



Nourishing the Heart. One Meal at a Time.

**Audited Financial Statements
December 31, 2010**

Presented By

**Douglas R. Ashbrook, CPA
San Diego, CA**

MAMA'S KITCHEN
TABLE OF CONTENTS
December 31, 2010

	<u>Page Number</u>
Independent Auditor's Report on Financial Statements	1
Statement of Financial Position	2
Statement of Activities	3
Statement of Cash Flows	4
Statement of Functional Expenses	5
Notes to the Financial Statements	6-14

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Mama's Kitchen

I have audited the accompanying statement of financial position of Mama's Kitchen (a nonprofit organization) as of December 31, 2010, and the related statements of activities, cash flows, and functional expenses for the year then ended. These financial statements are the responsibility of Mama's Kitchen's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mama's Kitchen as of December 31, 2010, 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.

April 4, 2011

Douglas R. Ashbrook, CPA

MAMA'S KITCHEN
Statement of Financial Position
December 31, 2010
(With Comparative Totals for December 31, 2009)

ASSETS	2010	2009
Cash and cash equivalents	\$ 228,520	\$ 249,906
Investments	1,965,747	1,940,426
Prepaid expenses and deposits	92,900	26,648
Grants, contracts, and misc. receivables	65,285	36,585
Inventory	13,519	17,382
Pledges receivable - net	73,731	-
Office & computer equipment	144,541	137,859
Kitchen equipment	140,013	138,119
Vehicles	23,858	23,858
Leasehold improvements	53,039	53,039
Less: accumulated depreciation	(328,478)	(310,451)
Intangible assets	23,761	13,761
Less: accumulated amortization	(12,779)	(8,027)
 Total Assets	 <u>\$ 2,483,657</u>	 <u>\$ 2,319,105</u>

LIABILITIES AND NET ASSETS

LIABILITIES:

Accounts payable	\$ 26,473	\$ 11,183
Accrued payroll liabilities	27,498	26,638
Deferred revenue	20,000	12,500
Accrued vacation payable	42,426	35,792
 Total Liabilities	 <u>116,397</u>	 <u>86,113</u>

NET ASSETS:

Unrestricted	2,229,219	2,202,553
Temporarily restricted	105,693	-
Permanently restricted	32,348	30,439
 Total Net Assets	 <u>2,367,260</u>	 <u>2,232,992</u>
 Total Liabilities and Net Assets	 <u>\$ 2,483,657</u>	 <u>\$ 2,319,105</u>

See accompanying notes and auditor's report

MAMA'S KITCHEN
Statement of Activities
For the Year Ending December 31, 2010
(With Comparative Totals for December 31, 2009)

	Unrestricted	Temporarily Restricted	Permanently Restricted	2010	2009
<u>REVENUE, GAINS, AND OTHER SUPPORT:</u>					
CARE Act - Home delivered meals	\$ 312,817	\$	\$	312,817	\$ 437,919
County of San Diego	114,065			114,065	15,000
Contributions	1,337,624			1,337,624	1,401,070
Capital Projects		173,731		173,731	-
Donations in-kind	339,407			339,407	293,943
Donated services and facilities	266,216			266,216	347,743
Special events, net of direct expenses	95,435			95,435	51,400
Investment income	65,939		1,909	67,848	64,872
Net realized and unrealized gain on investments	105,910			105,910	171,806
Released from restriction by payment	68,038	(68,038)		-	-
 Total Revenue, Gains, and Other Support	 2,705,451	 105,693	 1,909	 2,813,053	 2,783,753
<u>EXPENSES AND LOSSES:</u>					
Program services	2,219,252			2,219,252	2,123,143
Management and general	149,520			149,520	149,875
Fundraising	310,013			310,013	374,949
Total Expenses	2,678,785		-	2,678,785	2,647,967
 Change in Net Assets	 26,666	 105,693	 1,909	 134,268	 135,786
 Net Assets, Beginning of Year	 2,202,553	 -	 30,439	 2,232,992	 2,097,206
 Net Assets, End of Year	 \$ 2,229,219	 \$ 105,693	 \$ 32,348	 \$ 2,367,260	 \$ 2,232,992

See accompanying notes and auditor's report

MAMA'S KITCHEN
Statement of Cash Flows
For the Year Ending December 31, 2010
(With Comparative Totals for December 31, 2009)

<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>	2010	2009
Increase (Decrease) in Net Assets	\$ 134,268	\$ 135,786
<u>Adjustments to reconcile change in net assets to net cash provided/(used) by operating activities:</u>		
Depreciation and amortization	22,779	31,335
(Gain)/loss on investments	(105,910)	(171,806)
<u>(Increase)/Decrease in:</u>		
Grants, contracts, and misc. receivables	(28,700)	9,808
Prepaid expenses and deposits	(66,252)	(3,110)
Pledges receivable - net	(73,731)	-
Inventory	3,863	(664)
<u>Increase/(Decrease) in:</u>		
Accrued vacation payable	6,634	(7,872)
Accounts payable	15,290	4,368
Deferred revenue	7,500	12,500
Accrued payroll liabilities	860	(1,718)
Net cash provided/(used) by operating activities	(83,399)	8,627
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Purchase of investments	(848,322)	(919,352)
Proceeds from sale of investments	928,911	855,266
Purchase of property and equipment	(18,576)	(3,015)
Net cash provided/(used) in investing activities	62,013	(67,101)
Net increase(decrease) in cash and cash equivalents	(21,386)	(58,474)
Cash and cash equivalents at beginning of year	249,906	308,380
Cash and cash equivalents at end of year	<u>\$ 228,520</u>	<u>\$ 249,906</u>

See accompanying notes and auditor's report

MAMA'S KITCHEN
Statement of Functional Expenses
For the Year Ending December 31, 2010
(With Comparative Totals for December 31, 2009)

	Program Services	SUPPORTING SERVICES		2010 Total	2009 Total
		Management & General	Fund- Raising		
Salaries and wages	\$ 289,996	\$ 85,339	\$ 126,618	\$ 501,953	\$ 500,567
Payroll taxes	23,398	6,681	10,895	40,974	41,711
Employee benefits	23,758	7,297	556	31,611	34,616
TOTAL SALARY AND RELATED EXPENSE	337,152	99,317	138,069	574,538	576,894
Food costs	941,530	-	-	941,530	1,015,955
Food costs-In-kind	36,531	-	-	36,531	40,369
Advertising & promotion	31,498	-	39,595	71,093	42,396
Auto expense	3,657	-	-	3,657	2,227
Bank fees	-	17,176	-	17,176	13,523
Client expense	5,920	-	-	5,920	9,004
Depreciation and amortization	18,977	2,500	1,302	22,779	31,335
Direct mail	-	-	48,813	48,813	44,941
Donor expense	-	-	4,068	4,068	611
Donated services and facilities	240,959	5,051	20,206	266,216	347,743
Insurance	19,829	3,828	1,319	24,976	22,957
Investment advisory fees	27,926	-	-	27,926	23,689
Legal & professional	2,650	2,350	-	5,000	5,000
Memberships & dues	3,852	1,460	1,571	6,883	4,194
Newsletter & annual report	-	-	8,090	8,090	9,796
Office expense	10,562	5,792	3,308	19,662	22,054
Printing	567	-	4,627	5,194	4,627
Postage	-	393	4,329	4,722	6,031
Professional development	730	2,012	2,347	5,089	6,705
Program development & market research	64,180	-	-	64,180	7,643
Rent	73,285	7,222	3,607	84,114	83,014
Repairs	6,845	-	-	6,845	7,993
Supplies	280,314	-	27,640	307,954	272,953
Telephone	4,435	735	-	5,170	4,680
Utilities	27,901	1,123	562	29,586	31,136
Volunteer expense	5,516	-	-	5,516	3,729
Miscellaneous	74,436	561	560	75,557	6,768
TOTAL EXPENSES	\$ 2,219,252	\$ 149,520	\$ 310,013	\$ 2,678,785	\$ 2,647,967

See accompanying notes and auditor's report

Mama's Kitchen
Notes to Financial Statements
December 31, 2010

Note 1 - Summary of Significant Accounting Policies

Nature of Activities

Mama's Kitchen is a not-for-profit organization incorporated on September 28, 1990 in California and providing services in San Diego County. It is governed by a Board of Directors who volunteer their services to the organization. Program services consist of free nutrition services that include home-delivered meals, grocery bags, and pantry services for persons affected by HIV/AIDS or cancer. The pantry service, called Mama's Pantry, started in February 2004. The Family Grocery Bag Program ended on January 31, 2009 and these clients were referred to the Pantry or Hot Meals programs. The organization's programs are funded by the Ryan White CARE Act, a federally funded program administered by the County of San Diego, the City of San Diego, grants from private and corporate foundations, and local community support. During the year, the organization delivered 324,144 meals and had 4,849 visits to Mama's Pantry. The Monday and Wednesday deliveries each consist of six meals, including one hot dinner and one frozen dinner. The Friday delivery consists of nine meals, including one hot dinner and two frozen dinners.

Income Taxes

Mama's Kitchen is a private not-for-profit corporation organized under the laws of the State of California. As a Section 501(c)(3) organization, it is exempt from income taxes on the basis that it qualifies for exemption under section 501(a) of the Internal Revenue Code, and Section 23701(d) of the State Revenue and Taxation Code. Accordingly, no provision for income taxes is included in the accompanying financial statements.

Financial Statement Presentation and Basis of Accounting

The financial statements are prepared in accordance with the AICPA Audit and Accounting Guide for Not for Profit Organizations. Financial statement preparation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Organization is required to report information regarding 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 accompanying financial statements have been prepared on the accrual basis in conformity with generally accepted accounting principles. Accordingly, the financial statements reflect all significant receivables, payables, and other liabilities.

Contributions and Promises to Give

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions are recognized when the donor makes a promise to give, in substance and unconditionally. It is the Organization's policy to treat donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted. Donations that are not expended in the current year are classified as temporarily restricted.

Mama's Kitchen
Notes to Financial Statements
December 31, 2010

Contributions and Promises to Give (cont.)

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Property and Equipment

Property and equipment acquisitions of \$1,000 or more are recorded at cost when purchased. The fair market value of donated fixed assets is similarly capitalized. Depreciation is provided over the estimated useful life of each class of depreciable assets and is computed using the straight-line method. Depreciation and amortization expense for the year ending December 31, 2010 is \$22,779.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Expense Allocations

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

Compensated Absences

Employees of Mama's Kitchen are entitled to compensated absences depending on the length of service and other factors. Such absences consist of accrued vacation and sick time; the unused accrued vacation is payable upon termination or retirement. As of December 31, 2010, accrued vacation payable is \$42,426.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, Mama's Kitchen considers all highly liquid investments with an initial maturity date of three months or less to be cash equivalents.

Donated Services

The criteria for recognizing donated services in accordance with SFAS No. 116, *Accounting for Contributions Received and Contributions Made*, are if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. The organization received approximately 30,685 donated hours from 766 volunteers for various services including food preparation, packaging and staging prepared meals, and home delivery to more than 564 men, women, and children at high risk of hunger and malnutrition; however, not all of these services met the criteria established by FASB No.116 and therefore are not recorded in the financial statements.

Mama's Kitchen
Notes to Financial Statements
December 31, 2010

Note 1 - Summary of Significant Accounting Policies (cont.)

Inventory

The inventory consists of meal containers, dry and frozen foods, and other food products. Inventory is valued using the First In First Out (FIFO) method. As of December 31, 2010, inventory is valued at \$13,519.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. 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 December 31, 2009, from which the summarized information was derived.

Note 2 - Employee Benefit Plan:

Mama's Kitchen participates in a 401(k) deferred profit sharing plan (a defined contribution plan). All employees that have completed a minimum of 1,000 hours of service are eligible to participate in the plan. Contributions are made by Mama's Kitchen based upon each employee's contributions and eligibility. Participants are vested 100% after 5 years. Mama's Kitchen's contribution to this plan was \$18,122 for the year ended December 31, 2010.

Note 3 - Rental and Lease Agreements

Mama's Kitchen leases space located at 1875 2nd Avenue in San Diego, CA. The lease space is used for preparation, packaging and staging of the prepared meals and for administrative purposes. The lease term was for four years commencing August 1, 2006 and expiring July 31, 2010. Mama's extended the lease for six months until January 31, 2011, at which point the lease changed to a month to month lease. Monthly rent is \$6,428. In addition to rent, Mama's Kitchen agrees to pay 50% of all utilities and security.

Mama's Kitchen also leases space located at 4083 30th Street in San Diego, CA for Mama's Pantry. The lease term was originally for three years commencing June 1, 2004 and expiring June 30, 2007 and has been extended for four years through May 31, 2011. Monthly base rent is \$550 with an annual increase of 3%.

The minimum annual lease payments required under both leases are as follows:

<u>Year ending December 31:</u>	
2011	<u>\$9,178</u>

Mama's Kitchen
Notes to Financial Statements
December 31, 2010

Note 4 - Grants, Contracts, and Miscellaneous Receivables

Receivables as of December 31, 2010 are \$65,285 of which \$49,193 is due from the County of San Diego - Health & Human Services Agency.

Note 5 - Prepaid Expenses and Deposits

Prepaid expenses and deposits as of December 31, 2010 are as follows:

Prepaid insurance	\$ 14,459
Software maintenance	3,306
Rent deposit	300
Vendor security deposit	5,000
Workers compensation deposit	927
New building deposit	50,000
Prepaid building expenses	<u>18,908</u>
 Total prepaid expenses and deposits	 <u>\$ 92,900</u>

Note 6 - Fund-raising and Special Events, Net

Special events consist of various fund-raising events as follows:

	<u>Mama's Day</u>	<u>Pie in the Sky</u>	<u>Other Events</u>	<u>Total</u>
Special event revenue	\$ 47,250	\$ 30,833	\$ 22,265	\$100,348
Less: direct expenses	<u>(2,162)</u>	<u>(1,550)</u>	<u>(1,201)</u>	<u>(4,913)</u>
Special events, net	45,088	29,283	21,064	95,435
 Special event contributions	 159,000	 66,220	 26,000	 251,220
In-kind donations	251,618	15,447	19,772	286,837
Less: indirect expenses	<u>(291,673)</u>	<u>(27,099)</u>	<u>(26,503)</u>	<u>(345,275)</u>
 Total Fund-raising and Special events, net	 <u>\$164,033</u>	 <u>\$ 83,851</u>	 <u>\$ 40,333</u>	 <u>\$ 288,218</u>

Mama's Kitchen
Notes to Financial Statements
December 31, 2010

Note 7 - Concentration of Revenue

Mama's Kitchen received approximately 19% of its total revenue from the County of San Diego for the AIDS Home Delivered Meals Program. While there is no imminent plan on the part of the government to discontinue these funds, the contracts are renewed on an annual basis depending on availability of funds.

Mama's Kitchen also received approximately 80% of its total revenue from fund-raising activities and contributions from private foundations and local community support.

Note 8 - Federal Allowances, Awards and Grants

The Organization has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowance under the terms of the grants, it is believed that any required reimbursement would not be material.

Note 9 - Concentration of Risk and Uncertainties

Cash balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2010, Mama's Kitchen's did not have uninsured cash balances.

Note 10 - Donations In-Kind & Donated Services

Mama's Kitchen received in-kind donations valued at \$339,407 for the year ending December 31, 2010. In-kind donations consist of the following:

Mama's Day	\$ 251,618
Pie in the Sky	15,477
Other special events	19,772
Mama's Pantry/Food drives	39,374
Other various program & office supplies	<u>13,166</u>
 Total Donations In-kind	 <u>\$ 339,407</u>

Mama's Kitchen
Notes to Financial Statements
December 31, 2010

Note 10 - Donations In-Kind & Donated Services (cont.)

Mama's Kitchen also received donated services valued at \$ 266,216 that met the criteria under SFAS No.116 as described in Note 1. Donated services consist of the following:

Professional Chefs	\$ 24,375
Delivery services*	240,959
Legal services	<u>882</u>
Total Donated Services	<u><u>\$ 266,216</u></u>

*Delivery services include mileage for use of personal vehicles.

Note 11 - Investments

Investments are valued at fair value based upon quoted market prices. Income, gains and losses are reported in the statement of activities as increases or decreases in net assets. Investments at December 31, 2010 consist primarily of government securities, corporate bonds, and equities totaling \$1,956,376.

Investment return is summarized as follows:

	<u>Investments</u>	<u>Cash</u>	<u>Total</u>
Net realized and unrealized gain/(loss) on investment	\$ 105,910	\$ -	\$ 105,910
Less: investment fees	(27,926)		(27,926)
Interest and dividend income	<u>65,937</u>	<u>2</u>	<u>65,939</u>
Total investment return	<u><u>\$ 143,921</u></u>	<u><u>\$ 2</u></u>	<u><u>\$ 143,923</u></u>

Note 12 - Net Assets

Permanently restricted net assets consists of endowment fund contributions as follows:

Mama's Kitchen Endowment	\$ 24,000
The San Diego Foundation Endowment	<u>8,348</u>
Total Permanently Restricted Net Assets	<u><u>\$ 32,348</u></u>

Temporarily restricted net assets consist of contributions temporarily restricted for future capital projects as mentioned on Note 14 in the amount of \$105,693.

Mama's Kitchen
Notes to Financial Statements
December 31, 2010

Note 13 - Endowment Funds

Mama's Kitchen has two separate endowment funds; one is maintained by The San Diego Foundation and the other is pooled with other investments. Both endowments were created to support the organization's operations as a whole and not for any specific purpose. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of Mama's Kitchen has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) 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, Mama's Kitchen 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 SPMIFA. In accordance with SPMIFA, Mama's Kitchen 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 Foundation 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.

Description of Amounts Classified as Permanently Restricted Net Assets and Temporarily Restricted Net Assets (Endowment Only)

Permanently Restricted Net Assets

The portion of perpetual endowment funds required to be retained permanently either by explicit donor stipulation or by SPMIFA \$ 30,011

Temporarily Restricted Net Assets

The portion of perpetual endowment funds subject to a time
Restriction under SPMIFA \$ -

Mama's Kitchen
Notes to Financial Statements
December 31, 2010

Note 13 - Endowment Funds (cont.)

Endowment Net Asset Composition by Type of Fund
as of December 31, 2010.

Endowment funds	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted endowment funds	\$ 123	\$ -	\$ 30,011	\$ 30,134
Total funds	<u>\$ 123</u>	<u>\$ -</u>	<u>\$ 30,011</u>	<u>\$ 30,134</u>

Change in Endowment Net Assets
for the Year Ended December 31, 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 119	\$ -	\$ 29,000	\$ 29,119
Reclassification adjustment per FSP No. FAS 117-1	(119)	-	1,011	1,011
Investment return:				
Brokerage fees	(29)	-	-	(29)
Net depreciation (realized and unrealized)	152	-	-	152
Total investment return	123	-	-	30,253
Appropriation of endowment assets for expenditure	-	(119)	-	(119)
Endowment net assets, end of year	<u>\$ 123</u>	<u>\$ -</u>	<u>\$ 30,011</u>	<u>\$ 30,134</u>

Mama's Kitchen
Notes to Financial Statements
December 31, 2010

Note 13 - Endowment Funds (cont.)

Endowment Investment Policies

Return Objectives and Risk Parameters

Mama's Kitchen has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding for operations supported by its endowments while seeking to maintain the purchasing of the endowment assets. Within prudent investment principles, in selecting FDIC insured institutions for cash, CDs, and similar liquid investments, the Board may take into consideration factors other than the rate of return. Such factors may include, but are not limited to, the institution's community involvement, support of Mama's Kitchen, and similar factors the Board deems prudent under the circumstances, so long as the general rate of return received is similar to that of other institutions.

At such time as investments are made in the US equities market, and consistent with prudent investment standards and safety, Mama's Kitchen shall seek to achieve above the market average rate of return as defined by the S&P 500 index while assuming a moderate level of investment risk. Actual returns in any given year may vary due to economic and other market conditions.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, Mama's Kitchen relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Mama's Kitchen's finance committee shall supervise the management of the assets maintained and shall, as appropriate, obtain investment advice from independent sources, including other organizations, Registered Investment Advisors, Securities Dealers, and other Financial Institutions.

Note 14 - Capital Projects and Pledges Receivable

Mama's Kitchen is working to raise awareness coupled with a fund-raising campaign for the purchase of a building to accommodate increased demand for its programs and the ultimate growth of the organization. As of December 31, 2010, pledges to the capital campaign have been secured that have a present value of \$73,537 at inception; these pledges are unconditional and due \$16,000 in 2011 and \$64,000 over the following four years. Promises to give to be received after 2010 are discounted at 3.25%. The unamortized discount on promises to give at inception is \$6,463. Uncollectible promises are expected to be insignificant. Also as of December 31, 2010, \$68,038 has been expended for the purchase of a building and is reflected in Prepaid Expenses and Deposits. Mama's Kitchen finalized the purchase of a building located at 3960 Home Avenue, San Diego, CA 92105 on February 18, 2011.