

GO YE FELLOWSHIP
FINANCIAL STATEMENTS
and
INDEPENDENT AUDITORS' REPORT

March 31, 2010

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Go Ye Fellowship
Pasadena, California

We have audited the accompanying statement of financial position of Go Ye Fellowship as of March 31, 2010, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Go Ye Fellowship's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the organization's financial statements as of and for the year ended March 31, 2009, and, in our report dated August 27, 2009, we expressed an unqualified opinion on those financial 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 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 Go Ye Fellowship as of March 31, 2010, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.



Certified Public Accountants
Cerritos, California.
August 31, 2010

GO YE FELLOWSHIP
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2010

(With comparative totals for March 31, 2009)

ASSETS

	<u>March 31</u>	
	<u>2010</u>	<u>2009</u>
CURRENT ASSETS:		
Cash and cash equivalents	\$ 267,665	\$ 303,554
Investments	151,524	66,153
Other current assets	6,696	6,739
Total current assets	425,885	376,446
EQUIPMENT, net	2,643	3,374
TOTAL ASSETS	\$ 428,528	\$ 379,820

See accompanying notes to financial statements.

GO YE FELLOWSHIP

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2010

(With comparative totals for March 31, 2009)

LIABILITIES AND NET ASSETS

	<u>March 31</u>	
	<u>2010</u>	<u>2009</u>
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 52,041	\$ 35,231
Total current liabilities	<u>52,041</u>	<u>35,231</u>
TOTAL LIABILITIES	52,041	35,231
NET ASSETS		
Unrestricted	135,591	81,883
Temporarily restricted	<u>240,896</u>	<u>262,706</u>
Total net assets	<u>376,487</u>	<u>344,589</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 428,528</u>	<u>\$ 379,820</u>

See accompanying notes to financial statements.

GO YE FELLOWSHIP

STATEMENT OF ACTIVITIES

YEAR ENDED MARCH 31, 2010

(With comparative totals for year ended March 31, 2009)

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>Year ended March 31</u>	
			<u>2010 TOTAL</u>	<u>2009 TOTAL</u>
SUPPORT AND REVENUE				
SUPPORT:				
Contributions	\$ 145,740	\$ 1,158,261	\$ 1,304,001	\$ 1,330,450
Total support	145,740	1,158,261	1,304,001	1,330,450
Net Assets released from restriction	1,180,071	(1,180,071)		
REVENUE:				
Field Assessments	141,181		141,181	143,862
Other income	1,192		1,192	810
Interest and dividends	4,970	-	4,970	7,997
Total revenue	147,343	-	147,343	152,669
Total support and revenue	1,473,154	(21,810)	1,451,344	1,483,119
EXPENSES:				
Program expenses	\$ 1,108,508		1,108,508	1,160,665
Supporting services:				
Administrative	207,048		207,048	246,629
Fund raising	103,890	-	103,890	14,132
Total supporting services	310,938	-	310,938	260,761
Total expenses	1,419,446	-	1,419,446	1,421,426
CHANGE IN NET ASSETS	53,708	(21,810)	31,898	61,693
BEGINNING NET ASSETS	81,883	262,706	344,589	282,896
ENDING NET ASSETS	\$ 135,591	\$ 240,896	\$ 376,487	\$ 344,589

See accompanying notes to financial statements.

GO YE FELLOWSHIP

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED MARCH 31, 2010

(With comparative totals for year ended March 31, 2009)

	Year ended March 31				
	Program	Administrative	Fund raising	2010	2009
				Total	Total
Advertising	\$ -	\$ 325	\$ -	\$ 325	\$ 373
Bank charges	41	2,497		2,538	2,038
Depreciation		1,890		1,890	1,759
Employee benefits	80,864	15,646	7,017	103,527	116,092
Equipment	7,703	411	1,432	9,546	14,622
Field project expenditures	79,508			79,508	47,854
Field expenditures - other	17,653	61		17,714	23,432
Hospitality and gifts	2,751	578		3,329	3,085
Insurance		4,343		4,343	4,308
Legal and accounting		3,275	3,275	6,550	5,970
Meetings and conferences		3,682	3,682	7,364	6,016
Miscellaneous	305			305	1,922
Occupancy	3,898	16,891	3,669	24,458	21,305
Office supplies	3,467	1,829	935	6,231	5,279
Outside services		1,865		1,865	1,747
Payroll taxes	36,385	8,773	3,463	48,621	52,315
Pension/Retirement plan	20,331	8,890		29,221	16,747
Postage and delivery	4,985	3,531	1,503	10,019	9,558
Printing/Publishing	3,306	2,643	4,133	10,082	8,331
Salaries	788,694	123,970	63,387	976,051	991,295
Telephone	5,812	1,627	1,313	8,752	7,604
Travel	52,805	4,321	10,081	67,207	79,774
	<u>\$ 1,108,508</u>	<u>\$ 207,048</u>	<u>\$ 103,890</u>	<u>\$ 1,419,446</u>	<u>\$ 1,421,426</u>

See accompanying notes to financial statements

GO YE FELLOWSHIP
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2010

(With comparative totals for year ended March 31, 2009)

Increase (decrease) in cash and cash equivalents

	Year ended March 31	
	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 31,898	\$ 61,693
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,890	1,759
Decrease in other current assets	43	185
Increase in accounts payable and accrued expenses	16,810	9,969
Net cash provided by operating activities	50,641	73,606
CASH FLOWS FROM INVESTING ACTIVITIES:		
Change in investments, net	(85,371)	21,309
Purchases of fixed assets	(1,159)	-
Net cash provided by (used in) investing activities	(86,530)	21,309
 NET INCREASE IN CASH AND CASH EQUIVALENTS	 (35,889)	 94,915
 BEGINNING CASH AND CASH EQUIVALENTS	 303,554	 208,639
 ENDING CASH AND CASH EQUIVALENTS	 \$ 267,665	 \$ 303,554

Supplemental disclosures:

No interest or taxes were paid for the year

See accompanying notes to financial statements.

GO YE FELLOWSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2010

Note 1: Organization and Summary of Significant Accounting Policies

Organization

Go Ye Fellowship (the Organization), was incorporated in California on January 10, 1944, and is a nonprofit corporation exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization assists missionaries in the United States and abroad with financial support. Each supported missionary is responsible for raising funds for their own support. Donors and contributors provide support to the Organization for the support of designated missionaries. All donations remain under the control and administration of Go Ye Fellowship to be used to fulfill the nonprofit mission of the Organization. Go Ye Fellowship honors all donor designations whenever possible. The Organization retains an assessment amount for its administrative costs, ranging from six to 11% of the contributions. The missionaries are paid a salary and their expenses are reimbursed upon approval by the Organization. The salaries and reimbursed expenses depend upon the availability of funds designated for each individual missionary's support and expenses.

A summary of the Organization's significant accounting policies follows:

Basis of Financial Statement Presentation

The financial statements reflect the activities over which the organization exercises fiscal and/or administrative control, and are presented on the accrual basis of accounting.

Classes in Net Assets

The financial statements report amounts separately by class of net assets.

- a) **Unrestricted** amounts are those currently available at the discretion of the board for use in the organization's operations and those resources invested in equipment.
- b) **Temporarily restricted** amounts are those that are stipulated by donors for specific operating purposes or for the acquisition of equipment.

All contributions are considered available for unrestricted use, unless specifically restricted by the donor or subject to other legal restrictions.

Funds received for designated missionary support and not yet expended are reported as temporarily restricted net assets.

GO YE FELLOWSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2010

(continued)

Note 1: Organization and Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking, savings, and money market accounts and certificates of deposit with original maturities of less than 90 days.

Revenues and Expenses

Unrestricted contributions are recognized when cash or ownership of donated assets is unconditionally promised to the organization.

Temporarily restricted contributions are recognized as contribution income in the statement of activities when cash or the ownership of assets is unconditionally promised to the organization, and they are subsequently released to the unrestricted net assets when conditions have occurred in satisfaction of those restrictions.

Other income is recognized when earned. Expenses are recognized when incurred in accordance with the accrual basis of accounting.

Allocation of Expenses

The costs of providing the various programs and supporting activities of the organization have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between the program and supporting activities.

Land, Buildings and Equipment

Expenditures for equipment are capitalized at cost. Donated assets are capitalized at their fair market value on the date of the gift, if such value is readily ascertainable. Expenditures for repairs and maintenance are charged to expense. It is the organization's policy to carry capitalized items at cost, with depreciation provided on a straight-line basis over the estimated useful lives of the assets as follows:

Furniture, Fixtures and Equipment	5-7 years
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GO YE FELLOWSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2010

(continued)

Note 1: Organization and Summary of Significant Accounting Policies (continued)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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.

Income Tax Status

The Go Ye Fellowship is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended March 31, 2009, from which the summarized information was derived.

Note 2: Investments

Investments consist of a Certificate of Deposit.

Note 3: Equipment

Equipment at March 31, 2010, consisted of the following:

Furniture, Fixtures and Equipment	\$ 9,919
Less: Accumulated Depreciation	<u>7,276</u>
	<u>\$ 2,643</u>

GO YE FELLOWSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2010

(continued)

Note 4: Commitments and Contingencies:

The Organization leases its office space on a month-to-month basis.

Note 5 - Off Balance Sheet Risk and Concentrations of Credit Risk:

Off balance Sheet Risk

As of March 31, 2010, the Organization did not have any financial instruments with off balance risk.

Concentrations of Credit Risk

Financial instruments that potentially expose the Organization to concentrations of credit risk consist primarily of contributions receivable. The Organization does not recognize or record contributions receivable based on pledges received or any other basis. Contributions are generally recognized and recorded when the contribution is received.

The Organization maintains its cash in bank accounts which, at times, may exceed federally insured limits. The Organization invests with financial institution of sound reputation and evaluates credit risk on an ongoing basis. The Company has not experienced any losses in such accounts.