

CARINGBRIDGE

Eagan, Minnesota

FINANCIAL STATEMENTS

Including Independent Auditors' Report

As of and For the Years Ended December 31, 2011 and 2010

CARINGBRIDGE

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INDEPENDENT AUDITORS' REPORT

Board of Directors
CaringBridge
Eagan, Minnesota

We have audited the accompanying statement of financial position of CaringBridge as of December 31, 2011, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of CaringBridge's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements for the year ended December 31, 2010 were audited by other auditors whose report, dated February 25, 2011, 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 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 Organization'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 the 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 CaringBridge as of December 31, 2011, 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.

Baker Tilly Virchow Krause, LLP

Minneapolis, Minnesota
March 1, 2012

CARINGBRIDGE**STATEMENTS OF FINANCIAL POSITION**
As of December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 3,479,056	\$ 4,211,382
Investments	-	204,008
Sponsorship receivable	-	26,500
Accounts receivable	2,868	29,195
Inventory	16,701	16,969
Prepaid expenses	<u>162,602</u>	<u>11,068</u>
Total Current Assets	3,661,227	4,499,122
OTHER ASSETS		
Other assets	13,333	13,333
Fixed assets		
Furniture and equipment	623,250	545,021
Lease hold improvements	23,531	23,531
Website and mobile phone applications	695,776	648,191
Work in progress	46,645	-
Less: Amortization and depreciation	<u>(941,402)</u>	<u>(799,341)</u>
Total Fixed Assets	447,800	417,402
Total Other Assets	<u>461,133</u>	<u>430,735</u>
TOTAL ASSETS	<u>\$ 4,122,360</u>	<u>\$ 4,929,857</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 76,641	\$ 172,135
Current portion of capital lease	1,059	2,799
Deferred revenue	-	171,418
Accrued expenses	<u>236,802</u>	<u>378,377</u>
Total Current Liabilities	314,502	724,729
CAPITAL LEASE, net of current portion	-	1,280
NET ASSETS		
Unrestricted	3,592,773	4,198,848
Temporarily restricted	15,085	5,000
Permanently restricted	<u>200,000</u>	<u>-</u>
Total Net Assets	<u>3,807,858</u>	<u>4,203,848</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,122,360</u>	<u>\$ 4,929,857</u>

See accompanying notes to financial statements.

CARINGBRIDGE

STATEMENTS OF ACTIVITIES
For the Years Ended December 31, 2011 and 2010

	2011			2010			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Total
REVENUE AND OTHER SUPPORT							
Contributions	\$ 8,121,099	\$ 10,000	\$ 200,000	\$ 8,331,099	\$ 7,362,031	\$ 5,000	\$ 7,367,031
Donated facilities and equipment	3,379	-	-	3,379	3,156	-	3,156
Donated services	259,976	-	-	259,976	264,098	-	264,098
Sponsor income	171,418	-	-	171,418	484,292	-	484,292
Interest income	16,723	85	-	16,808	23,917	-	23,917
Other income	25,190	-	-	25,190	19,861	-	19,861
Total Revenue and Other Support	<u>8,597,785</u>	<u>10,085</u>	<u>200,000</u>	<u>8,807,870</u>	<u>8,157,355</u>	<u>5,000</u>	<u>8,162,355</u>
EXPENSES							
Program expenses	7,532,216	-	-	7,532,216	5,172,161	-	5,172,161
Management and general	1,069,021	-	-	1,069,021	949,385	-	949,385
Fund raising	602,623	-	-	602,623	304,875	-	304,875
Total Expenses	<u>9,203,860</u>	<u>-</u>	<u>-</u>	<u>9,203,860</u>	<u>6,426,421</u>	<u>-</u>	<u>6,426,421</u>
CHANGE IN NET ASSETS	(606,075)	10,085	200,000	(395,990)	1,730,934	5,000	1,735,934
NET ASSETS - Beginning of year	<u>4,198,848</u>	<u>5,000</u>	<u>-</u>	<u>4,203,848</u>	<u>2,467,914</u>	<u>-</u>	<u>2,467,914</u>
NET ASSETS - END OF YEAR	<u>\$ 3,592,773</u>	<u>\$ 15,085</u>	<u>\$ 200,000</u>	<u>\$ 3,807,858</u>	<u>\$ 4,198,848</u>	<u>\$ 5,000</u>	<u>\$ 4,203,848</u>

See accompanying notes to financial statements.

CARINGBRIDGE

STATEMENTS OF FUNCTIONAL EXPENSES
For the Years Ended December 31, 2011 and 2010

	2011			2010				
	Program	Management and General	Fundraising	Total	Program	Management and General	Fundraising	Total
Salaries and wages	\$ 3,611,414	\$ 461,089	\$ 329,365	\$ 4,401,868	\$ 2,353,843	\$ 318,330	\$ 161,710	\$ 2,833,883
Payroll taxes and employee benefits expense	819,151	104,585	74,708	998,444	598,821	72,736	35,303	706,860
Total Salaries and Related Expenses	4,430,565	565,674	404,073	5,400,312	2,952,664	391,066	197,013	3,540,743
Professional fees	-	49,848	-	49,848	-	81,552	-	81,552
Website development and support	476,089	-	-	476,089	314,776	-	-	314,776
Contracted services	756,332	155,384	33,600	945,316	554,654	210,957	4,234	769,845
Volunteer program	602	-	-	602	1,008	-	-	1,008
Outreach programs	898,448	-	-	898,448	599,174	-	-	599,174
Service materials	234,135	-	-	234,135	178,689	-	-	178,689
Trade shows and events	111,971	-	-	111,971	74,935	-	-	74,935
Travel expenses	93,481	-	-	93,481	53,431	-	-	53,431
Insurance	15,877	2,027	1,448	19,352	9,539	1,290	655	11,484
Licenses and permits	35,130	-	-	35,130	29,456	-	-	29,456
Supplies and equipment	52,679	6,726	4,804	64,209	41,367	5,594	2,842	49,803
Postage and shipping	36,418	13,475	139,630	189,523	21,011	15,968	84,276	121,255
Telephone	9,339	1,192	1,002	11,533	11,845	1,369	696	13,910
Depreciation and amortization	198,679	10,568	2,114	211,361	128,913	6,857	1,371	137,141
Occupancy	173,924	22,206	15,862	211,992	200,699	27,142	13,788	241,629
Donation credit card fees	-	238,635	-	238,635	-	205,729	-	205,729
Miscellaneous	8,547	3,286	90	11,923	-	1,861	-	1,861
TOTAL EXPENSES	\$ 7,532,216	\$ 1,069,021	\$ 602,623	\$ 9,203,860	\$ 5,172,161	\$ 949,385	\$ 304,875	\$ 6,426,421

See accompanying notes to financial statements.

CARINGBRIDGE

STATEMENTS OF CASH FLOWS For the Years Ended December 31, 2011 and 2010

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (395,990)	\$ 1,735,934
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation and amortization	211,361	137,141
Loss (gain) on disposal and impairment of fixed assets	9,090	(757)
Permanently restricted contribution for long-term purposes	(200,000)	-
Changes in assets and liabilities:		
Accounts and sponsorship receivables	52,827	(15,239)
Inventory	268	17,659
Prepaid expenses	(151,534)	44,592
Accounts payable	(95,494)	110,553
Deferred revenue	(171,418)	(34,917)
Accrued expenses	(141,575)	183,116
Net cash flows from operating activities	(882,465)	2,178,082
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of fixed assets	(251,829)	(329,864)
Proceeds from sale of fixed assets	980	1,080
Proceeds from short-term investments	204,008	(1,677)
Net cash flows from investing activities	(46,841)	(330,461)
 CASH FLOWS FROM FINANCING ACTIVITIES		
Permanently restricted contribution for long-term purposes	200,000	-
Payments on capital lease	(3,020)	(2,799)
Net cash flows from financing activities	196,980	(2,799)
 Net Change in Cash and Cash Equivalents	(732,326)	1,844,822
 CASH AND CASH EQUIVALENTS - Beginning of year	4,211,382	2,366,560
 CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 3,479,056	\$ 4,211,382
 SUPPLEMENTAL INFORMATION		
Cash paid for interest	\$ 208	\$ 429

See accompanying notes to financial statements.

CARINGBRIDGE

NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended December 31, 2011 and 2010

NOTE 1 - Summary of Significant Accounting Policies

CaringBridge (the Organization) is a nonprofit offering many ways to care for each other. CaringBridge is for anyone facing any health condition: big or small, acute or long term, available for as long as you need. People are able to stay connected, leave words of hope and encouragement and offer support. CaringBridge primary services provide personal CaringBridge Sites and personal CaringBridge SupportPlanners that connect and impact millions of people.

CaringBridge services are available to anyone, anywhere at no cost. At the heart of CaringBridge, the Organization is about caring for each other.

Over a half a million people connect through CaringBridge each day. CaringBridge is a community of grateful, engaged families and friends. These free services are made possible by the generosity of donors within the CaringBridge community.

For purposes of financial reporting, the Organization classifies resources into three net assets categories pursuant to any donor-imposed restrictions and applicable law. Accordingly, the net assets of the Organization are classified in the accompanying financial statements in the categories that follow:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by CaringBridge.

Revenue Recognition

Revenues from sources other than contributions are generally reported as increases in unrestricted net assets. Expenses are reported as decreases in unrestricted net assets.

Contributions are recognized as revenues in the period received and are reported as increases in the appropriate categories of net assets in accordance with donor restrictions. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions between the applicable classes of net assets. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met.

Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues of the temporarily restricted net asset class, and a release to unrestricted net assets is made to reflect the expiration of such restrictions.

Donated services and facilities are recognized as contributions in accordance with the accounting guidance if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, and would otherwise be purchased by the Organization.

Revenue from sponsors (which was discontinued in 2011) is deferred and recognized over the periods to which the fees relate.

CARINGBRIDGE

NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended December 31, 2011 and 2010

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

CaringBridge defines cash and cash equivalents as highly liquid, short-term investments with a maturity at the date of acquisition of three months or less. Cash in excess of FDIC and similar insurance coverages are subject to the usual banking risks of funds in excess of those limits.

Investments

The Organization's investments in 2010 consisted of certificates of deposit with original maturities in excess of three months. Certificates of deposit were carried at deposit value which approximated fair value. In 2011, these investments were sold and funds were transferred to cash equivalents.

Inventories

Inventories consist of articles for sale in the online store, promotional items, and brochures. They are valued at cost.

Accounts Receivable

Receivables have been adjusted for all known uncollectible accounts. Management determines whether an allowance for doubtful accounts is necessary by identifying past due accounts and considering historical experience. Receivables are written off when deemed uncollectible. No allowance for doubtful accounts is considered necessary as of December 31, 2011 and 2010.

Fixed Assets

Property and equipment purchased are capitalized at cost or in the case of donated equipment at estimated market value on the date of the gift. Depreciation is computed using the straight-line method over the estimated useful lives of the assets (3 years for the website and mobile phone applications and 3 to 7 years for furniture and equipment). Leasehold improvements are being amortized over the shorter of the expected life of the asset or the period of the lease. The Organization capitalizes additions in excess of \$500.

Website development costs are capitalized if they significantly enhance the capability or capacity of CaringBridge's website. Mobile phone application costs are capitalized for new platforms and for enhancements that significantly upgrade the capability of the mobile application.

Costs capitalized include external direct costs of materials and services and internal payroll and payroll-related costs. Any costs during the preliminary project stage or related to training or maintenance is expensed as incurred. Capitalization ceases when the projects are substantially complete and ready for their intended use. The capitalization and ongoing assessment of recoverability of development costs requires considerable judgment by management with respect to certain external factors, including, but not limited to, technological and economic feasibility, and estimated economic life.

When the projects are ready for their intended use, the Company amortizes such costs over their estimated useful lives of three years. Estimated amortization expense for website and mobile phone applications are \$84,708, \$84,556, \$44,775, and \$20,000 for the years ending December 31, 2012, 2013, 2014, and 2015, respectively.

At December 31, 2011 the Organization had work in progress of \$46,645 related to their SupportPlanner software. It is anticipated this project will be completed June 2012 at a total cost of approximately \$120,000.

CARINGBRIDGE

NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended December 31, 2011 and 2010

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Contributions of fixed assets related to the website are reported as increases in temporarily restricted net assets. Restrictions are considered met and an appropriate amount reclassified to unrestricted net assets, over the useful life of the website.

Research and Development Costs

Research and development costs are expensed as incurred. Research and development costs are included in the statements of functional expenses described as website development and support and includes costs expended related to website development and mobile phone application projects which have not met the requirement for capitalization.

Income Tax Status

The Internal Revenue Service has determined that CaringBridge is exempt from federal income tax under Section 501(c)(3) of the U.S. Internal Revenue Code. It is also exempt from state income tax. However, any unrelated business income may be subject to taxation.

The Organization follows the accounting standards for contingencies in evaluating uncertain tax positions. This guidance prescribes recognition threshold principles for the financial statement recognition of tax positions taken or expected to be taken on a tax return that are not certain to be realized. No liability has been recognized by the Organization for uncertain tax positions as of December, 2011 and 2010. The Organization's tax returns are subject to review and examination by federal and state authorities. The tax returns for the current year as well as fiscal years 2008 through 2010 are open to examination by federal and state authorities. Any interest and penalties would be included in income tax expense on the statements of activities.

Functional Expense Allocation

The costs of providing the 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. All expenses are allocated based on an analysis of personnel time and resources utilized for the related activities based on the best estimates of management.

Fair Value of Financial Instruments

CaringBridge categorizes assets and liabilities carried at fair value on a recurring basis, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. At December 31, 2011 and 2010, CaringBridge does not have any assets or liabilities carried at fair value on a recurring basis.

The carrying amounts of cash and cash equivalents, receivable, prepaid expenses and other assets, other receivables, accounts payable, and accrued liabilities approximate fair value because of the short-term maturity of these financial instruments.

CARINGBRIDGE

NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended December 31, 2011 and 2010

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 during the reporting period. Actual results could differ from those estimates. Significant estimates and assumptions include the allocations to the various functional expense categories.

NOTE 2 - Lease Commitments

On October 1, 2008, CaringBridge signed an operating lease for office space. The lease is a 63-month lease with escalating payments with the first three months free. Rental expense is recognized on a straight-line basis over the life of the lease.

On October 1, 2006, CaringBridge signed an operating lease for office space. The lease is a 60-month lease with escalating payments with the first two months free. Rental expense is recognized on a straight-line basis over the life of the lease. This lease expired in 2011. Total rent expense for the years ended December 31, 2011 and 2010 under the two leases was \$211,992 and \$241,629, respectively.

In December 2009, CaringBridge entered into a sublease for the office space leased on October 1, 2006 for the term February 1, 2010 through November 30, 2011 with escalating payments. Because the space has been subleased for rates less than the original lease costs CaringBridge recognized a loss of \$13,470 in the financial statements as of December 31, 2010. In addition, in 2010, CaringBridge wrote off the net book value of \$24,771 of the related leasehold improvements on the space.

The difference between the amount paid and the amount expensed are included in accrued expenses at year-end. Future minimum lease payments under the lease are as follows:

	Future Minimum Rental Payments
Year ending December 31:	
2012	\$ 271,431
2013	275,487
2014	<u>22,985</u>
Total	<u>\$ 569,903</u>

During 2007, CaringBridge entered into a capital lease for a copier. The asset is included in equipment as follows at December 31:

	2011	2010
Equipment	\$ 13,423	\$ 13,423
Less: Accumulated amortization	<u>(12,304)</u>	<u>(9,620)</u>
Total	<u>\$ 1,119</u>	<u>\$ 3,803</u>

CARINGBRIDGE

NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended December 31, 2011 and 2010

NOTE 2 - Lease Commitments (Continued)

The copier lease requires monthly payments of \$269 through expiration in April 2012. Future minimum lease payments under this lease are as follows:

	<u>Amount</u>
Year Ending December 31, 2012	\$ 1,076
Less: Interest	<u>(17)</u>
Total	<u>\$ 1,059</u>

NOTE 3 - In-Kind Contributions

CaringBridge records in-kind contributions at fair value at the date of donation. The fair value of these services has been recorded as contribution revenue on the statement of activities and in the related expense account on the statements of activities or in fixed assets on the balance sheet if the useful life of the contributed asset is greater than one year. In-kind contributions consisted of the following during the years ended December 31, 2011 and 2010, respectively:

	<u>2011</u>	<u>2010</u>
Donated professional services	\$ 259,976	\$ 264,098
Donated hosting services	3,379	3,016
Donated other	<u>-</u>	<u>140</u>
	<u>\$ 263,355</u>	<u>\$ 267,254</u>

NOTE 4 - Net Assets

Temporarily restricted donations received in 2011 and 2010 of \$10,000 and \$5,000, respectively, related to the development of the SupportPlanner. No temporarily restricted net assets were released from restriction in 2011 or 2010 as the SupportPlanner is not yet in service.

A permanently restricted donation was received during 2011 in the amount of \$200,000 for the establishment of an endowment. See Note 5.

CARINGBRIDGE

NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended December 31, 2011 and 2010

NOTE 5 - Endowment Funds

As required by generally accepted accounting principles, net assets associated with the Organization's endowment funds are classified and reported based on the existence or absence of donor imposed restrictions.

Interpretation of Relevant Law

The Organization's Board of Directors has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the Organization and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Organization
- (7) The investment policies of the Organization

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to minimum risk of investments with certain percent available without penalty. Investments should generate income to support the mission of CaringBridge. The primary investment objectives are to achieve long-term total return, to preserve the principal of the fund by reinvesting income and to produce a consistent stream of investment income.

Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period(s). As of December 31, 2011 and 2010, the Organization had no board-designated funds.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a conservative strategy. The balance of the endowment should be invested in fixed income vehicles. The guiding criteria for the choice of investment vehicle are safety and yield. The guiding criteria for liquidity would be that the spendable amount determined by the Endowment Fund Policy Statement is liquid to be withdrawn in January each year.

CARINGBRIDGE

NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended December 31, 2011 and 2010

NOTE 5 - Endowment Funds (Continued)

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Organization has a policy for appropriating for distribution each year, which must be no less than three percent (3%) and no greater than six percent (6%). The Organization will determine the spendable amount for its endowment funds for the upcoming budget year following the close of the September 30 quarter by calculating the average fair market value of its endowment funds, calculated over twelve quarters ending with the September 30 quarter, and multiplying that average value by the applicable Spending Percentage. In establishing this policy, the Organization considered the long-term expected return on its endowment. Depending on the fund total return, the Organization may not meet a positive growth rate each year based on market conditions. However management has determined this is a conservative and appropriate benchmark for the Organization's intentions related to the growth and preservation of the funds. The Organization will not calculate an annual spendable amount for any fund which, as of September 30, has fallen below 90 percent of the aggregate value of all gifts to that fund. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Endowment and Restricted Net Asset Composition by Type of Fund

	December 31, 2011			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Roger and Hazel Perkins Endowment Fund	\$ -	\$ 85	\$ 200,000	\$ 200,085

Changes in Endowment Net Assets

	Year Ended December 31, 2011			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Endowment, beginning of year	\$ -	\$ -	\$ -	\$ -
Endowment gift	-	-	200,000	200,000
Investment income	-	85	-	85
Appropriation for expenditures	-	-	-	-
Endowment, end of year	\$ -	\$ 85	\$ 200,000	\$ 200,085

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. There were no such deficiencies at December 31, 2011 and 2010.

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NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended December 31, 2011 and 2010

NOTE 6 - Retirement Plans

The Organization implemented a new retirement plan, CaringBridge 401(k) Plan, starting in 2010 which covers all eligible employees. The plan provides for a non-elective 1 percent employer contribution and a 50% percent matching contribution up to 4%.

Employer contributions totaled \$120,208 and \$77,919 for the years ended December 31, 2011 and 2010, respectively.

NOTE 7 - Subsequent Events

The Organization has evaluated subsequent events through March 1, 2012 which is the date that the financial statements were approved and available to be issued.