

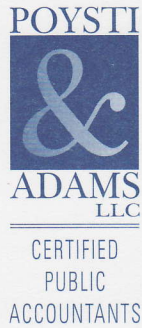
**OFFICERS' CHRISTIAN FELLOWSHIP
OF THE UNITED STATES
OF AMERICA, INC.**

FINANCIAL STATEMENTS

DECEMBER 31, 2009

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Independent Auditor's Report

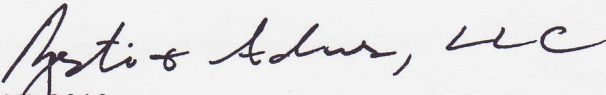
Governing Council
Officers' Christian Fellowship
of the United States of America, Inc.
Englewood, Colorado

We have audited the accompanying statements of financial position of Officers' Christian Fellowship of the United States of America, Inc. as of December 31, 2009 and 2008, and the related statements of activities and cash flows for the years 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 U.S. generally accepted auditing standards. 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 Officers' Christian Fellowship of the United States of America, Inc. as of December 31, 2009 and 2008, and the changes in its net assets and its cash flow for the years then ended in conformity with U.S. generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedules of support and revenue and schedules of functional expenses on page 15-17 for the years ended December 31, 2009 and 2008, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.


January 27, 2010

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OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
STATEMENTS OF FINANCIAL POSITION

December 31,	2009	2008
<u>Assets</u>		
Current assets		
Cash and cash equivalents	\$ 1,073,669	\$ 1,460,283
Pledges receivable (current portion)	1,222,443	945,852
Other receivable	1,072	9,572
Prepaid expenses	47,232	44,933
Total current assets	<u>2,344,416</u>	<u>2,460,640</u>
Non-current assets		
Investments	5,550,088	4,749,474
Pledges receivable	247,990	471,154
Property and equipment, net of accumulated depreciation	3,778,163	3,720,892
Construction in process	773,356	0
Other assets	137,778	124,684
Total non-current assets	<u>10,487,375</u>	<u>9,066,204</u>
Total Assets	<u>\$ 12,831,791</u>	<u>\$ 11,526,844</u>
<u>Liabilities and Net Assets</u>		
Current Liabilities		
Accounts payable	\$ 209,124	\$ 47,276
Accrued liabilities	25,866	29,972
Deferred revenue	8,930	12,565
Accrued vacation	84,160	105,009
Notes payable (current portion)	34,949	30,222
Total current liabilities	<u>363,029</u>	<u>225,044</u>
Long-term liabilities		
Notes payable	156,658	239,985
Annuities due	76,302	80,040
Total long-term liabilities	<u>232,960</u>	<u>320,025</u>
Total Liabilities	<u>595,989</u>	<u>545,069</u>
Net assets		
Unrestricted		
Undesignated	527,396	289,304
Board designated	5,161,174	4,131,313
Temporarily restricted	6,041,032	6,054,958
Permanently restricted	506,200	506,200
Total net assets	<u>12,235,802</u>	<u>10,981,775</u>
Total Liabilities and Net Assets	<u>\$ 12,831,791</u>	<u>\$ 11,526,844</u>

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

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
STATEMENT OF ACTIVITIES

For the Year Ended December 31,

2009

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<u>Revenues, Gains and Other Support</u>				
Contributions	\$ 2,348,872	\$ 1,423,103	\$ 0	\$ 3,771,975
Conference centers	611,748	0	0	611,748
Regional ministries	15,207	0	0	15,207
Interest income	146,298	19,132	0	165,430
Change in value of split interest agreements	5,857	0	0	5,857
Other revenue	43,146	0	0	43,146
Net assets released from restrictions	<u>1,456,161</u>	<u>(1,456,161)</u>	<u>0</u>	<u>0</u>
Total revenues, gains and other support	<u>4,627,289</u>	<u>(13,926)</u>	<u>0</u>	<u>4,613,363</u>
 <u>Expenses</u>				
<u>Program Services</u>				
Field ministries	470,304			470,304
Publications	228,683			228,683
Conference centers	1,349,281			1,349,281
Education centers	160,107			160,107
Academies and ROTC	433,544			433,544
Total program service	<u>2,641,919</u>			<u>2,641,919</u>
 <u>Supporting Services</u>				
General and administration	482,085			482,085
Fundraising	235,332			235,332
Total supporting services	<u>717,417</u>			<u>717,417</u>
 Total expenses	<u>3,359,336</u>			<u>3,359,336</u>
 Change in net assets	1,267,953	(13,926)	0	1,254,027
Net assets, beginning	<u>4,420,617</u>	<u>6,054,958</u>	<u>506,200</u>	<u>10,981,775</u>
Net assets, ending	<u>\$ 5,688,570</u>	<u>\$ 6,041,032</u>	<u>\$ 506,200</u>	<u>\$12,235,802</u>

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

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
STATEMENT OF ACTIVITIES

For the Year Ended December 31,

2008

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<u>Revenues, Gains and Other Support</u>				
Contributions	\$ 2,301,898	\$ 1,798,106	\$ 51,600	\$ 4,151,604
Conference centers	578,516	0	0	578,516
Regional ministries	15,713	0	0	15,713
Interest income	156,916	22,871	0	179,787
Change in value of split interest agreements	3,263	0	0	3,263
Other revenue	101,639	0	0	101,639
Net assets released from restrictions	<u>888,149</u>	<u>(888,149)</u>	<u>0</u>	<u>0</u>
Total revenues, gains and other support	<u>4,046,094</u>	<u>932,828</u>	<u>51,600</u>	<u>5,030,522</u>
 <u>Expenses</u>				
<u>Program Services</u>				
Field ministries	421,557			421,557
Publications	258,985			258,985
Conference centers	1,314,158			1,314,158
Education centers	185,172			185,172
Academies and ROTC	439,569			439,569
Total program service	<u>2,619,441</u>			<u>2,619,441</u>
 <u>Supporting Services</u>				
General and administration	461,544			461,544
Fundraising	<u>253,092</u>			<u>253,092</u>
Total supporting services	<u>714,636</u>			<u>714,636</u>
Total expenses	<u>3,334,077</u>			<u>3,334,077</u>
 Change in net assets	712,017	932,828	51,600	1,696,445
Net assets, beginning	<u>3,708,600</u>	<u>5,122,130</u>	<u>454,600</u>	<u>9,285,330</u>
Net assets, ending	<u>\$ 4,420,617</u>	<u>\$ 6,054,958</u>	<u>\$ 506,200</u>	<u>\$10,981,775</u>

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

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
STATEMENTS OF CASH FLOWS

For the Years Ended December 31,	2009	2008
Cash flows from operating activities		
Cash received from		
Contributions	\$ 2,445,055	\$ 2,611,082
Sales and activities	675,220	694,412
Interest	174,149	200,026
Paid to employees and supplies	(3,095,393)	(3,079,361)
Interest paid	(13,696)	(17,844)
Net cash provided by operating activities	185,335	408,315
Cash flows from investing activities		
Proceeds from sale of property and equipment	0	1,223
Purchase of property and equipment	(837,265)	(391,924)
Proceeds from sale of investments	348,286	3,549,464
Purchases of investments	(1,148,900)	(5,412,428)
Net cash used in investing activities	(1,637,879)	(2,253,665)
Cash flows from financing activities		
Payments to annuitants	(6,600)	(6,600)
Note payable principal payments	(78,600)	(50,842)
Cash contributions received for long-term purposes	1,151,130	1,612,354
Net cash provided by financing activities	1,065,930	1,554,912
Net decrease in cash and cash equivalents	(386,614)	(290,438)
Cash and cash equivalents at beginning of year	1,460,283	1,750,721
Cash and cash equivalents at end of year	\$ 1,073,669	\$ 1,460,283
Reconciliation of changes in net assets to net cash provided by operating activities:		
Changes in net assets	\$ 1,254,027	\$ 1,696,445
Adjustments		
Depreciation	143,558	138,507
(Gain) loss on disposal of furniture and equipment	254	(804)
Change in value of split interest agreements	(13,426)	(11,776)
Change in value of annuity investments	(3,738)	10,376
Payments to annuitants	6,600	6,600
Cash contributions received for long-term purposes	(1,151,130)	(1,612,354)
Changes in assets and liabilities		
Increase (decrease) in current assets	(46,894)	189,866
Decrease in current liabilities	(3,916)	(8,545)
Net cash provided by operating activities	\$ 185,335	\$ 408,315

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

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Officers' Christian Fellowship of the United States of America, Inc. (the "Fellowship"), was established in 1943, to provide encouragement and equip Christian officers of the United States military for biblical fellowship and outreach in ministering to the military society. The Fellowship accomplishes its purpose through staffing in key center of the military population throughout the world, publications, retreats and conferences. The Fellowship owns and operates two conference centers located near Buena Vista, Colorado, and Mann's Choice, Pennsylvania, and locates staff members near military academies and other areas in the United States having a high concentration of military personnel. The Fellowship's support comes primarily from individual donor contributions.

Basis of Accounting

The Fellowship follows the standards of accounting and financial reporting for non-profit organizations which are in conformity with the recommendations of the American Institute of Certified Public Accountants. The Fellowship's financial statements have been prepared using the accrual basis of accounting.

Financial Statement Presentation

Cash and Cash Equivalents - For purposes of the statement of cash flows, cash equivalents include highly liquid investments with an original maturity of ninety days or less.

Pledges Receivable - Unconditional promises to give are recognized as revenues and receivables in the year the promise is received. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value and those to be collected in more than one year are recorded at present value of the estimated future cash flows. 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 is recorded at cost. Donated property and equipment are recorded at fair value at the date of donation. The Fellowship capitalizes all property and equipment with a useful life of more than one year, and a unit cost of \$1,000 or greater. Depreciation is recorded using the straight-line method over estimated useful lives.

Building and improvements	5-60 years
Equipment	3-20 years

Deferred Revenue – The Fellowship's conference centers receive registration fees for conferences, retreats and camps scheduled in the following year. These fees are deferred and recognized as revenue in the year the conference is held.

Support and Revenue – The Fellowship receives support primarily from contributions from individuals in the military society. The Fellowship also receives conference center revenues from conferences and camps held at the two conference centers. Public support and other revenues are recognized when the rights of ownership have been transferred to the Fellowship.

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions – All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary 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.

In-Kind Donations – Certain individuals and employees donate supplies and travel-related costs to the Fellowship. These donations are recorded as noncash contributions at the donor's cost or their estimated market values at the date of donation.

Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

Income Taxes

The Fellowship is exempt from income tax under Section 501(c)(3) of the United States Internal Revenue Code.

Concentration of Credit Risk

The Company has determined that current operational cash needs will occasionally result in cash and money market accounts balance in excess of insured limits.

NOTE 2 - PLEDGES RECEIVABLE

The Fellowship participates in the Combined Federal Campaign (CFC) administered by Christian Service Charities in the Fall of each year. These pledges are made one to two years prior to receipt of the final amounts. Promises to give are unconditional and have been recorded net of an allowance for uncollectible pledges and administrative costs of 25% at December 31, 2009 and 2008.

During the year ended December 31, 2005, the Fellowship initiated and administered the Capital Campaign. Promises to give are unconditional and the pledges due in more than one year were discounted at a rate of 3% at December 31, 2009 and 2008.

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - PLEDGES RECEIVABLE (CONTINUED)

Pledges receivable at December 31, consisted of the following:

	<u>2009</u>	<u>2008</u>
Combined federal campaign	\$ 127,733	\$ 143,600
Unrestricted contributions	86,000	0
Capital campaign	<u>1,342,175</u>	<u>1,367,137</u>
Unconditional pledges due	1,555,908	1,510,737
Less: Allowance for uncollectible pledges receivable	(31,933)	(35,900)
Less: Unamortized discount	<u>(53,542)</u>	<u>(57,831)</u>
Net pledges receivable	1,470,433	1,417,006
Less: Current portion	<u>(1,222,443)</u>	<u>(945,852)</u>
 Non-current pledges receivable	 <u>\$ 247,990</u>	 <u>\$ 471,154</u>

Pledges are due as follows:

In one year or less	\$ 1,288,031
In one to five years	<u>267,877</u>
 Total pledges receivable	 <u>\$ 1,555,908</u>

The CFC pledges received in the Fall of 2009 have not been determined or communicated to the Fellowship at December 31, 2009, and therefore, are not reported in the financial statements.

NOTE 3 - INVESTMENTS

	<u>2009</u>	<u>2008</u>
Certificates of deposit (carried at fair value)	\$ 639,183	\$ 4,726,905
Cash and cash equivalents	4,846,541	0
Life insurance annuities (carried at present value of expected payments)	<u>64,364</u>	<u>67,569</u>
	<u>\$ 5,550,088</u>	<u>\$ 4,794,474</u>

Reconciliation of investment return to amounts reported in the statement of activities:

	<u>2009</u>	<u>2008</u>
Interest Income	\$ 174,149	\$ 200,026
Realized loss on sale of investment	(4,981)	(9,863)
Change in value of split interest agreements	<u>(3,738)</u>	<u>(10,376)</u>
	<u>\$ 165,430</u>	<u>\$ 179,787</u>

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 4 - PROPERTY AND EQUIPMENT

	2009	2008
Land	\$ 1,127,655	\$ 1,098,951
Building and improvements	4,372,715	4,251,124
Equipment	696,956	654,798
	6,197,326	6,004,873
Accumulated depreciation	(2,419,163)	(2,283,981)
Total	\$ 3,778,163	\$ 3,720,892

NOTE 5 - OTHER ASSETS

The Fellowship is the owner and beneficiary of several individual life insurance policies. The estimated cash surrender value of the life insurance policies at December 31, 2009 and 2008, was \$137,778 and \$124,684, respectively.

NOTE 6 - NOTES PAYABLE

	2009	2008
Mortgage dated November 1999, for \$290,000 with 300 monthly principal and interest payments of \$1,695. The note has an interest rate of 6.5% matures December, 2024, and is collateralized by the Fellowship house in Highland Falls, New York.	\$ 67,134	\$ 125,237
Note dated June 2006, for \$193,200 with 60 monthly payments of \$2,092. The note has an interest rate of 5.5%, matures July 2011, and is collateralized by the Spring Canyon Conference Center in Buena Vista, Colorado.	124,473	144,970
	191,607	270,207
Less current portion	(34,949)	(30,222)
	\$ 156,658	\$ 239,985

Maturities of long-term debt for each of the years succeeding December 31, 2009 are as follows:

2010	\$ 34,949
2011	123,295
2012	18,600
2013	14,763

Interest expense for the years ended December 31, 2009 and 2008 was \$13,696 and \$17,844.

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 6 - NOTES PAYABLE (CONTINUED)

In October 2009 OCF took out a line of credit with a borrowing base of \$1,300,000 to be used to finance some of the construction costs associated with the new Heritage House project. The line of credit matures April 2011, and is secured by a deed of trust on real property. No balance was outstanding on the line of credit as of December 31, 2009.

NOTE 7 - ANNUITIES

The Fellowship established a gift annuity plan that allowed donors to contribute assets in exchange for the right to receive a fixed dollar amount annually during their lifetimes. The annuity liability is revalued annually based upon computed present values, and the resulting gain or loss is recorded as a change in value of split interest agreements in the Statement of Activities. At December 31, 2009 and 2008, the value of the annuities was \$76,302 and \$80,040, respectively.

NOTE 8 - CONCENTRATIONS

For the year ended December 31, 2008 there was a 12% concentration in contributions received from two donors.

NOTE 9 - TEMPORARILY RESTRICTED NET ASSETS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes as follows:

	<u>2009</u>	<u>2008</u>
Coffman/Waldrop WSS	\$ 6,114	\$ 14,481
Harrison House WSS	4,823	0
Home Office	30,260	0
Staff assoc, regional	39,198	2,361
USAFA scholarships	2,807	1,480
USMA scholarships	28,707	6,113
USMA missions and general	7,129	269,180
USMA New Fellows general	63,221	25,977
USMA equip fund	0	1,249
USMC Operations Veritas	2,615	0
USNA facility fund	0	6,975
USNA missions and general	80,643	0
USNA scholarships	5,411	1,412
ROTC	1,000	9,326
Capital campaign		
Spring Canyon	237,501	249,071
White Sulphur Springs	0	117,943
Other	943,462	180,866
Enlisted ministry	<u>3,270</u>	<u>1,715</u>
	<u>\$ 1,456,161</u>	<u>\$ 888,149</u>

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 9 - TEMPORARILY RESTRICTED NET ASSETS (CONTINUED)

Temporarily restricted net assets are available for the following purposes:

	<u>2009</u>	<u>2008</u>
Coffman/Waldrop WSS	\$ 11,889	\$ 10,936
Harrison House WSS	88,744	74,573
Staff associates, regional	18,259	16,339
USAFA facilities	2,900	2,900
USCGA facilities	20,875	20,875
USAFA scholarships	2,647	5,002
USMA scholarships	1,120	12,276
USMA missions and general	2,237	17,428
USMA New Fellows general	0	1,311
USNA facility fund	325	0
USNA missions and general	1,000	0
USNA scholarships	0	3,456
USMC operation veritas	0	2,615
Capital campaign		
Spring Canyon	155,946	374,795
White Sulphur Springs	110,134	77,222
Other	5,621,391	5,431,895
Enlisted ministry	<u>3,565</u>	<u>3,335</u>
	<u>\$ 6,041,032</u>	<u>\$ 6,054,958</u>

NOTE 10 - PERMANENTLY RESTRICTED NET ASSETS

At December 31, 2009 and 2008, permanently restricted net assets of \$506,200, consisted of endowment fund contributions to be held indefinitely for the Harrison House maintenance at White Sulphur Springs.

NOTE 11 - LEASE COMMITMENTS

The Company has two operating leases for its current facility that expire in April 2014. Lease expense for the years ended December 2009 and 2008 was \$32,245 and \$27,891. Future required payments for the years ending December 31 are as follows:

2010	\$ 27,366
2011	27,366
2012	23,882
2013	22,140
2014	3,960

NOTE 12 - RETIREMENT

The Fellowship has established a simplified employee pension plan (SEP) under Internal Revenue Code Section 408(k)(6) covering all eligible employees who meet the minimum age and service requirements. Only the Fellowship can contribute to the Plan. The Governing Council establishes and can change the contribution percentage, which

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 12 - RETIREMENT

was 7.5% for the years ended December 31, 2009 and 2008. The Fellowship contributed \$93,215 and \$83,947, respectively, to the Plan for the years ended December 31, 2009 and 2008.

NOTE 13 - ENDOWMENTS

The Fellowship's endowment consists of a donor-restricted fund established to support operating maintenance of the Harrison House. As required by the generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor imposed restrictions.

The Fellowship has interpreted the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) as requiring the preservation of the original value of the 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 Fellowship 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. If the endowment assets earn investment returns beyond the amount necessary to maintain the endowment assets' original value, that excess is available for appropriation and, therefore, classified as temporarily restricted net assets until budgetary appropriations by the Fellowship for expenditure. In accordance with UPMIFA, the Fellowship considers the following factors in making a determination to appropriate or accumulate term and quasi-endowment funds:

1. The duration and preservation of the fund.
2. The purpose of the Fellowship 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 Fellowship.
7. The investment policies of the Fellowship.

Changes in endowment net assets for the year ended December 31, 2009:

	<u>Board Designated</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of the year	\$ 289,304	\$ 6,054,958	\$ 506,200	\$ 6,850,462
Contributions and other gains	104,584	1,423,103	0	1,527,687
Investment income	0	138	18,994	19,132
Net appropriations for expenditure and fund value preservation	<u>133,508</u>	<u>(1,437,167)</u>	<u>(18,994)</u>	<u>(1,322,653)</u>
Endowment net assets, end of year	<u>\$ 527,396</u>	<u>\$ 6,041,032</u>	<u>\$ 506,200</u>	<u>\$ 7,074,628</u>

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 14 - COMMITMENTS AND CONTINGENCIES

In October 2009, the Fellowship signed a contract with a contractor for construction of a new Heritage House. The contract limits the cost of construction on the Heritage House to \$6,050,525. As of December 31, 2009, the remaining commitment on the contract is \$5,850,711, with an estimated completion date of February 2011.

NOTE 15 - SUBSEQUENT EVENTS

Effective June 15, 2009, the Fellowship adopted the provisions of ASC Codification 855 (Formerly Statement of Financial Accounting Standard No. 165, Subsequent Events). This statement requires management to evaluate, through the date the financial statements are issued or available to be issued, events or transactions that may require recognition or disclosure in the financial statements, and to disclose the date through which subsequent events were evaluated. The Fellowship's financial statements were available to be issued on February 10, 2010, and this is the date through which subsequent events were evaluated. The Fellowship did not identify any subsequent events requiring disclosure.

SUPPLEMENTARY INFORMATION

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
SCHEDULES OF SUPPORT AND REVENUE

For the Years Ended December 31,	2009	2008
<u>Support</u>		
<u>Contributions</u>		
General	\$ 1,325,604	\$ 1,241,866
Executive ministries	5,365	49,901
Publications	3,956	14,525
Spring Canyon	292,937	308,668
White Sulphur Springs – capital contributions	1,298,627	1,578,525
White Sulphur Springs	166,952	196,077
Director of Field Outreach	7,909	3,815
U.S. Army Command and General Staff College	72,009	88,492
U.S. Air Force Air University	53,691	53,063
U.S. Air Force Academy	66,520	70,650
U.S. Coast Guard Academy	58,684	61,302
U.S. Military Academy	213,135	218,534
U.S. Naval Academy	65,216	67,166
U.S. ROTC	4,915	4,780
Director of Schools Ministries	4,932	0
Regional ministries	131,523	142,640
Harrison House	0	51,600
Total	\$ 3,771,975	\$ 4,151,604
<u>Revenue</u>		
<u>Conference centers</u>		
Spring Canyon	\$ 214,936	\$ 222,736
White Sulphur Springs	396,812	355,780
Total	\$ 611,748	\$ 578,516
<u>Regional ministries</u>		
Local fellowship support	\$ 15,207	\$ 15,713

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
SCHEDULE OF FUNCTIONAL EXPENSES

For the Year Ended December 31,

2009

	<u>Program Services</u>					Total Program Services	<u>Supporting Services</u>		Total Supporting Services	Total Expenses
	<u>Field Ministries</u>	<u>Publications</u>	<u>Conference Centers</u>	<u>Education Centers</u>	<u>Academics & ROTC</u>		<u>General Administrative</u>	<u>Fundraising</u>		
Salaries	\$ 276,905	\$ 96,954	\$ 510,831	\$ 116,707	\$ 190,426	\$ 1,191,823	\$ 213,033	\$ 139,661	\$ 352,694	\$ 1,544,517
Payroll taxes	15,155	7,930	40,455	3,278	9,324	76,142	23,719	9,377	33,096	109,238
Employee benefits	9,848	33,315	83,757	11,740	8,613	147,273	33,523	2,939	36,462	183,735
Pension plan	<u>17,615</u>	<u>7,774</u>	<u>27,854</u>	<u>9,055</u>	<u>9,248</u>	<u>71,546</u>	<u>19,165</u>	<u>2,504</u>	<u>21,669</u>	<u>93,215</u>
Total Compensation	319,523	145,973	662,897	140,780	217,611	1,486,784	289,440	154,481	443,921	1,930,705
Auto and truck	3,053	0	23,700	0	2,592	29,345	0	0	0	29,345
Conferences, conventions and meetings	21,977	1,501	6,873	1,172	27,938	59,461	3,185	595	3,780	63,241
Contract services	29,088	11,181	33,863	0	3,798	77,930	22,167	11,219	33,386	111,316
Dues and subscriptions	0	461	3,128	0	276	3,865	1,959	2,235	4,194	8,059
Equipment rental and maintenance	796	0	8,188	0	2,397	11,381	12,395	0	12,395	23,776
General ministry	11,680	159	40,808	3,912	69,226	125,785	1,031	13,007	14,038	139,823
Occupancy	8,155	7,756	180,749	0	45,102	241,762	30,085	0	30,085	271,847
Postage and shipping	7,055	30,893	5,671	202	741	44,562	10,090	16,474	26,564	71,126
Printing and publications	2,977	22,505	3,256	110	120	28,968	1,840	12,325	14,165	43,133
Professional fees	725	0	2,427	0	0	3,152	10,565	0	10,565	13,717
Promotion	1,335	349	3,854	292	1,298	7,128	3,327	2,914	6,241	13,369
Supplies	5,150	3,587	224,976	2,198	18,226	254,137	31,706	9,760	41,466	295,603
Telephone	9,157	512	8,096	807	2,027	20,599	3,151	2,056	5,207	25,806
Travel	47,521	1,350	30,077	10,010	25,218	114,176	50,470	10,266	60,736	174,912
Depreciation	<u>2,112</u>	<u>2,456</u>	<u>110,718</u>	<u>624</u>	<u>16,974</u>	<u>132,884</u>	<u>10,674</u>	<u>0</u>	<u>10,674</u>	<u>143,558</u>
Total	<u>\$ 470,304</u>	<u>\$ 228,683</u>	<u>\$ 1,349,281</u>	<u>\$ 160,107</u>	<u>\$ 433,544</u>	<u>\$ 2,641,919</u>	<u>\$ 482,085</u>	<u>\$ 235,332</u>	<u>\$ 717,417</u>	<u>\$ 3,359,336</u>

OFFICERS' CHRISTIAN FELLOWSHIP OF THE UNITED STATES OF AMERICA, INC.
SCHEDULE OF FUNCTIONAL EXPENSES

For the Year Ended December 31,

2008

	<u>Program Services</u>					Total Program Services	<u>Supporting Services</u>		Total Supporting Services	Total Expenses
	<u>Field Ministries</u>	<u>Publications</u>	<u>Conference Centers</u>	<u>Education Centers</u>	<u>Academics & ROTC</u>		<u>General Administrative</u>	<u>Fundraising</u>		
Salaries	\$ 262,668	\$ 103,416	\$ 472,228	\$ 140,571	\$ 170,192	\$ 1,149,075	\$ 219,861	\$ 146,390	\$ 366,251	\$ 1,515,326
Payroll taxes	14,166	8,448	39,415	3,276	9,170	74,475	23,216	8,302	31,518	105,993
Employee benefits	17,960	29,031	82,148	12,702	11,224	153,065	37,648	1,837	39,485	192,550
Pension plan	<u>12,925</u>	<u>4,913</u>	<u>22,858</u>	<u>6,865</u>	<u>11,940</u>	<u>59,501</u>	<u>21,150</u>	<u>3,296</u>	<u>24,446</u>	<u>83,947</u>
Total Compensation	307,719	145,808	616,649	163,414	202,526	1,436,116	301,875	159,825	461,700	1,897,816
Auto and truck	1,517	0	29,651	0	3,657	34,825	0	0	0	34,825
Conferences, conventions and meetings	12,865	0	1,953	132	11,693	26,643	1,724	549	2,273	28,916
Contract services	284	15,744	19,432	0	3,572	39,032	13,469	20,683	34,152	73,184
Dues and subscriptions	50	95	2,820	0	88	3,053	2,073	2,509	4,582	7,635
Equipment rental and maintenance	319	0	5,277	0	733	6,329	11,533	0	11,533	17,862
General ministry	10,856	53	36,483	1,606	98,177	147,175	815	14,443	15,258	162,433
Occupancy	8,122	7,109	220,011	0	51,189	286,431	29,033	823	29,856	316,287
Postage and shipping	8,940	29,448	6,498	565	1,202	46,653	12,376	15,470	27,846	74,499
Printing and publications	4,203	51,320	2,015	79	254	57,871	613	10,662	11,275	69,146
Professional fees	611	0	0	0	0	611	6,100	0	6,100	6,711
Promotion	2,405	195	8,788	544	542	12,474	2,131	2,084	4,215	16,689
Supplies	4,251	2,716	222,321	1,450	29,100	259,838	31,777	7,336	39,113	298,951
Telephone	8,655	422	9,345	1,210	2,156	21,788	2,874	1,511	4,385	26,173
Travel	48,187	1,758	28,032	15,404	19,259	112,640	34,667	17,134	51,801	164,441
Depreciation	<u>2,573</u>	<u>4,317</u>	<u>104,883</u>	<u>768</u>	<u>15,421</u>	<u>127,962</u>	<u>10,484</u>	<u>63</u>	<u>10,547</u>	<u>138,509</u>
Total	<u>\$ 421,557</u>	<u>\$ 258,985</u>	<u>\$ 1,314,158</u>	<u>\$ 185,172</u>	<u>\$ 439,569</u>	<u>\$ 2,619,441</u>	<u>\$ 461,544</u>	<u>\$ 253,092</u>	<u>\$ 714,636</u>	<u>\$ 3,334,077</u>