

THE MAASAI GIRLS EDUCATION FUND

FINANCIAL STATEMENTS

JUNE 30, 2009



HALT BUZAS & POWELL, LTD
CERTIFIED PUBLIC ACCOUNTANTS
MANAGEMENT CONSULTANTS

TABLE OF CONTENTS

Independent auditors' report.....	1
Statement of financial position.....	2
Statement of activities.....	3
Statement of cash flows.....	4
Notes to financial statements.....	5 - 10





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CERTIFIED PUBLIC ACCOUNTANTS
MANAGEMENT CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
The Maasai Girls Education Fund
Washington, DC

We have audited the accompanying statement of financial position of The Maasai Girls Education Fund (the Organization) as of June 30, 2009, and the related statements of activities 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. The prior year summarized comparative information has been derived from the Organization's 2008 financial statements and, in our report dated December 22, 2008, 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 The Maasai Girls Education Fund as of June 30, 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.

Halt, Buzas & Powell, Ltd.

August 07, 2009

THE MAASAI GIRLS EDUCATION FUND
STATEMENT OF FINANCIAL POSITION

		June 30,	
		2009	2008
ASSETS			
Current assets:			
Cash and cash equivalents	\$	120,159	\$ 120,414
Accounts and grants receivable		-	204
Investments		833	944
Prepaid expenses		-	533
Total assets	\$	120,992	\$ 122,095
LIABILITIES AND NET ASSETS			
Current liabilities:			
Accounts payable	\$	101	\$ 1
Due to KCDF Endowment		-	2,500
Total current liabilities		101	2,501
Net assets:			
Unrestricted		111,335	107,152
Temporarily restricted		9,556	12,442
Total net assets		120,891	119,594
Total liabilities and net assets	\$	120,992	\$ 122,095

See notes to financial statements



THE MAASAI GIRLS EDUCATION FUND
STATEMENT OF ACTIVITIES

	For the Year Ended June 30, 2009			2008
	Unrestricted	Temporarily Restricted	Total	Total
Revenues:				
Direct public support	\$ 66,216	\$ 9,556	\$ 75,772	\$ 109,206
Contributions in-kind	59,627	-	59,627	50,507
Investment loss	(111)	-	(111)	(630)
Interest income	129	-	129	34
Net assets released from restrictions:				
Satisfaction of grant restrictions	12,442	(12,442)	-	-
Total revenues	138,303	(2,886)	135,417	159,117
Expenses:				
Program services	105,837	-	105,837	88,954
Support services:				
Management and general	26,895	-	26,895	19,471
Fundraising	1,388	-	1,388	613
Total support services	28,283	-	28,283	20,084
Total expenses	134,120	-	134,120	109,038
Net increase (decrease) in net assets	4,183	(2,886)	1,297	50,079
Net assets, beginning of year	107,152	12,442	119,594	69,515
Net assets, end of year	\$ 111,335	\$ 9,556	\$ 120,891	\$ 119,594

See notes to financial statements



THE MAASAI GIRLS EDUCATION FUND
STATEMENT OF CASH FLOWS

	For the Year Ended June 30,	
	2009	2008
Cash flows from operating activities:		
Net increase in net assets	\$ <u>1,297</u>	\$ <u>50,079</u>
Adjustments to reconcile net increase in net assets to net cash (used in) provided by operating activities:		
Unrealized loss on investments	111	630
Decrease (increase) in assets:		
Accounts and grants receivable	204	(197)
Prepaid expenses	533	(532)
Increase (decrease) in liabilities:		
Accounts payable	100	(1,217)
Due to KCDF Endowment	<u>(2,500)</u>	<u>2,500</u>
Total adjustments	<u>(1,552)</u>	<u>1,184</u>
Net cash (used in) provided by operating activities	<u>(255)</u>	<u>51,263</u>
Net (decrease) increase in cash	(255)	51,263
Cash, beginning of year	<u>120,414</u>	<u>69,151</u>
Cash, end of year	<u>\$ 120,159</u>	<u>\$ 120,414</u>



See notes to financial statements

THE MAASAI GIRLS EDUCATION FUND
NOTES TO FINANCIAL STATEMENTS
June 30, 2009

1. Organization

The Maasai Girls Education Fund (the Organization) is a not-for-profit organization incorporated under the laws of Washington, D.C. and established exclusively for charitable purposes. The Organization helps improve the literacy, health and economic well-being of Maasai women, their families, and their communities in Kenya through education. To achieve this goal, the Organization is working to increase the number of girls who are enrolled in school by providing access to education for those who would otherwise not be able to enroll in school and to ensure that girls already enrolled in school will be able to continue their education as long as their ability and desire allow. At the same time, the Organization is working to educate the community about the economic and social benefits of educating girls and to teach rural women practical skills to improve health and nutrition.

2. Summary of significant accounting policies

Basis of accounting

The financial statements are prepared on the accrual basis of accounting. Under the accrual method, revenues are recognized when earned and expenses are recognized when incurred.

Basis of presentation

Financial statement presentation follows the recommendation of the Financial Accounting Standards Board in its Statements of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Non-Profit Organizations* and SFAS No. 116, *Accounting for Contributions Received and Contributions Made*. Under SFAS No. 117, the organization is required to report its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.



THE MAASAI GIRLS EDUCATION FUND
NOTES TO FINANCIAL STATEMENTS
June 30, 2009

The financial statements include certain prior-year summarized comparative information in total but not by functional expense (i.e. a detailed statement of activities is not shown separately for the prior year). Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2008.

Restricted and unrestricted revenue and support

Unconditional promises to give are recorded as contributions at their net realizable value in the year in which the promise is made. All contributions are available for unrestricted purposes unless specifically restricted by the donor.

The Organization reports grants, contracts, and gifts of cash and other assets as restricted support (temporarily restricted or permanently restricted, depending on the nature of the restriction) if they are received with donor stipulations that limit the use of the assets. When a restriction expires, that is, when a stipulated time restriction ends or a 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. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized.

Contributions

Unconditional promises to give are recorded as contributions at their net realizable value in the year in which the promise is made. All contributions are available for unrestricted use unless specifically restricted by the donor.

Income taxes

The Organization is exempt from Federal and local income taxes under Section 501(c)(3) of the Internal Revenue Code on any net income derived from activities related to its exempt purpose. The Organization is taxed on net income from unrelated business activities. For the fiscal years ending June 30, 2009 and 2008, the Organization did not generate any net income from unrelated business activities.



THE MAASAI GIRLS EDUCATION FUND
NOTES TO FINANCIAL STATEMENTS
June 30, 2009

Accounting for uncertain tax positions

In June 2006, the FASB issued Interpretation No. 48 (FIN 48), *Accounting for Uncertainty in Income Taxes*. FIN 48 provides detailed guidance for the financial statement recognition, measurement and disclosure of uncertain tax positions recognized in an enterprise's financial statements in accordance with SFAS No. 109, *Accounting for Income Taxes*. FIN 48 requires an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will be sustained upon examination. Accordingly, the Organization has not applied FIN 48 because SFAS No. 109 is not applicable since the Organization is exempt from federal and state income taxes and no provision for federal or state taxes is reflected in the financial statements.

Cash and cash equivalents

All highly liquid debt instruments with a maturity of three months or less, including money market accounts, are considered cash equivalents.

The Organization invests cash in excess of immediate requirements in a money market fund. Because of the short-term and high liquidity of the fund, such amount is considered to be a cash equivalent. The carrying amount reported in the financial statements approximates fair market value.

Credit risk

Occasionally, the Organization may have deposits in excess of Federal Deposit Insurance Corporation (FDIC) limits. At June 30, 2009 and 2008, there were no deposits in excess of FDIC limits.

Accounts receivable

No allowance for uncollectible accounts receivables has been established since management of the Organization believes all receivables, including grants receivables, are fully collectible.



THE MAASAI GIRLS EDUCATION FUND
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2009

Investments

Investments are reported at their fair market value based on the quoted market price. Donated securities and other donated items held as investments are recorded at their fair market value on the date of the donation. The gains and losses on investments are reported in the Statement of Activities as increases or decreases in unrestricted net assets, unless their use is restricted by donor stipulations or by law.

Donated services

The Organization recognizes revenue for certain services received at the fair value of those services. These services include professional services donated by the Executive Director, including accounting and fundraising services. Also, transportation services are donated to the Organization when the Executive Director is traveling in Kenya. The fair value of the donated services is reflected in revenues and included in expenses in the following functional categories for the years ended June 30, 2009 and 2008:

	2009	2008
Program services	\$ 40,567	\$ 39,307
Management and general	14,450	10,588
Fundraising	1,388	612
Total	\$ 56,405	\$ 50,507

Use of estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses and their functional allocation during the reporting period. Actual results could differ from those estimates.



THE MAASAI GIRLS EDUCATION FUND
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2009

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 programs and supporting services benefited.

3. Related party transactions

During the fiscal year ended June 30, 2009, the Organization received donated rent of \$3,222 from the Executive Director.

In addition, during the fiscal years ended June 30, 2009 and June 30, 2008, the Organization received donations from its board of directors totaling \$4,157 and \$1,575, respectively,

4. Investments

Investments consist of shares of common stock of a publicly traded corporation donated to the Organization. The fair market value of the common stock as of June 30, 2009 and June 30, 2008 was \$833 and \$944, respectively.

Investment income is comprised of the following for the years ended June 30, 2009 and 2008:

	2009	2008
Interest income	\$ 129	\$ 34
Unrealized loss on investments	(111)	(630)
Total investment income	\$ 18	\$ (596)



THE MAASAI GIRLS EDUCATION FUND
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2009

5. Net assets released from restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose. Purpose restrictions accomplished during the years ended June 30, 2009 and 2008 are as follows:

	2009	2008
Scholarships	\$ 11,553	\$ 13,551
Workshops	889	526
Total net assets released from restrictions	\$ 12,442	\$ 14,077

6. Temporarily restricted net assets

At June 30, 2009 and 2008, temporarily restricted net assets were available for the following programs:

	2009	2008
Scholarships	\$ 9,556	\$ 11,553
Workshops	-	889
Total temporarily restricted net assets	\$ 9,556	\$ 12,442

