

PALMER CENTER FOUNDATION, INC.

Kingsport, Tennessee

STATEMENT OF ACTIVITIES

Year Ended June 30, 2009

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>TOTAL</u>
<b>UNRESTRICTED NET ASSETS</b>			
Unrestricted revenues and gains			
Contributions	\$ 587,785		\$ 587,785
Investment Return	57,562		57,562
<b>TOTAL UNRESTRICTED REVENUES, GAINS, AND OTHER</b>	<u>645,347</u>	<u>-</u>	<u>645,347</u>
<b>EXPENSES</b>			
Program Service Expense	5,700		5,700
Accounting	4,000		4,000
Investment Advisory Fees	1,005		1,005
Office Expenses	43		43
Meeting Expenses	252		252
Depreciation	78		78
Licenses & Fees	20		20
<b>TOTAL EXPENSES</b>	<u>11,098</u>	<u>-</u>	<u>11,098</u>
<b>INCREASE IN NET ASSETS</b>	634,249	-	634,249
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<u>116,548</u>	<u>-</u>	<u>116,548</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 750,797</u>	<u>\$ -</u>	<u>\$ 750,797</u>

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

PALMER CENTER FOUNDATION, INC.  
 Kingsport, Tennessee  
 STATEMENT OF FINANCIAL POSITION  
 June 30, 2009

ASSETS

Current Assets	
Cash and Cash Equivalents	\$ 32,102
Certificate of Deposit	25,000
Investments	646,812
Interest Receivable	111
Total Current Assets	<u>704,025</u>
Property and Equipment	
Office Equipment	850
Total Cost of Fixed Assets	850
Less: Accumulated Depreciation	(78)
Total Property and Equipment	<u>772</u>
Other Assets	
Certificates of Deposit	50,000
Total Other Assets	<u>50,000</u>
TOTAL ASSETS	<u>\$ 754,797</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Current Liabilities	
Accounts Payable	\$ 4,000
TOTAL LIABILITIES	<u>4,000</u>

NET ASSETS

Unrestricted	750,797
TOTAL NET ASSETS	<u>750,797</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 754,797</u>

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



To the Board of Directors  
Palmer Center Foundation, Inc.  
Kingsport, Tennessee

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying statement of financial position of PALMER CENTER FOUNDATION, INC. (a nonprofit 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.

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 PALMER CENTER FOUNDATION, INC. 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.

Respectfully submitted,

*Kirk, Fortner, Smalley & Associates, PLLC*

Kirk, Fortner, Smalley & Associates, PLLC  
Kingsport, Tennessee  
November 16, 2009