

LINK CENTER FOUNDATION

**Financial Statements with
Accompanying Independent Auditor's Report**

December 31, 2008

TABLE OF CONTENTS

Independent Auditor's Report	1
Financial Statements	
Statement of Financial Position	2
Statement of Activities and Changes in Net Assets	3
Statement of Cash Flows	4
Statement of Functional Expenses	5
Notes to Financial Statements	6 - 8

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Link Center Foundation
Longmont, Colorado

We have audited the accompanying statement of financial position of LINK CENTER FOUNDATION (a nonprofit organization) as of December 31, 2008, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of LINK CENTER FOUNDATION'S management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 LINK CENTER FOUNDATION as of December 31, 2008, 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.

Sapp and Company, LLC

Lakewood, Colorado
March 20, 2009

LINK CENTER FOUNDATION

Statement of Financial Position
December 31, 2008

ASSETS	
Cash - Operating	\$ 844
	<u>844</u>
TOTAL ASSETS	<u>\$ 844</u>
LIABILITIES AND NET ASSETS	
Accounts Payable	\$ -
Advances	<u>-</u>
	<u>-</u>
TOTAL LIABILITIES	<u>-</u>
NET ASSETS	
Unrestricted	(121)
Temporarily Restricted	<u>964</u>
	<u>844</u>
TOTAL NET ASSETS	<u>844</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 844</u>

The accompanying notes are an integral part of these financial statements.

LINK CENTER FOUNDATION

Statement of Activities and Changes in Net Assets Calendar Year Ending December 31, 2008

	Unrestricted	Temporarily Restricted	Total
REVENUES AND OTHER SUPPORT			
Contracts and Grants	\$ -	\$ 30,975	\$ 30,975
Contributions & Fundraising	7,158	-	7,158
Total Revenues, Gains and Other Support	7,158	30,975	38,133
EXPENSES:			
Program Services	3,243	30,967	34,210
Supporting Services			
Management and General	1,567	-	1,567
Fundraising	32	-	32
Total Supporting Services	1,599	-	1,599
Total Expenses	4,843	30,967	35,810
CHANGE IN NET ASSETS	2,316	7	2,323
NET ASSETS, Beginning of Year	(2,437)	957	(1,480)
NET ASSETS, End of Year	\$ (121)	\$ 964	\$ 844

The accompanying notes are an integral part of these financial statements.

LINK CENTER FOUNDATION

Statement of Cash Flows
Year Ended December 31, 2008

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	\$ 2,323
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Changes in Assets and Liabilities	
Increase (Decrease) in Auto Advances	(957)
Increase (Decrease) in Accounts Payable	<u>(1,255)</u>
Net Cash Provided by Operating Activities	<u>111</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Cash Invested in Building Renovation	<u>-</u>
Net Cash (Used) by Investing Activities	<u>-</u>
INCREASE (DECREASE) IN CASH	111
CASH, Beginning	<u>733</u>
CASH, Ending	<u><u>\$ 844</u></u>
SUPPLEMENTAL DISCLOSURE OF INFORMATION:	
Cash Paid During the Year for Interest	<u><u>\$ -</u></u>
Non-Cash In-Kind Services Contributed During the Year	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these financial statements.

LINK CENTER FOUNDATION

Schedule of Functional Expenses
Year Ended December 31, 2008

	<u>Supporting Services</u>			Total
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	
PERSONNEL EXPENSES				
Salaries and Wages	\$ -	\$ -	\$ -	\$ -
Employee Benefits and Taxes	-	-	-	-
TOTAL PERSONNEL EXPENSES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENSES				
Heating and Utility Assistance	\$ 30,967	\$ -	\$ -	\$ 30,967
Legal	421	421	-	841
Accounting	-	458	-	458
Boulder Change	-	-	-	-
Facility Supplies	-	-	-	-
Food Expense	-	-	-	-
Wood Vendor and Supply	-	-	-	-
Transportation	-	-	-	-
Office Supplies	365	243	-	608
Bank Processing Fees	1,092	-	-	1,092
Internet Expenses	54	-	-	54
Telephone	1,110	58	-	1,168
Postage	-	231	-	231
Licenses and Permits	42	28	-	70
Printing/Copying	160	128	32	320
TOTAL OTHER EXPENSES	<u>34,210</u>	<u>1,567</u>	<u>32</u>	<u>35,810</u>
TOTAL EXPENSES	<u>\$ 34,210</u>	<u>\$ 1,567</u>	<u>\$ 32</u>	<u>\$ 35,810</u>

The accompanying notes are an integral part of these financial statements.

LINK CENTER FOUNDATION

Notes to Financial Statements
December 31, 2008

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Purpose

LINK CENTER FOUNDATION is an all-volunteer non-profit organization located in Colorado, dedicated to creating a permanent land-based, sustainable, holistic, non-denominational, non-political teaching and conference center. LINK CENTER FOUNDATION is also dedicated to providing a critically needed emergency heating and utility assistance program for Elders, disabled, and sick living on the Lakota Sioux Reservation in South Dakota. We also support self employment initiatives as well as various Lakota cultural preservation projects. LINK CENTER FOUNDATION's website is www.linkcenterfoundation.org.

The LINK CENTER FOUNDATION also seeks to develop charitable, educational, and scientific activities and programs as may be approved from time to time.

Basis of Accounting

LINK CENTER FOUNDATION'S financial statements have been prepared using the accrual basis of accounting.

Estimates

The preparation of LINK CENTER FOUNDATION'S financial statements in conformity with generally accepted accounting principles requires the use of management's estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

Financial Statement Presentation

Under SFAS No.117, *Financial Statements of Not-for-Profit Organizations*, 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.

Donated Property and Equipment

Donated property and equipment are reflected as contributions at their estimated values at the date of receipt. During the year ended December 31, 2008 LINK CENTER FOUNDATION did not receive any material amounts of property or equipment.

LINK CENTER FOUNDATION

Notes to Financial Statements December 31, 2008

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Donated Services

During the year numerous volunteers have donated significant amounts of their time to LINK CENTER FOUNDATION'S program services. These services did not meet the requirements for recognition in the financial statements and have not been recorded.

Contributions

Under SFAS No. 116, *Accounting for Contributions Received and Contributions Made*, contributions received are recorded as unrestricted, temporarily restricted or permanently restricted net assets, depending on the absence or existence and nature of any donor restrictions.

Contributions to the Organization which are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire within the fiscal year in which the contributions are 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.

Restrictions on Net Assets

Unrestricted net assets can generally be used in a manner to report LINK CENTER FOUNDATION'S purpose and general activities.

Temporarily restricted net assets consist of contributions and other inflows which have donor-imposed stipulations limiting their use. These restrictions expire with either the passage of time or by actions of LINK CENTER FOUNDATION. At December 31, 2008, all temporarily restricted net assets were restricted to providing heating and utility assistance to Native American Tribes and individuals in South Dakota.

Grant and Contract Revenue

For all grants and contracts which are considered to be exchange transactions, revenue is recognized as allowable reimbursable expenses are incurred. Cash received in excess of allowable expenses is recorded as deferred revenue, and allowable expenses incurred in excess of cash received are recorded as receivables.

Income Taxes

LINK CENTER FOUNDATION is recognized as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

LINK CENTER FOUNDATION

Notes to Financial Statements December 31, 2008

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

NOTE 2: COMMITMENTS AND CONTINGENCIES

The Organization receives grants from various sources which are subject to final review and approval, depending on the allowability of corresponding expenses charged to those programs. Any expenses not allowed by the granting authority would be reimbursable by LINK CENTER FOUNDATION. As of December 31, 2008, management of LINK CENTER FOUNDATION believes that any subsequent review of its expenses will not have a material effect on the overall financial position of LINK CENTER FOUNDATION.