

# Charities Aid Foundation America and Subsidiary

Consolidated Financial Statements as of and for the  
Years Ended April 30, 2011 and 2010, Supplemental  
Schedules as of and for the Year Ended April 30,  
2011, and Independent Auditors' Report

# CHARITIES AID FOUNDATION AMERICA AND SUBSIDIARY

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## INDEPENDENT AUDITORS' REPORT

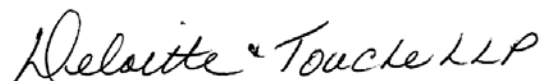
To the Board of Directors of  
Charities Aid Foundation America  
Alexandria, Virginia

We have audited the accompanying consolidated statements of financial position of Charities Aid Foundation America and subsidiary (the "Foundation") as of April 30, 2011 and 2010, and the related consolidated statements of activities and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of the Foundation as of April 30, 2011 and 2010, 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.

Our audits were conducted for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The supplemental consolidating information as of and for the year ended April 30, 2011 is presented for the purpose of additional analysis of the basic consolidated financial statements rather than to present the financial position and changes in net assets of the individual entities, and is not a required part of the basic consolidated financial statements. This supplemental consolidating information is the responsibility of the Foundation's management. Such information has been subjected to the auditing procedures applied in our audit of basic 2011 consolidated financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic 2011 consolidated financial statements taken as a whole.



June 24, 2011

# CHARITIES AID FOUNDATION AMERICA AND SUBSIDIARY

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF APRIL 30, 2011 AND 2010

	2011	2010
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 23,255,023	\$ 3,075,462
Short-term investments	21,228,860	681,208
Accounts receivable	1,035,340	160,417
Related party receivables	20,000	83,166
Prepaid expenses	28,525	30,768
Deposits	4,420	-
Total current assets	<u>45,572,168</u>	<u>4,031,021</u>
OTHER ASSETS:		
Long-term investments	9,328,083	100,401
Related party receivables	192,420	-
Fixed assets — net	23,695	44,634
Investment in CAF American Donor Fund	-	143
Total other assets	<u>9,544,198</u>	<u>145,178</u>
TOTAL	<u>\$ 55,116,366</u>	<u>\$ 4,176,199</u>
<b>LIABILITIES AND NET ASSETS</b>		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 1,114,530	\$ 91,974
Deferred revenue	-	50,000
Total current liabilities	1,114,530	141,974
LONG-TERM LIABILITY — Deferred rent	-	14,866
Total liabilities	<u>1,114,530</u>	<u>156,840</u>
COMMITMENTS AND CONTINGENCIES (Note 9)		
NET ASSETS:		
Unrestricted:		
Designated donor advised funds	53,306,741	3,551,116
Designated donor advised gifts	136,937	176,116
Other	558,158	292,127
Total unrestricted net assets	<u>54,001,836</u>	<u>4,019,359</u>
TOTAL	<u>\$ 55,116,366</u>	<u>\$ 4,176,199</u>

See notes to consolidated financial statements.

# CHARITIES AID FOUNDATION AMERICA AND SUBSIDIARY

## CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS FOR THE YEARS ENDED APRIL 30, 2011 AND 2010

	2011	2010
CHANGES IN UNRESTRICTED NET ASSETS:		
Revenues and support:		
Contributions:		
Donor advised	\$ 32,403,978	\$ 16,309,148
Other	20,000	81,366
Net assets released from restriction	<u>-</u>	<u>1,030,890</u>
Total contributions	32,423,978	17,421,404
Investment income	499,932	24,317
Other income	28,954	37,031
Application review fees	12,063	29,750
Program services fees	<u>538,680</u>	<u>311,917</u>
Total unrestricted revenues and support	<u>33,503,607</u>	<u>17,824,419</u>
Expenses:		
Program services:		
Grants	26,964,121	17,031,592
Operating expenses	<u>1,419,878</u>	<u>628,865</u>
Total program services	28,383,999	17,660,457
Management and general	517,326	417,046
Fundraising	<u>260,636</u>	<u>234,948</u>
Total expenses	29,161,961	18,312,451
Increase (decrease) in unrestricted net assets before net contribution received in donation of CADF to the Foundation and foreign currency translation	4,341,646	(488,032)
Net contribution received in donation of CADF to the Foundation on January 1, 2011 (Note 1)	42,161,177	-
Foreign currency translation	<u>3,479,654</u>	<u>-</u>
Increase (decrease) in unrestricted net assets	<u>49,982,477</u>	<u>(488,032)</u>
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:		
Loss on uncollectible pledges receivable	-	(1,365,000)
Net assets released from restriction	<u>-</u>	<u>(1,030,890)</u>
Decrease in temporarily restricted net assets	<u>-</u>	<u>(2,395,890)</u>
CHANGES IN NET ASSETS	49,982,477	(2,883,922)
NET ASSETS — Beginning of year	<u>4,019,359</u>	<u>6,903,281</u>
NET ASSETS — End of year	<u>\$ 54,001,836</u>	<u>\$ 4,019,359</u>

See notes to consolidated financial statements.

# CHARITIES AID FOUNDATION AMERICA AND SUBSIDIARY

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED APRIL 30, 2011 AND 2010

	2011	2010
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Changes in net assets	\$ 49,982,477	\$ (2,883,922)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Net contribution received in donation of CADF to the Foundation on January 1, 2011 (Note 1)	(42,161,177)	-
Foreign currency translation	(3,479,654)	-
Depreciation and amortization	20,939	25,329
Loss on uncollectible pledges receivable	-	1,365,000
Unrealized gain on investments	(195,217)	-
Amortization of deferred rent	(7,756)	(7,756)
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	1,037,715	(100,500)
Related party receivables	63,166	32,950
Prepaid expenses	2,243	1,028
Pledges receivable	-	1,030,890
Deposits	(4,420)	-
Accrued interest	(38,160)	(1,386)
Increase in:		
Accounts payable and accrued expenses	534,289	8,887
Deferred revenue	(50,000)	-
Net cash provided by (used in) operating activities	<u>5,704,445</u>	<u>(529,480)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets	-	(5,305)
Proceeds from sales of investments	15,491,620	1,938,000
Purchases of investments	(17,007,605)	(1,134,000)
Loan advanced to CAF	1,787	-
Cash received in donation of CADF to the Foundation on January 1, 2011 (Note 1)	<u>14,656,969</u>	<u>-</u>
Net cash provided by investing activities	<u>13,142,771</u>	<u>798,695</u>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>18,847,216</b>	<b>269,215</b>
<b>EFFECT OF EXCHANGE RATE CHANGES ON CASH</b>	<b><u>1,332,345</u></b>	<b><u>-</u></b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>20,179,561</b>	<b>269,215</b>
<b>CASH AND CASH EQUIVALENTS — Beginning of year</b>	<b><u>3,075,462</u></b>	<b><u>2,806,247</u></b>
<b>CASH AND CASH EQUIVALENTS — End of year</b>	<b><u>\$ 23,255,023</u></b>	<b><u>\$ 3,075,462</u></b>

See notes to consolidated financial statements.

# CHARITIES AID FOUNDATION AMERICA AND SUBSIDIARY

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED APRIL 30, 2011 AND 2010

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### 1. NATURE OF ACTIVITIES

Charities Aid Foundation America (the “Foundation”) is a public charity whose mission is to help North American donors create thoughtful and effective philanthropy throughout the world. Individuals, corporations, charities, and their advisors rely on the Foundation to develop, manage, and monitor their philanthropy; from goals to grants, from research to results. The Foundation works with other Charities Aid Foundation (CAF) offices in the United Kingdom, Australia, Bulgaria, India, Russia, and South Africa, its affiliate partner in Brazil, IDIS, and in Singapore, the Centre for Asian Philanthropy.

**Principles of Consolidation** — The consolidated financial statements include the accounts of the Foundation and its subsidiary, CAF American Donor Fund (“CADF”), effective January 1, 2011. All significant intercompany transactions and balances have been eliminated

CADF is a registered charity in England and Wales, incorporated on December 22, 1999, under the name of Southampton Row Trust Limited, doing business as CAF American Donor Fund. CADF was created as a giving solution for individuals paying income tax both in the U.S. and the United Kingdom. Individuals making donations to CADF are eligible to receive the appropriate tax benefits in both countries, as allowed by law.

On June 26, 2000, CADF became a wholly owned subsidiary of the Foundation, but effective control of CADF rested with CAF, which appointed the trustees of CADF. In addition, economic interest in the net assets and revenue of CADF rested with CAF. In accordance with the accounting guidance for reporting of related entities by not-for-profit organizations, the 2010 financial statements of the Foundation did not include the accounts of CADF because control of and economic interest in CADF did not rest with the Foundation.

On January 1, 2011 the Foundation’s board was given the power to appoint and remove trustees of CADF giving control to the Foundation. As such, effective January 1, 2011, the Foundation’s financial statements reflect the consolidation of CADF. The contribution of CADF has been accounted for as an acquisition under accounting guidance followed by not-for-profit entities for mergers and acquisitions. Accordingly, since no consideration was paid in connection with the acquisition, the excess of net assets acquired over liabilities assumed is reflected in the statement of activities as a net contribution to the Foundation. The net contribution consists of the following:

Cash	\$ 14,656,969
Investments	25,942,653
Receivables	1,988,848
Accounts payable	<u>(427,293)</u>
Net contribution	<u>\$ 42,161,177</u>

The consolidated statement of activities and changes in net assets for the year ended April 30, 2011 reflects that activities of CADF subsequent to the January 1, 2011 date of contribution.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** — The Foundation's financial statements are presented using the accrual method of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP).

**Accounting Estimates** — The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

**Cash and Cash Equivalents** — Money market funds and all highly liquid investments available for current use with maturities of three months or less at the time of acquisition are considered cash equivalents.

The Foundation maintains accounts at several banks insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each bank. As of April 30, 2011 and 2010, domestic cash in excess of the FDIC limit totaled \$2,432,745 and \$2,322,795, respectively.

The Foundation also maintains accounts at several banks in the United Kingdom. As of April 30, 2011, the accounts totaled \$20,075,270.

**Investments** — Investments are recorded at fair market value. At April 30, 2011, the Foundation has the following investments:

*Short-Term Investments* — Short-term investments include certificates of deposit with maturities of less than one year, consistent with the investment policy of the Foundation.

*Long-Term Investments* — Long-term investments include certificates of deposit with maturities of greater than one year, consistent with the investment policy of the Foundation and investments held by CADF in the United Kingdom, which primarily include pooled investments (similar to a mutual funds in the United States). The investments in pooled investments are valued using quoted market prices multiplied by the number of shares owned.

**Fixed Assets** — Fixed assets are capitalized at cost. Depreciation is computed using the straight-line method based on the estimated useful lives of the assets, generally four years. Leasehold improvements are amortized on a straight-line basis over the shorter of their estimated useful lives or the remaining applicable lease term.

**Net Assets** — Unrestricted net assets are the portion of net assets that are neither temporarily nor permanently restricted by donor stipulations on their use. Temporarily restricted net assets are the portion of net assets resulting from contributions or other inflows of assets whose use is limited by donor imposed stipulations that can be removed by the passage of time or action of the organization pursuant to those stipulations. If a restriction is fulfilled in the same time period in which the contribution is received, the Foundation reports the contribution as unrestricted. Permanently restricted net assets are the portion of net assets whose use is limited by donor imposed stipulations that cannot be removed by the passage of time or action of the organization. As of April 30, 2011 and 2010, there were no temporarily or permanently restricted net assets. Net assets consist of the following types of internally developed funds:

*Designated Donor Advised Funds* — The Foundation maintains donor advised funds in which contributions from the donors are held by the Foundation for an indefinite period of time. The donors are given the opportunity to make recommendations for grants to charities to be paid from the fund. The Foundation keeps control over these funds and makes grants at its sole discretion.

*Designated Donor Advised Gifts* — The Foundation offers donors, who do not have a fund opened with the Foundation, the ability to make one-time gifts with a recommendation for a grant to a charity. The Foundation keeps control over these gifts and makes grants at its sole discretion.

*Other* — Net assets not designated as donor advised funds or donor advised gifts are designated as other net assets.

**Deferred Revenue** — The Foundation has an annual fixed cost agreement with a grant maker to provide grant-related due diligence services. Deferred revenue represents amounts received under this agreement in advance of the period in which these services will be provided.

**Revenue Recognition** — Donor advised and other contributions are recorded in the period received.

During the years ended April 30, 2011 and 2010, one contributor represented approximately 25% and two contributors represented approximately 23%, respectively, of total contributions.

**Grants** — Grants to other parties are recognized as expenses and liabilities when the Foundation makes an unconditional promise to fund an individual or another organization.

**Foreign Currency Transactions** — Transactions in foreign currency are recorded at the prevailing rate of exchange at the date of the transaction. Foreign currency (losses) gains of (\$563,774) and \$19,818 were recognized for the years ended April 30, 2011 and 2010, respectively. Such (losses) gains were included in operating expenses and other income in the consolidated statements of activities, respectively.

**Foreign Currency Translation** — CADF maintains its accounting records in British pounds, which is its functional currency. Amounts are translated into US dollars as follows: a) assets and liabilities at the rates of exchange in effect at the date of the financial statements; b) net assets at historical exchange rates; and c) revenue and expense at the average rates of exchange for the reporting period. The effect of such foreign currency translation has been included as a separate line item in the consolidated statements of activities and changes in net assets for the year ended April 30, 2011.

### 3. INVESTMENTS

Short-term investments as of April 30, 2011 and 2010, consist of the following:

	<b>2011</b>	<b>2010</b>
Certificates of deposit	\$21,129,691	\$ 675,000
Accrued interest	<u>99,169</u>	<u>6,208</u>
	<u>\$21,228,860</u>	<u>\$ 681,208</u>

Long-term investments as of April 30, 2011 and 2010, consist of the following:

	<b>2011</b>	<b>2010</b>
Certificates of deposit	\$ 18,762	\$ 100,000
Pooled investments	9,098,203	-
Other	131,727	-
Accrued interest	<u>79,391</u>	<u>401</u>
	<u>\$9,328,083</u>	<u>\$ 100,401</u>

Investment income for the years ended April 30, 2011 and 2010, was as follows:

	<b>2011</b>	<b>2010</b>
Interest and dividends	\$ 304,715	\$ 24,317
Unrealized gains on investments	<u>195,217</u>	<u>-</u>
	<u>\$ 499,932</u>	<u>\$ 24,317</u>

#### **4. FAIR VALUE MEASUREMENTS**

The Foundation follows accounting guidance for measuring and reporting financial assets and liabilities at fair value. Accounting guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

The Foundation maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value, which enables a reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. Assets and liabilities carried at fair value are classified and disclosed in one of the following three categories:

*Level 1* — Quoted prices in active markets for identical assets or liabilities as of the reporting date.

*Level 2* — Quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; and inputs other than quoted prices (such as interest rate and yield curves).

*Level 3* — Uses inputs that are unobservable, supported by little or no market activity and reflect significant management judgment.

Financial assets and liabilities, by level, for items measured at fair value on a recurring basis as of April 30, 2011 and 2010, are as follows:

<b>2011</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Certificates of deposit - short-term	\$ 21,129,691	\$ -	\$ -	\$ 21,129,691
Certificates of deposit - long-term	18,762	-	-	18,762
Pooled investments	9,098,203	-	-	9,098,203
Other	<u>-</u>	<u>131,727</u>	<u>-</u>	<u>131,727</u>
	<u>\$ 30,246,656</u>	<u>\$ 131,727</u>	<u>\$ -</u>	<u>\$ 30,378,383</u>
<b>2010</b>				
Certificates of deposit - short-term	\$ 675,000	\$ -	\$ -	\$ 675,000
Certificates of deposit - long-term	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
	<u>\$ 775,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 775,000</u>

## 5. ACCOUNTS RECEIVABLE

The Foundation's accounts receivable as of April 30, 2011 and 2010 consist of the following:

	<b>2011</b>	<b>2010</b>
Donor advised funds management fees	\$ 136,650	\$ 148,500
Administration fees	36,850	11,917
Credit card contributions	23,130	-
UK income tax receivable	<u>838,710</u>	<u>-</u>
	<u>\$ 1,035,340</u>	<u>\$ 160,417</u>

The UK income tax receivable represents the current receivable due from the UK government resulting from donations from donors. Donations made to CADF by individuals subject to UK income tax are eligible for recovery from the UK government based on the individual's income tax paid on the value of the donation.

No allowance for uncollectible receivables has been established since the Foundation believes that all accounts receivable are fully collectible.

## 6. FIXED ASSETS

Fixed assets as of April 30, 2011 and 2010 consist of the following:

	2011	2010
Furniture and fixtures	\$ 20,121	\$ 20,121
Computer equipment and software	81,624	81,624
Leasehold improvements	<u>38,780</u>	<u>38,780</u>
	140,525	140,525
Less accumulated depreciation and amortization	<u>(116,830)</u>	<u>(95,891)</u>
Fixed assets — net	<u>\$ 23,695</u>	<u>\$ 44,634</u>

Depreciation and amortization expense was \$20,939 and \$25,329 for the years ended April 30, 2011 and 2010, respectively.

## 7. RELATED PARTY TRANSACTIONS

**Charities Aid Foundation** — The Foundation fulfills its mission through its affiliation with CAF, a registered charity in England and Wales, and its network of international offices.

During each of the years ended April 30, 2011 and 2010, the Foundation received operating support from CAF in the amount of \$20,000. The amount is included in related party receivables — short term in the consolidated statements of financial position and in the consolidated statements of activities as part of contributions — other.

During the year ended April 30, 2010, CADF advanced a loan to CAF to support its Venturesome Social Investment Fund. The loan is interest free and is repayable in 2013. The amount is accounted for at the outstanding amount of the loan less any provision for irrecoverable amounts. As such, the amount is included in related party receivables — long term in the consolidated statements of financial position at April 30, 2011. The amount outstanding at April 30, 2011 is \$192,420.

During the four month period ended April 30, 2011, CADF paid CAF \$41,232 for the provision of administrative services for the period. The amount is included in the consolidated statements of activities as part of management and general expenses.

During the four month period ended April 30, 2011, CADF paid CAF two grants totaling \$4,340. The amount is included in the consolidated statements of activities as part of grant expenses.

CADF owed the Foundation \$1,800 for legal services and other operating support which is included in related party receivables in the consolidated statements of financial position at April 30, 2010. During the year ended April 30, 2010, the Foundation received from CADF operating support of \$61,366 in the form of a grant. In 2010, the amount is included in related party receivables in the consolidated statements of financial position and in the consolidated statements of activities as part of contributions — other.

**8. RETIREMENT PLAN**

The Foundation makes contributions to a simplified employee pension plan (SEP) for its eligible employees. The SEP is a defined contribution plan. Full-time, permanent employees become eligible to receive contributions into their SEP account after three months of employment. Contributions for each employee are equal to 15% of salary. Retirement plan expenses related to the SEP were \$81,559 and \$78,869 for the years ended April 30, 2011 and 2010, respectively.

**9. COMMITMENTS AND CONTINGENCIES**

On October 20, 2006, the Foundation extended its non-cancelable operating lease for office space for a period of five years. The lease expires on March 31, 2012. The lease provided for leasehold improvement incentives, which have been recorded as deferred rent. Short term deferred rent in the amount of \$7,110 at April 30, 2011, is included in accounts payable and accrued expenses on the consolidated statements of financial position and is amortized as a reduction to rent expense over the lease term. Minimum lease payments due for the year ending April 30, 2012 amounts to \$48,541.

The Foundation also leases certain equipment under monthly operating leases.

Rent expense for the years ended April 30, 2011 and 2010, was \$61,951 and \$48,641, respectively.

**10. INCOME TAX STATUS**

The Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, except for taxes on unrelated business income. During the years ended April 30, 2011 and 2010, the Foundation had no unrelated business income.

CADF is also exempt from tax on its income and gains in the United Kingdom.

GAAP requires management to evaluate tax positions taken by the Foundation and recognize a tax liability (or asset) if the Foundation has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service or other taxing authorities. Management has analyzed the tax positions taken by the Foundation and its subsidiary, and has concluded that as of April 30, 2011 and 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Foundation and its subsidiary is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

**11. SUBSEQUENT EVENTS**

The Foundation has evaluated all events or transactions that occurred after April 30, 2011 through June 24, 2011, the date the financial statements were issued. During this period, there were no material subsequent events.

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**SUPPLEMENTAL SCHEDULES OF CONSOLIDATING INFORMATION**

# CHARITIES AID FOUNDATION AMERICA AND SUBSIDIARY

## SUPPLEMENTAL SCHEDULE OF CONSOLIDATING STATEMENT OF FINANCIAL POSITION INFORMATION APRIL 30, 2011

	CAFAmerica	CADF	Consolidating Adjustments	Consolidated
<b>ASSETS</b>				
CURRENT ASSETS:				
Cash and cash equivalents	\$ 3,186,897	\$ 20,068,126	\$-	\$ 23,255,023
Short-term investments	2,424,996	18,803,864	-	21,228,860
Accounts receivable	196,630	838,710	-	1,035,340
Related party receivables	20,000	-	-	20,000
Prepaid expenses	28,525	-	-	28,525
Deposits	4,420	-	-	4,420
Total current assets	<u>5,861,468</u>	<u>39,710,700</u>	<u>-</u>	<u>45,572,168</u>
OTHER ASSETS:				
Long-term investments	19,149	9,308,934	-	9,328,083
Related party receivables	-	192,420	-	192,420
Fixed assets — net	23,695	-	-	23,695
Investment in CAF American Donor Fund	143	-	(143)	-
Total other assets	<u>42,987</u>	<u>9,501,354</u>	<u>(143)</u>	<u>9,544,198</u>
TOTAL	<u>\$ 5,904,455</u>	<u>\$ 49,212,054</u>	<u>\$(143)</u>	<u>\$ 55,116,366</u>
<b>LIABILITIES AND NET ASSETS</b>				
CURRENT LIABILITIES:				
Accounts payable and accrued expenses	\$ 116,353	\$ 998,177	\$-	\$ 1,114,530
Deferred revenue	-	-	-	-
Total current liabilities	116,353	998,177	-	1,114,530
LONG-TERM LIABILITY — Deferred rent	-	-	-	-
Total liabilities	<u>116,353</u>	<u>998,177</u>	<u>-</u>	<u>1,114,530</u>
NET ASSETS:				
Unrestricted:				
Designated donor advised funds	5,263,139	48,043,602	-	53,306,741
Designated donor advised gifts	136,937	-	-	136,937
Other	388,026	170,108	24	558,158
Total unrestricted net assets	5,788,102	48,213,710	24	54,001,836
Share capital	-	167	(167)	-
Total net assets	<u>5,788,102</u>	<u>48,213,877</u>	<u>(143)</u>	<u>54,001,836</u>
TOTAL	<u>\$ 5,904,455</u>	<u>\$ 49,212,054</u>	<u>\$(143)</u>	<u>\$ 55,116,366</u>

# CHARITIES AID FOUNDATION AMERICA AND SUBSIDIARY

## SUPPLEMENTAL SCHEDULE OF CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS INFORMATION FOR THE YEAR ENDED APRIL 30, 2011.

	CAF America For the year ended	CADF For the four months ended	Consolidating Adjustments	Consolidated
<b>CHANGES IN UNRESTRICTED NET ASSETS:</b>				
Revenues and support:				
Contributions:				
Donor advised	\$ 26,401,434	\$ 6,002,544	\$ -	\$ 32,403,978
Other	20,000	-	-	20,000
Net assets released from restriction	-	-	-	-
<b>Total contributions</b>	<b>26,421,434</b>	<b>6,002,544</b>	<b>-</b>	<b>32,423,978</b>
Investment income	23,949	475,983	-	499,932
Other income	28,954	-	-	28,954
Application review fees	12,063	-	-	12,063
Program services fees	538,680	-	-	538,680
<b>Total unrestricted revenues and support</b>	<b>27,025,080</b>	<b>6,478,527</b>	<b>-</b>	<b>33,503,607</b>
Expenses:				
Program services:				
Grants	23,774,779	3,189,342	-	26,964,121
Operating expenses	750,628	669,250	-	1,419,878
<b>Total program services</b>	<b>24,525,407</b>	<b>3,858,592</b>	<b>-</b>	<b>28,383,999</b>
Management and general	470,294	47,032	-	517,326
Fundraising	260,636	-	-	260,636
<b>Total expenses</b>	<b>25,256,337</b>	<b>3,905,624</b>	<b>-</b>	<b>29,161,961</b>
Increase in unrestricted net assets before net contribution received in donation of CADF to the Foundation and foreign currency translation	1,768,743	2,572,903	-	4,341,646
Net contribution received in donation of CADF to the Foundation on January 1, 2011 (Note 1)	-	-	42,161,177	42,161,177
Foreign currency translation	-	3,479,654	-	3,479,654
<b>CHANGES IN NET ASSETS</b>	<b>1,768,743</b>	<b>6,052,557</b>	<b>42,161,177</b>	<b>49,982,477</b>
NET ASSETS — Beginning of period	4,019,359	42,161,320	(42,161,320)	4,019,359
NET ASSETS — End of period	\$ 5,788,102	\$ 48,213,877	\$ (143)	\$ 54,001,836