

PANHELLENIC SCHOLARSHIP FOUNDATION

FINANCIAL STATEMENTS

DECEMBER 31, 2009

POULOS & BAYER
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

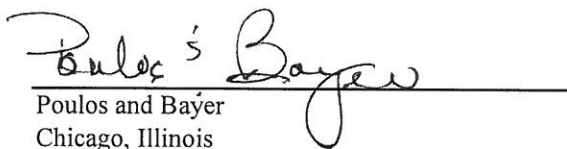
To the Board of Directors
PanHellenic Scholarship Foundation
Chicago, Illinois 60602

We have audited the accompanying statement of financial position of the Panhellenic Scholarship Foundation (a nonprofit organization) as of December 31, 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 the Panhellenic Scholarship Foundation as of December 31, 2009, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on Schedule 1 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.


Poulos and Bayer
Chicago, Illinois
December 3, 2010

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PANHELLENIC SCHOLARSHIP FOUNDATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2009

	<u>2009</u>
<u>ASSETS</u>	
Cash and Cash Equivalents	\$58,874
Contributions Receivable	12,800
TOTAL ASSETS	<u>\$71,674</u>
<u>LIABILITIES AND NET ASSETS</u>	
<u>LIABILITIES</u>	
Accounts Payable	\$344
Accrued Expenses	263
TOTAL LIABILITIES	<u>\$607</u>
<u>NET ASSETS</u>	
Unrestricted	\$71,066
Temporarily Restricted	0
Permanently Restricted	0
TOTAL NET ASSETS	<u>\$71,066</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$71,674</u>

PANHELLENIC SCHOLARSHIP FOUNDATION
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2009

REVENUES	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<u>Contributed</u>				
Individuals	\$316,198			\$316,198
In-Kind	162,046			162,046
Event, net	(16,477)			(16,477)
<u>Other</u>				
Dividend Income	2,552			2,552
Realized Net (Loss) on Securities Sale	(482)			(482)
TOTAL REVENUES	<u>\$463,837</u>	<u>\$0</u>	<u>\$0</u>	<u>\$463,837</u>
 EXPENSES				
Program Services	\$316,024			\$316,024
<u>Support Services</u>				
General and Administrative	40,891			40,891
Fund Raising and Development	39,854			39,854
TOTAL EXPENSES	<u>\$396,768</u>	<u>\$0</u>	<u>\$0</u>	<u>\$396,768</u>
 CHANGE IN NET ASSETS	\$67,069	\$0	\$0	\$67,069
 NET ASSETS, BEGINNING OF YEAR	<u>3,997</u>	<u>0</u>	<u>0</u>	<u>3,997</u>
 NET ASSETS, END OF YEAR	<u><u>\$71,066</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$71,066</u></u>

PANHELLENIC SCHOLARSHIP FOUNDATION
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2009

	<u>2009</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Increase in Net Assets	\$67,069
Adjustments to Reconcile Change in Net Assets to Net Cash	
Realized Net Loss on Securities Sale	482
Other Changes:	
Contributions Receivable	(12,800)
Accounts Payable	(62,360)
Accrued Expenses	263
NET CASH (USED) BY OPERATING ACTIVITIES	<u>(\$7,346)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
Sale of Marketable Securities	\$58,589
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>\$58,589</u>
NET CASH CHANGE	\$51,243
<u>CASH AND EQUIVALENTS</u>	
Beginning of Year	<u>7,631</u>
End of Year	<u><u>\$58,874</u></u>
<u>Supplemental Information</u>	
Interest Paid	\$0
Income Taxes Paid	\$0

PANHELLENIC SCHOLARSHIP FOUNDATION
FOOTNOTES TO FINANCIAL STATEMENTS
DECEMBER 31 2009

NATURE OF ACTIVITIES

The Panhellenic Scholarship Foundation (Foundation) is a not-for-profit corporation whose purpose is the furthering higher education among Greek Americans by awarding scholarships to students demonstrating high academic and leadership skills. All of the Organization's support is derived from voluntary donations.

SIGNIFICANT ACCOUNTING POLICIES

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

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.

Financial Statement Presentation

The accompanying financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United State of America. The Foundation 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.

Unrestricted - net assets that are not subject to donor-imposed stipulations or the donor-imposed stipulations have expired.

Temporarily Restricted - net assets subject to donor-imposed stipulations that can be satisfied by actions of the Foundation or by the passage of time.

Permanently Restricted - net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation

Contributions

The Foundation has adopted SFAS No. 116, 'Accounting for Contributions Received and Contributions Made.' Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

Income Taxes

The Foundation is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains from investments restricted by a donor are reported as increases in unrestricted net assets when the restrictions are met in the current period.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and all highly liquid investments with an original maturity of three months or less.

CONCENTRATIONS

The Foundation maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

The Foundation has a concentration risk related to its Board of Directors' Chairman, major financial supporter, and in-kind contributor for administrative personnel and occupancy expense. The Foundation is aware of this concentration and considers it to be a stimulating attribute for achieving the Foundation's mission.

CONTRIBUTIONS RECEIVABLE

All contributions receivable are currently due within one year. The Foundation believes that all contributions receivable as of the balance sheet date will be collected and therefore no allowance for uncollectible contributions has been made.

ANNUAL EVENT

The Foundation's annual event generated \$39,750 in ticket sales for the year ended December 31, 2009. Direct expenses related to this event was \$56,227. All contributions received as a result of the event are classified as general contributions revenue.

IN KIND

The Foundation was provided administrative personnel and occupancy expenses by Tomaras Investments Ltd. The estimated in-kind value to the Foundation was \$99,342 for the year ended December 31, 2009. The in-kind revenue of \$162,046 includes the \$99,342 and the accounts payable balance at December 31, 2008 of \$62,704 for similar services.

RELATED PARTY TRANSACTIONS

The Chairman of the Foundation's Board of Directors is Chris Tomaras. Mr. Tomaras is the sole owner of Tomaras Investments Ltd. which provides in-kind services for the Foundation. Mr. Tomaras is a major contributor to the organization. Board members are aware of this relationship. Costs are allocated relative to time devoted to the Foundation.

ACCOMPANYING SUPPLEMENTAL INFORMATION

PANHELLENIC SCHOLARSHIP FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2009

	Program Services	Support Services		Total
	Program Expenses	General and Administrative Expenses	Fund Raising and Development Expenses	
Scholarship Grants	\$250,000			\$250,000
Accounting		\$2,420		2,420
Bank and Credit Card Processing Charges		867		867
Consulting		252		252
Delivery		503		503
Fax Broadcasting		2,156		2,156
Graphic Design			\$1,700	1,700
Licenses		15		15
Mailing House			1,839	1,839
Marketing - Advertising	1,724		4,023	5,748
Marketing - Publicity	5,052		2,165	7,217
Meeting/Conferences			2,086	2,086
Postage and Mailings	1,692		911	2,603
Printing	14,509			14,509
Subscriptions		90		90
Travel	1,484			1,484
Web Development & Maintenance			3,903	3,903
Office Supplies - In-Kind	499	1,994		2,493
Rent - In-Kind	11,093	11,093	11,429	33,615
Salaries - In-Kind	29,604	19,931	11,246	60,781
Telephone - In-Kind	367	919	551	1,837
Utilities - In-Kind		652		652
TOTAL FUNCTIONAL EXPENSES	\$316,024	\$40,891	\$39,854	\$396,768