-	2,193	(11,112)
Miscellaneous	5,858	5,858	11,715	23,431
	<u>867,497</u>	<u>119,403</u>	<u>201,111</u>	<u>1,188,011</u>
In-kind expenses				
Warehouse and office space	100,000	-	-	100,000
Furniture, equipment, and household goods distribution	1,916,432	-	-	1,916,432
Services	400	-	-	400
	<u>2,016,832</u>	<u>-</u>	<u>-</u>	<u>2,016,832</u>
	<u>\$ 2,884,329</u>	<u>\$ 119,403</u>	<u>\$ 201,111</u>	<u>\$ 3,204,843</u>

See notes to accompanying financial statements.

MAP FURNITURE BANK**STATEMENT OF FUNCTIONAL EXPENSES****YEAR ENDED JUNE 30, 2008**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Personnel, salaries, and payroll taxes	\$ 477,620	\$ 99,742	\$ 63,653	\$ 641,015
Truck rental and fuel	65,475	-	-	65,475
Repairs and maintenance	23,186	-	-	23,186
Utilities	18,390	1,352	1,061	20,803
Telephone and computer	19,959	1,468	1,151	22,578
Supplies	11,495	1,373	4,290	17,158
Public relations	7,744	1,033	1,549	10,326
Postage	1,625	813	5,688	8,126
Depreciation	48,131	-	-	48,131
Facilities and catering	-	-	67,290	67,290
Printing and invitations	1,799	-	16,192	17,991
Professional fees	-	18,918	31,831	50,749
Insurance	19,540	3,664	1,221	24,425
Interest	31,023	-	-	31,023
Bad debt expense	-	-	24,463	24,463
Miscellaneous	51,017	2,834	2,954	56,805
	<u>777,004</u>	<u>131,197</u>	<u>221,343</u>	<u>1,129,544</u>
In-kind expenses				
Warehouse and office space	28,300	-	-	28,300
Furniture, equipment, and household goods distribution	1,824,701	-	-	1,824,701
Services	-	240	60	300
	<u>1,853,001</u>	<u>240</u>	<u>60</u>	<u>1,853,301</u>
	<u>\$ 2,630,005</u>	<u>\$ 131,437</u>	<u>\$ 221,403</u>	<u>\$ 2,982,845</u>

See notes to accompanying financial statements.

MAP FURNITURE BANK**STATEMENTS OF CASH FLOWS****YEARS ENDED JUNE 30, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
OPERATING ACTIVITIES		
Change in net assets	\$ 16,308	\$ 147,734
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Contributed inventory	(1,917,289)	(1,904,318)
Distributed inventory	1,916,432	1,824,701
Contributed investment	(3,570)	-
Loss on disposal of assets	-	2,667
Depreciation	50,514	48,131
Bad debt expense (recoveries)	(11,112)	24,463
	<u>51,283</u>	<u>143,378</u>
Changes in operating assets and liabilities:		
Accounts receivable	15,288	(32,221)
Unconditional promises to give	54,471	68,859
Prepaid expenses	(6,248)	8,518
Deposits	600	(5,545)
Beneficial interest in assets held by The Columbus Foundation	47	166
Accounts payable	5,873	(2,342)
Accrued expenses	6,703	8,972
Deferred revenue	30,205	13,767
	<u>158,222</u>	<u>203,552</u>
Net cash provided by operating activities		
	<u>158,222</u>	<u>203,552</u>
INVESTING ACTIVITIES		
Purchases of property and equipment	(113,664)	(51,425)
FINANCING ACTIVITIES		
Principal payments on note payable	(52,838)	(58,994)
Principal payments on capital lease obligation	-	(1,271)
	<u>(52,838)</u>	<u>(60,265)</u>
Net cash used by financing activities		
	<u>(52,838)</u>	<u>(60,265)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(8,280)	91,862
CASH AND CASH EQUIVALENTS		
Beginning of year	<u>292,189</u>	<u>200,327</u>
End of year	<u>\$ 283,909</u>	<u>\$ 292,189</u>

See notes to accompanying financial statements.

MAP FURNITURE BANK

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

MAP Furniture Bank (the "Organization") is a nonprofit corporation formed in 1998 to provide furniture and household goods to needy families in Columbus, Ohio and the surrounding area. The Organization is funded primarily by individual and corporate contributions and fees are charged to local agencies that identify, evaluate and sponsor needy families.

The following accounting principles and practices of the Organization are set forth to facilitate the understanding of data presented in the accompanying financial statements.

Basis of Accounting - The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation - The financial statement presentation follows the recommendations of the FASB in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements for 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. The Organization has no permanently restricted net assets.

Financial Estimates - The preparation of financial statements in conformity with generally accepted accounting principles 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk - The Organization maintains its cash in bank accounts at five financial institutions located in central Ohio. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. From time-to-time during the year ended June 30, 2009, amounts on deposit may have exceeded the limit.

Cash and Cash Equivalents - For purposes of the statements of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Accounts Receivable - Accounts receivable consist primarily of service fees. Accounts receivable are ordinarily due 30 days after the issuance of the invoice. Accounts past due more than 90 days are considered delinquent. Delinquent receivables are written off based on individual credit evaluation and specific circumstances of the individual or organization. After management's review of all accounts receivable over 90 days, management determined that an allowance for doubtful accounts of \$2,060 and \$19,693 was needed as of June 30, 2009 and 2008, respectively.

Promises to Give - Unconditional promises to give are recognized as revenue in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Management provides an allowance for probable uncollectible pledges based upon its assessment of the current status of individual pledges. Management deems a pledge to be uncollectible after all reasonable collection efforts have been exhausted. Once a pledge is determined to be uncollectible it is written off through a charge to the allowance.

Inventory - Inventory consists of furniture and household goods contributed to the Organization. Inventory is stated at fair value at the date of donation.

MAP FURNITURE BANK

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in Marketable Securities - Investments in debt securities are measured at fair value on the statements of financial position. Investment income or loss (including realized and unrealized gains and losses, interest and dividends) is included in the statements of activities and change in net assets.

Property and Equipment - Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets.

Restricted and Unrestricted Revenue - Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

The Organization does not imply a time restriction on gifts of long-lived assets. The Organization shows restricted contribution (including contributions of long-lived assets) whose restrictions are met in the same reporting period as unrestricted contributions.

Facilities - The Organization purchased two buildings situated on 2.3 acres for \$850,000 in March 2006. Additional capitalized costs of \$66,035 and \$7,346 were incurred to improve the facilities during the years ended June 30, 2009 and 2008, respectively. The facility provides 26,000 square feet of warehouse space that will accommodate future growth.

In addition, the Organization used warehouse space provided by a local donor at no cost to store excess inventory during the years ended June 30, 2009 and 2008. The fair value of the rent-free use of the warehouse space was \$100,000 and \$28,300 for the years ended June 30, 2009 and 2008, respectively.

Donated Goods - Non-cash donations of furniture, equipment, and household goods are recorded as contributions at their estimated fair values at the date of donation.

Donated Property and Equipment - Donations of property and equipment used in operations are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in unrestricted net assets unless the donor has restricted the donated asset to a specific purpose.

Donated Services - Donated services have been recognized in the accompanying financial statements as contributions in accordance with SFAS No. 116, *Accounting for Contributions Received and Contributions Made*. As determined by management, these services have met one of the following criteria: 1) they create or enhance non-financial assets, or 2) they require specialized skills, are performed by people with those skills and would otherwise be purchased by the Organization. The fair value of those donated services is reflected in the accompanying financial statements as in-kind revenue and expense.

In addition, many individuals volunteer their time and perform a variety of tasks including assistance with fundraising events, solicitation of contributions of goods and services from organizations and individuals, and management of donated furniture pick-up and distribution. These services have not been recognized as contributions in the accompanying financial statements because the Organization's management does not consider the recognition criteria under SFAS No. 116 to have been met.

Deferred Revenue - Income from agency fees is deferred and recognized over the periods to which the fees relate.

MAP FURNITURE BANK

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional Allocation of Expenses - The costs of providing various programs and other activities have been summarized on a functional basis in the accompanying financial statements. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Income Taxes - The Organization is an Ohio nonprofit corporation and is exempt from federal income tax under 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

Advertising Expense - Advertising costs are expensed as incurred. Advertising expense was \$34,378 and \$3,780 for the years ended June 30, 2009 and 2008, respectively.

Subsequent Events - In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 18, 2009, the date the financial statements were issued.

NOTE B - FAIR VALUE MEASUREMENTS

The Organization adopted FASB Statement No. 157, *Fair Value Measurements* (SFAS 157) on January 1, 2008. SFAS 157 defines fair value, establishes a framework for measuring fair value in accordance with generally accepted accounting principles and expands disclosures about fair value measurements. This statement applies under other accounting pronouncements that require or permit fair value measurements. Accordingly, SFAS 157 does not require any new fair value measurements; however, the application of this statement will change certain practices.

Fair values of the Organization's financial assets measured on a recurring basis at June 30, 2009 are as follows:

	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Assets				
Beneficial interest in assets held by The Columbus Foundation	\$ 10,044	\$ 10,044	\$ -	\$ -
Investments				
Common stock	<u>3,570</u>	<u>3,570</u>	<u>-</u>	<u>-</u>
	<u>\$ 13,614</u>	<u>\$ 13,614</u>	<u>\$ -</u>	<u>\$ -</u>

Level 1 - Fair values for investments are determined by reference to quoted market prices in an active market and other relevant information generated by market transactions.

Level 2 - Fair values for investments and cash surrender values of life insurance policies are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the investments and policies.

Level 3 - Fair values for investments are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair measurement. These inputs reflect assumptions of management about assumptions market participants would use in pricing the investments.

MAP FURNITURE BANK

NOTES TO FINANCIAL STATEMENTS

NOTE C - PROMISES TO GIVE

Unconditional promises to give at June 30, 2009 and 2008 are as follows:

	<u>2009</u>	<u>2008</u>
Unrestricted		
Board designated	\$ 90,628	\$ 172,975
Other	<u>89,000</u>	<u>63,355</u>
	<u>\$ 179,628</u>	<u>\$ 236,330</u>
Receivable in less than one year	\$ 179,628	\$ 173,955
Receivable in one to five years	<u>-</u>	<u>62,375</u>
Total unconditional promises to give	179,628	236,330
Less		
Discounts to net present value	-	3,231
Allowance	<u>11,000</u>	<u>10,000</u>
Net unconditional promises to give	<u>\$ 168,628</u>	<u>\$ 223,099</u>

Promises to give receivable in more than one year are discounted at an average rate of 2.27%.

NOTE D - PROPERTY AND EQUIPMENT

	<u>2009</u>	<u>2008</u>
Building and improvements	\$ 1,014,452	\$ 948,418
Furniture, equipment, and household goods	103,418	77,453
Vehicles and trailers	<u>103,904</u>	<u>82,239</u>
Total cost	1,221,774	1,108,110
Less accumulated depreciation	<u>197,791</u>	<u>147,277</u>
	<u>\$ 1,023,983</u>	<u>\$ 960,833</u>

NOTE E - BENEFICIAL INTEREST IN ASSETS HELD BY THE COLUMBUS FOUNDATION

During the year ended June 30, 2007, the Organization made contributions to a component fund of The Columbus Foundation (the MAP Furniture Bank Fund). These contributions were made primarily so that these funds could be managed using The Columbus Foundation's investment management expertise, with the expectation that the Organization could periodically, as determined by the Organization's Board of Trustees, take distributions to fund the Organization's operations. If the Organization ceases to exist, or if the Board of Trustees of The Columbus Foundation determines that support of the Organization is no longer necessary, or is inconsistent with the needs of the community, The Columbus Foundation retains the right to substitute another beneficiary in place of the Organization. The possibility that these circumstances will arise is remote. The funds held by The Columbus Foundation on behalf of the Organization are aggregated and shown as a beneficial interest in assets held by The Columbus Foundation in the accompanying statements of financial position.

MAP FURNITURE BANK

NOTES TO FINANCIAL STATEMENTS

NOTE F - OTHER ASSETS

	<u>2009</u>	<u>2008</u>
Beneficial interest in assets held by The Columbus Foundation	\$ 10,044	\$ 10,091
Deposits	5,028	5,628
Unconditional promises to give - long term	<u>-</u>	<u>60,193</u>
	<u>\$ 15,072</u>	<u>\$ 75,912</u>

NOTE G - LINE OF CREDIT

The Organization has a \$100,000 revolving line of credit with a commercial bank bearing interest at the bank's prime rate (3.25% and 5.00% at June 30, 2009 and 2008, respectively) plus 1.5%. Interest is payable monthly. Any outstanding balance is secured by substantially all assets of the Organization. The line of credit will expire in March 2010. There was no outstanding balance on the line of credit as of June 30, 2009 and 2008.

NOTE H - NOTE PAYABLE

	<u>2009</u>	<u>2008</u>
7.04% mortgage payable to a commercial bank, due in monthly installments of \$3,528 through May 2011, with a balloon payment of all unpaid principal and interest in June 2011, secured by real estate with a net book value of \$924,304 and \$888,007 as of June 30, 2009 and 2008, respectively	\$ 331,378	\$ 384,216
Less current maturity	<u>19,647</u>	<u>15,791</u>
	<u>\$ 311,731</u>	<u>\$ 368,425</u>

Principal payments due during the next two years are as follows:

2010	\$ 19,647
2011	<u>311,731</u>
	<u>\$ 331,378</u>

NOTE I - NET ASSETS

In March 2006, the Organization purchased a building relieving the temporary restrictions on net assets. The Board of Trustees has designated unrestricted net assets to fund debt service related to the purchase of a building in March 2006. The balance of designated unrestricted net assets was \$90,628 and \$159,744 at June 30, 2009 and 2008, respectively.

Temporarily restricted net assets of \$25,000 at June 30, 2008 were available for roof repairs.

MAP FURNITURE BANK

NOTES TO FINANCIAL STATEMENTS

NOTE J - RENTAL INCOME

The Organization leases a portion of its facility on a month-to-month basis. Rental income totaled \$22,800 and \$22,300 for the years ended June 30, 2009 and 2008, respectively.

NOTE K - OPERATING LEASE

The Organization has a noncancelable operating lease for a phone system. The lease expires in July 2012 and contains a renewal option for an additional 36 month term. Rental expense under the lease totaled \$3,564 and \$3,176 for the years ended June 30, 2009 and 2008, respectively.

Future minimum lease payments for the next four years are as follows:

2010	\$	3,465
2011		3,465
2012		3,465
2013		289

NOTE L - RELATED PARTY TRANSACTIONS

The Organization receives cash and in-kind contributions from members of the Board of Trustees, their employers, the Organization's management, and their family members, which are considered related party transactions. During the years ended June 30, 2009 and 2008, the Organization recorded contribution revenue from related parties in the amounts of \$123,118 and \$60,746, respectively. Unconditional promises to give from related parties as of June 30, 2009 and 2008 were \$56,125 and \$65,775, respectively.

NOTE M - SIGNIFICANT ESTIMATES

Management has estimated the fair value of the warehouse and office space, inventory, property and equipment, services, and other products that were contributed to the Organization during the years ended June 30, 2009 and 2008 based on information provided by donors, and by making judgments regarding the condition, age and quality of the donated items. These contributions represent a significant portion of the Organization's revenue.

NOTE N - SUPPLEMENTAL CASH FLOW INFORMATION

	<u>2009</u>	<u>2008</u>
Cash paid during the year for:		
Interest	<u>\$ 26,598</u>	<u>\$ 31,023</u>
Noncash transactions:		
Contributions of warehouse and office space, inventory, property and equipment, services, and other products at fair value	<u>\$ 2,036,753</u>	<u>\$ 1,932,918</u>
Contributed warehouse and office space, inventory, and services fair value	<u>\$ 2,016,832</u>	<u>\$ 1,853,301</u>