

UNITED CHARITABLE PROGRAMS
AUDITED FINANCIAL STATEMENTS
FROM OCTOBER 4, 2010 TO DECEMBER 31, 2010

ROBERT D. BEN-KORI
CERTIFIED PUBLIC ACCOUNTANT

UNITED CHARITABLE PROGRAMS
FINANCIAL STATEMENTS
December 31, 2010

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ROBERT D. BEN-KORI

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
United Charitable Programs
Falls Church, Virginia

I have audited the accompanying statement of financial position of United Charitable Programs (a nonprofit organization) as of December 31, 2010, and the related statements of activities, functional expenses and cash flows for period from October 4, 2010 to December 31, 2010. These financial statements are the responsibility of the Organization'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 United Charitable Programs as of December 31, 2010, and the changes in its net assets and its cash flows for the period from October 4, 2010 to December 31, 2010 in conformity with accounting principles generally accepted in the United States of America.

Robert D. Ben-Kori

May 23, 2011



UNITED CHARITABLE PROGRAMS
STATEMENT OF FINANCIAL POSITION
December 31, 2010

	<u>2010</u>
ASSETS	
Cash	\$ 30,862
	<hr/>
TOTAL ASSETS	\$ 30,862
	<hr/> <hr/>
LIABILITIES AND NET ASSETS	
	<hr/>
Total Liabilities	\$ -
	<hr/>
Unrestricted Net Assets	30,862
	<hr/>
TOTAL LIABILITIES AND NET ASSETS	\$ 30,862
	<hr/> <hr/>

See accompanying notes to financial statements.

UNITED CHARITABLE PROGRAMS
STATEMENT OF ACTIVITIES
From October 4, 2010 to December 31, 2010

	2010
SUPPORT AND REVENUE	
Contributions and Grants	\$ 37,390
Application Fees	2,440
	39,830
 EXPENSES	
Program Services	-
	-
Supporting Services	
General and Administrative	8,968
	8,968
Total Expenses	8,968
 INCREASE IN UNRESTRICTED NET ASSETS	 30,862
 UNRESTRICTED NET ASSETS, End of Period	 \$ 30,862

See accompanying notes to financial statements.

UNITED CHARITABLE PROGRAMS
STATEMENT OF FUNCTIONAL EXPENSES
From October 4, 2010 to December 31, 2010

	<u>General and Administrative</u>	<u>Total</u>
Accounting and Legal	\$ 5,103	\$ 5,103
Licenses, Taxes and Fees	3,132	3,132
Sub-Contractors		
Program Consultants	400	400
Printing and Postage	224	224
Bank Fees	109	109
Total	<u>\$ 8,968</u>	<u>\$ 8,968</u>

See accompanying notes to financial statements.

UNITED CHARITABLE PROGRAMS
STATEMENT OF CASH FLOWS
From October 4, 2010 to December 31, 2010

	<u>2010</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Increase in Net Assets	\$ 30,862
	<hr/>
Net Cash Provided by Operating Activities	30,862
	<hr/>
NET INCREASE IN CASH	30,862
	<hr/>
CASH END OF PERIOD	30,862
	<hr/> <hr/>

See accompanying notes to financial statements.

UNITED CHARITABLE PROGRAMS
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

Note 1 - Organization

The Organization was originally incorporated in the state of Virginia in 2005 and was issued a certificate of restatement as United Charitable Programs effective October 4, 2010. The Organization is organized and operated exclusively as an organization authorized to engage in religious, charitable, scientific, literary or educational purposes and activities as permitted by section 501(c)(3) of the Internal Revenue Code. The Organization facilitates the conduct of charitable, education, scientific or religious activities by consolidating the administration of these activities.

Any person or corporation, with approval from the Organization's Board, may establish a "Project Account" to engage in activities compatible to the mission objectives of the Organization. Project Accounts are held and administered by the Organization. Use of public contributions or grants received by the Organization may be nominated for a particular charitable purpose by the project manager. However, the Organization's staff maintains final approval authority for the use of funds.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The Organization presents its financial statements on the accrual basis of accounting where support is recognized when earned, and costs and expenses are recognized when incurred.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board. Under those standards, 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 Organization's net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. All donors relinquish ownership and custody of assets donated into Organization Accounts. Since the Board of Directors of the Organization maintains final authority over the use of the funds, the net assets of the Organization and changes therein are classified and reported as unrestricted.

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

UNITED CHARITABLE PROGRAMS
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

Note 2 - Summary of Significant Accounting Policies (continued)

and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and investments purchased with original maturities of three months or less.

Intentions to Give

Intentions to give which may be rescinded at any time were not recognized in the financial statements because they did not meet the criteria for revenue recognition under guidance from the Financial Accounting Standards Board.

Designated Net Assets

The Board of Directors has designated net assets to be used for specific purposes. An amount has been designated for use in charitable activities of Project Accounts.

Contributions

Non-cash contributions are recorded at fair value on the date of donation.

The Organization accounts for contributions in accordance with the recommendations of the Financial Accounting Standards Board. In accordance with those standards contributions are recorded when received as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. All contributions are considered to be available for general support of the Organization unless specifically restricted by the donor or sought by the Organization for a specific purpose.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a 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.

Income Tax Status

The Organization has filed and received a final determination letter from the Internal Revenue Service under Section 501 (c) (3) that it

UNITED CHARITABLE PROGRAMS
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

Note 2 - Summary of Significant Accounting Policies (continued)

qualifies as a not-for-profit corporation exempt from federal income taxes as provided under Section 501 (a) of the Internal Revenue Code. However, unrelated business income may be subjected to taxation. There was no unrelated business income for the period ending December 31, 2010.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Subsequent Events Evaluation

Management has evaluated subsequent events through May 23, 2011, the date the financial statements were made available for release.

Note 3 - Project Accounts

Each project approved by the Organization's Board becomes a "Project Account." At December 31, 2010, the Organization had approximately 24 Project Accounts. Net assets primarily represent the initial contribution made by the founder and contributions and fees received for Project Accounts approved by the Board. The donor may nominate contributions or gifts received by the Organization for a particular charitable use. Unexpended amounts are treated as unrestricted net assets. Amounts designated for Project Accounts approximates \$9,195 as of December 31, 2010.

Upon establishment of a Project Account, a one-time application fee of \$385 and an administrative fee of 8 percent on each incoming donation are generally assessed by the Organization. The application fee and administrative fee can be decreased or waived at the discretion of the Organization.

Each Project Account that participates in the Organization's investment program is charged an administration fee of 0.5 percent of the average balance for that quarter.

UNITED CHARITABLE PROGRAMS
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

Note 4 - Related Party Transactions

The Organization has an officer in common with two other nonprofit organizations. The Organization received contributions from one of the aforementioned nonprofit organizations of \$27,607 in 2010 and \$3,583 from the other organization in 2010. The Organization had no amounts due to or due from the related organizations as of December 31, 2010.

Note 5 - Commitments and Contingencies

The Organization may periodically be involved in various legal proceedings. It is the Organization's policy to accrue for amounts related to these legal matters if it is probable that a liability has been incurred and an amount is reasonably estimable. The Organization believes that any legal proceedings in which it is involved will not materially affect its financial position, future operating results or cash flows.

Note 6 - Subsequent Events

In January 2011, related nonprofit organizations contributed a substantial portion of Project Foundation Accounts and certain Donor Advised Funds to the Organization. Funds contributed during January 2011 approximated \$2,800,000.