

The BOMA Fund, Inc.

Financial Statements

Year Ended December 31, 2009

L **o** **y** **n**, **B** **a** **r** **t** **l** **e** **t**, **S** **w** **a** **n** **t** **i** **c** **&** **C** **o** **m** **p** **a** **n** **y**

A LIMITED LIABILITY COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

The BOMA Fund, Inc.

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A LIMITED LIABILITY COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Dennis W. Bartlett, CPA • Michael J. Swantic, CPA

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
The BOMA Fund, Inc.

We have audited the accompanying statement of financial position of The BOMA Fund, Inc. (a non-profit organization) as of December 31, 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 Organization'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 The BOMA Fund, Inc. as of December 31, 2009, 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.

Levin, Bartlett, Swantic & Co., L.L.C.

Franklin Lakes, NJ
October 29, 2010

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Member of American Institute of Certified Public Accountants • Member of New Jersey Society of Certified Public Accountants • Member of New York State Society of Certified Public Accountants

The BOMA Fund, Inc.
Statement of Financial Position
December 31, 2009

Assets

| | | |
|--------------------------------|-----------|-------------------|
| Current assets | | |
| Cash and cash equivalents | \$ 86,546 | |
| Deferred charges | 18,550 | |
| Total current assets | | \$ 105,096 |
| Property and equipment | | |
| Vehicle | 29,392 | |
| Less: accumulated depreciation | (2,449) | |
| Net property & equipment | | <u>26,943</u> |
| Total assets | | <u>\$ 132,039</u> |

Liabilities and Net Assets

| | | |
|----------------------------------|--|-------------------|
| Current liabilities | | |
| Accounts payable | | \$ 14,562 |
| Net assets - unrestricted | | <u>117,477</u> |
| Total liabilities and net assets | | <u>\$ 132,039</u> |

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

The BOMA Fund, Inc.
Statement of Activities
Year Ended December 31, 2009

| Revenues | <u>Unrestricted</u> |
|--------------------------------|---------------------|
| Contributions | \$ 203,130 |
| Interest income | <u>806</u> |
| Total revenues | <u>203,936</u> |
| Expenses | |
| Programs: | |
| Cows for Kids | 4,158 |
| Agents of Change | 56,343 |
| BOMA | <u>62,600</u> |
| Total program services | 123,101 |
| General and administrative | 19,712 |
| Fund raising | <u>5,395</u> |
| Total expenses | <u>148,208</u> |
| Change in net assets | 55,728 |
| Net assets - beginning of year | <u>61,749</u> |
| Net assets, end of year | <u>\$ 117,477</u> |

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

The BOMA Fund, Inc.
Statement of Functional Expenses
Year Ended December 31, 2009

| | Programs | | | | | | |
|--------------------------------------|-----------------|------------------|------------------|-------------------|--------------------------|-----------------|-------------------|
| | Cows for Kids | Agents of Change | BOMA | Total Programs | General & Administrative | Fund-Raising | Total Expenses |
| Livestock | \$ 4,158 | \$ - | \$ - | \$ 4,158 | \$ - | \$ - | \$ 4,158 |
| Tuition & educational materials | - | 56,343 | - | 56,343 | - | - | 56,343 |
| Community projects and organizations | - | - | 62,600 | 62,600 | - | - | 62,600 |
| Travel | - | - | - | - | 3,503 | - | 3,503 |
| Support staff | - | - | - | - | 2,460 | - | 2,460 |
| Accounting and bookkeeping | - | - | - | - | 6,528 | - | 6,528 |
| Supplies & office | - | - | - | - | 6,242 | - | 6,242 |
| Marketing & convention | - | - | - | - | - | 5,395 | 5,395 |
| Other costs | - | - | - | - | 979 | - | 979 |
| Totals | \$ 4,158 | \$ 56,343 | \$ 62,600 | \$ 123,101 | \$ 19,712 | \$ 5,395 | \$ 148,208 |

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

The BOMA Fund, Inc.
Statement of Cash Flows
Year Ended December 31, 2009

Cash flows from operating activities:

| | | |
|--|----|----------------------|
| Change in net assets | \$ | 55,728 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | | |
| Depreciation | | 2,449 |
| (Increase)decrease in operating assets | | |
| Increase in deferred charges | | (18,550) |
| Increase(decrease) in operating liabilities | | |
| Increase in accounts payable | | <u>14,562</u> |
| Net cash provided by operating activities | | 54,189 |
| Cash flows from investing activities: | | |
| Acquisition of vehicle | | (29,392) |
| Cash flows from financing activities: | | <u>-</u> |
| Net increase in cash | | 24,797 |
| Cash, beginning of year | | <u>61,749</u> |
| Cash, end of year | \$ | <u><u>86,546</u></u> |

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

The BOMA Fund, Inc.
Notes to Financial Statements
December 31, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The BOMA Fund, Inc. (The Fund) is a nonprofit corporation formed in 2005. The Fund was organized to provide assistance to nomadic families through livestock programs, support community based organizations that contribute to self-reliance of families and communities and to alleviate the symptoms of poverty through education and sustainable development activities in the rural communities and villages of East Africa.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Revenue Recognition

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted, depending on the existence and/or nature of any donor restrictions.

All donor-restricted contributions are reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The Fund has not received any contributions with restrictions that would result in permanently restricted net assets.

Income Taxes

The Fund is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and did not conduct unrelated business activities. Therefore, The Fund has made no provision for federal income taxes in the accompanying financial statements. In addition, The Fund has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code.

The BOMA Fund, Inc.
Notes to Financial Statements (continued)
December 31, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Cash and Cash Equivalents

The Fund considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Fair value approximates carrying amounts.

Property and Equipment

The Fund capitalizes property and equipment over \$1,000; lesser amounts are expensed. Property and equipment are depreciated using the straight line method over the estimated useful lives.

2. CASH and CASH EQUIVALENTS

The Fund maintains checking and money market accounts in the United States and Kenya. At December 31, 2009, cash and cash equivalents included \$3,258 deposited in the Commercial Bank of Africa in Nairobi, Kenya.

3. PROPERTY and EQUIPMENT

During 2009, The Fund purchased a vehicle for use in Kenya which is being depreciated over three years. Depreciation for the year ended December 31, 2009 totaled \$2,449 and is included with the BOMA program expenses.

The Fund has agreed to provide use of the vehicle under a grant agreement. See Note 8 for terms of the agreement.

The BOMA Fund, Inc.
Notes to Financial Statements (continued)
December 31, 2009

4. NET ASSETS

All revenues received during 2009 were Unrestricted. As of December 31, 2009 all Net Assets are Unrestricted.

5. PROGRAMS

The Fund conducted three different programs during 2009. All programs contribute the Fund's goal as described in Note 1.

Cows for Kids provide livestock and support to village residents with a priority given to the poor, widows and children.

Agents of Change provides tuition and related expenses for Kenyan students to attend Earth University in Costa Rica and vocational and skill based training programs in Kenya.

BOMA provides micro-enterprise development through a Rural Entrepreneur Access Project (REAP). Mentors trained by The Fund assist villagers in starting businesses by supplying seed grants and training.

6. DONATED SERVICES

The Fund receives donated services from various unpaid volunteers that assist in the programs it conducts. No amounts have been recognized in the statement of activities because the criteria for recognition under SFAS No. 116 have not been satisfied.

Accounting, auditing and tax services valued at \$5,000 were donated to the Fund and are included in contributions and general and administrative expenses in the statement of activities.

7. LEASING ARRANGEMENTS

During 2009, the Fund leased office space in Nairobi, Kenya under a short term operating lease that ended during August 2010. Rent paid during 2009 totaled \$1,056 and is included with the BOMA program expenses.

During June, 2010, the Fund entered into an operating lease for office space in Nanyuki, Kenya for a term up to sixty-three months. Monthly rent is 8700 Kenyan shillings (approximately \$110). The Fund is responsible for utilities and general maintenance of the office. The Lease may be terminated by either party on 90 days notice.

The BOMA Fund, Inc.
Notes to Financial Statements (continued)
December 31, 2009

8. GRANT AGREEMENT

During 2009 the Fund entered into an agreement with Playpumps International Water for All, a South African not for profit organization. Under the terms of the grant:

- Playpumps provides grants totaling \$33,000 to the Fund
- The Fund provides use of its vehicle with a driver for an agreed period of time each month for up to 24 months beginning in October 2009. Use is restricted to locations in Kenya allowed by insurance.

During 2009, \$24,550 was received under the grant and included with contributions; the balance was received and recorded as contributions during 2010.

9. RELATED PARTY TRANSACTIONS

The Fund reimburses officers and directors for expenses paid on behalf of the Fund. At December 31, 2009, accounts payable to officers and directors totaled \$13,610.

10. EVALUATION OF SUBSEQUENT EVENTS

The Fund has evaluated subsequent events through October 29, 2010, the date which the financial statements were available to be issued.