

**GROWTH THROUGH LEARNING , INC.**  
**WORCESTER, MASSACHUSETTS**

**FINANCIAL STATEMENTS - JUNE 30, 2009 and 2008**  
(With Independent Auditor's Report Thereon)

**STEVEN P. RICHER, CPA**  
*Certified Public Accountant*

**GROWTH THROUGH LEARNING, INC.**  
**FINANCIAL STATEMENTS**  
**JUNE 30, 2009 and 2008**

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INDEPENDENT AUDITOR'S REPORT

To The Board of Directors  
Growth Through Learning, Inc.

I have audited the accompanying statement of financial position of Growth Through Learning, Inc. as of June 30, 2009 and 2008 and the related statement of activities, changes in net assets, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Growth Through Learning, Inc. as of June 30, 2009 and 2008 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



Millbury, Massachusetts  
January 10, 2010

**GROWTH THROUGH LEARNING, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2009 and 2008**

	<u>General Fund</u>	<u>Plant Fund</u>	<u>Endowment Fund</u>	<u>TOTALS 2009</u>	<u>TOTALS 2008</u>
<b><u>ASSETS</u></b>					
<b>CURRENT ASSETS:</b>					
Cash - checking account	\$ 33,894	\$ -	\$ -	\$ 33,894	\$ 4,945
Cash - Mutual fund	4,547	-	-	4,547	164,984
Cash - CD's and money market account	320,598	-	-	320,598	168,821
Accounts receivable	-	-	-	-	-
	<u>359,039</u>	<u>-</u>	<u>-</u>	<u>359,039</u>	<u>338,750</u>
Total current assets					
<b>PROPERTY AND EQUIPMENT:</b>					
Less - accumulated depreciation	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total property and equipment					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 359,039</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 359,039</u>	<u>\$ 338,750</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>					
<b>CURRENT LIABILITIES:</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued expenses	23,013	-	-	23,013	-
	<u>23,013</u>	<u>-</u>	<u>-</u>	<u>23,013</u>	<u>-</u>
Total current liabilities					
	<u>23,013</u>	<u>-</u>	<u>-</u>	<u>23,013</u>	<u>-</u>
<b>NET ASSETS</b>					
Unrestricted net assets	336,026	-	-	336,026	338,750
Temporarily restricted net assets	-	-	-	-	-
Permanantly restricted net assets	-	-	-	-	-
	<u>336,026</u>	<u>-</u>	<u>-</u>	<u>336,026</u>	<u>338,750</u>
Total net assets					
	<u>336,026</u>	<u>-</u>	<u>-</u>	<u>336,026</u>	<u>338,750</u>
Total liabilities and net assets	<u>\$ 359,039</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 359,039</u>	<u>\$ 338,750</u>

See Independent Auditor's Report  
The accompanying notes are an integral part of these financial statements  
(2)

**GROWTH THROUGH LEARNING, INC.**  
**STATEMENT OF ACTIVITIES**  
**AND CHANGES IN NET ASSETS**  
**FOR THE YEARS ENDED JUNE 30, 2009 AND 2008**

	<u>Unrestricted</u>		Temp	<u>TOTALS</u>	<u>TOTALS</u>
	<u>General</u>	<u>PLANT</u>	<u>Restricted</u>	<u>2009</u>	<u>2008</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>		
<b>REVENUES:</b>					
Contributions	\$ 178,563	\$ -	\$ -	\$ 178,563	\$ 224,015
Contributions - Endowment	55,200	-	-	55,200	53,330
Investment income (loss) - net	(34,333)	-	-	(34,333)	(4,096)
Interest income and misc. income	2,495	-	-	2,495	6,817
Total revenues	<u>201,925</u>	<u>-</u>	<u>-</u>	<u>201,925</u>	<u>280,066</u>
<b>EXPENDITURES:</b>					
Program services:					
Direct service to clients	<u>154,542</u>	<u>-</u>	<u>-</u>	<u>154,542</u>	<u>163,160</u>
Total program services	<u>154,542</u>	<u>-</u>	<u>-</u>	<u>154,542</u>	<u>163,160</u>
Administrative services:					
Management and general	50,107	-	-	50,107	53,605
Fund raising	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total administrative services	<u>50,107</u>	<u>-</u>	<u>-</u>	<u>50,107</u>	<u>53,605</u>
<b>TOTAL EXPENDITURES</b>	<u>204,649</u>	<u>-</u>	<u>-</u>	<u>204,649</u>	<u>216,765</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(2,724)	-	-	(2,724)	63,301
<b>NET ASSETS, BEGINNING OF YEAR</b>	338,750	-	-	338,750	275,449
<b>RELEASE OF RESTRICTION ON TEMP ENDOWMENT FUNDS</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 336,026</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 336,026</u>	<u>\$ 338,750</u>

See Independent Auditor's Report  
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(3)

**GROWTH THROUGH LEARNING, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES (ALL FUNDS)**  
**FOR THE YEARS ENDED JUNE 30, 2009 AND 2008**

	<u>Support Services</u>					
	Program	Manage	Fund	Temp	<u>TOTALS</u>	<u>TOTALS</u>
	<u>Services</u>	<u>&amp; General</u>	<u>Raising</u>	<u>Restricted</u>	<u>2009</u>	<u>2008</u>
				<u>Fund</u>		
Application fees	\$ 1,152	\$ -	\$ -	\$ -	\$ 1,152	\$ 1,150
Advertising	-	125	-	-	125	270
Audit fees	-	2,315	-	-	2,315	2,260
Bank services charges	-	943	-	-	943	754
Board costs	-	865	-	-	865	1,220
Contract Labor	-	375	-	-	375	467
Coordinators fees	1,250	-	-	-	1,250	3,400
Dues and subscriptions	-	360	-	-	360	305
Filing fees	-	155	-	-	155	35
Insurance	-	1,475	-	-	1,475	839
Newsletter and web page	-	566	-	-	566	862
Office supplies and expenses	-	1,510	-	-	1,510	1,192
Payroll fees	-	419	-	-	419	443
Payroll taxes	-	3,179	-	-	3,179	3,073
Postage and delivery	-	727	-	-	727	590
Presidents discretionary fund	-	-	-	-	-	1,491
Printing and reproduction	-	1,757	-	-	1,757	2,030
Professional fees	-	-	-	-	-	60
Relocation expenses	-	764	-	-	764	-
Rent	-	800	-	-	800	4,800
Salaries	-	32,068	-	-	32,068	30,114
Small equipment and repairs	-	270	-	-	270	800
Scholarships	143,125	-	-	-	143,125	152,780
Telephone and internet	-	1,347	-	-	1,347	1,579
Travel	9,015	-	-	-	9,015	5,830
Utilities	-	87	-	-	87	421
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total expenses	<u>\$ 154,542</u>	<u>\$ 50,107</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 204,649</u>	<u>\$ 216,765</u>

See Independent Auditor's Report  
The accompanying notes are an integral part of these financial statements  
(4)

**GROWTH THROUGH LEARNING, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ (2,724)	\$ 63,301
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	-	-
(Increase) decrease in:		
Accounts receivable	-	100,040
Increase (decrease) in:		
Accounts payable		
Accrued expenses	<u>23,013</u>	<u>-</u>
Net cash provided by operating activities	<u>20,289</u>	<u>163,341</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Loss on disposal of property and equipment	-	-
Purchases of property and equipment	<u>-</u>	<u>-</u>
Net cash used by investing activities	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from long-term borrowings	-	-
Payments on long-term debt	<u>-</u>	<u>-</u>
Net cash provided (used) by financing activities	<u>-</u>	<u>-</u>
Net increase in cash	20,289	163,341
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>338,750</u>	<u>175,409</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$359,039</u>	<u>\$338,750</u>

See Independent Auditor's Report  
The accompanying notes are an integral part of these financial statements  
(5)

**GROWTH THROUGH LEARNING, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2008 AND 2009**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of Growth Through Learning, Inc. conform to generally accepted accounting principles. The following is a summary of the more significant policies:

Business Purpose

The Organization's purpose is to provide and enhance educational opportunities for women and children of the East African countries of Uganda, Tanzania and Kenya; presenting public discussion groups, forums, panels, lectures or other similar educational programs on the plight of women and children in these countries in order to solicit funds from all sources for the purpose of providing these funds for the above.

Tax Status

The organization was incorporated under the provisions of Chapter 180 of the General Laws of the Commonwealth of Massachusetts on June 30, 1997. The organization has been granted a tax-exempt status by the Internal Revenue Service under Code Section 501(c)(3).

Method of Accounting

The organization prepares its financial statements on the accrual method of accounting in accordance with generally accepted accounting principles; consequently, the organization recognizes revenue as it is earned rather than received. The expenses are recognized when the obligation is incurred.

Estimates

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

**GROWTH THROUGH LEARNING, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Financial Statement Presentation

During fiscal year ended 09/30/97, a new Statement of Financial Accounting Standards (SFAS) No 117, "Financial Statements of Not-for-Profit Organizations" was mandated. 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, temporarily restricted, and permanently restricted net assets.

NOTE 2: ENDOWMENT FUND

The Maine Community Foundation has informed Growth Through Learning, Inc. that they have received an Anonymous Grant of \$1,000,000 that they are administering on behalf of Growth Through Learning, Inc. This is classified as a designated fund, with the spending from the fund limited to Invested/Income only. The revenues received from this endowment fund are to be used to support the cost of an executive/administrator. This will help Growth Through Learning, Inc.'s future stability and sustainability by providing permanent, reliable support for a paid staff member.

To release the annual grant distribution, GTL needs to submit a written request annually to the vice president for philanthropic services at the foundation.

On June 27, 2007, the Foundation authorized the use of the distributions from the Fund for non-personnel related operating expenses, to the degree that the distribution is in excess of the Executive Director's salary costs. This use of the funds may be submitted in writing, which would describe the deviations from the primary purpose.

If Growth Through Learning, Inc. determines the income of the fund is not needed in any given year, the annual distribution will be reinvested in the principal of the fund.

The ending value of the fund at 06/30/09 per the Maine Community Foundation Fund Statement is \$848,204. \$55,200 and 53,330 was distributed to Growth Through Learning, Inc. in February 2009 and 2008 respectively.

NOTE 3: ACCRUED EXPENSES:

Accrued expenses at 06/30/2009 consists of money held in a foreign bank account in Tanzania for scholarships in that country. Payment of these scholarships was made from GTL to the Tanzania bank account. Distribution of the scholarships was made after June 30, 2009 from this foreign account.

**GROWTH THROUGH LEARNING, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 4: INCOME TAXES:

Growth Through Learning, Inc. is exempt from Federal income taxes under 501(c)(3) of the Internal Revenue Code and is exempt from state income taxes under Chapter 180 of the Massachusetts General Laws. Unrelated business income, of which there was none for the years ended June 30, 2009 and 2008, would be subject to Federal and State income taxes. As a result, the accompanying financial statements do not reflect any provision for income taxes.

During 2009, Growth Through Learning, Inc. adopted Financial Accounting Standards Board (FASB) Interpretation No. 48 *Accounting for Uncertainty in Income Taxes* (FIN 48). FIN 48 provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in financial statements. FIN 48 requires the evaluation of tax positions taken or expected to be taken in Growth Through Learning, Inc.'s tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold, along with accrued interest and penalties, would be recorded as an expense in the current year financial statements. Growth Through Learning, Inc. has evaluated the tax positions taken in its previously filed returns and those expected to be taken on its 2009 returns and believe they are more-likely-than-not of being sustained if examined by Federal or State tax authorities.

NOTE 5: SUBSEQUENT EVENTS:

Growth Through Learning, Inc. has evaluated events through January 10, 2010, which is the date the financial statements were issued. There are no recognized subsequent events that provide additional evidence about conditions that existed at the statement of financial position date, or non-recognized subsequent events or events that provide evidence about conditions that did not exist at the statement of financial position date, which are necessary to disclose to keep the financial statements from being misleading.