

DEBRE MEHERET ST. MICHAEL'S CHURCH INC.

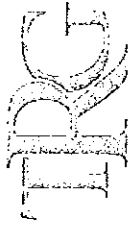
AUDITED FINANCIAL STATEMENTS

DECEMBER 31, 2010

Prepared by

**THE ROBERSON GROUP, PLLC
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TRG



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To The Board of Directors
Debre Meheret St. Michael's Church Inc.
3010 Earl Place, NE
Washington, DC 20018

INDEPENDENT AUDITOR'S REPORT

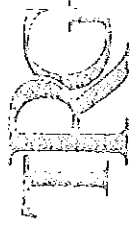
We have audited the accompanying statement of financial position of Debre Meheret St. Micheal's Church Inc. (the "Church"), as of December 31, 2010 and the related statements of activities and cash flows for the year then. These financial statements are the responsibility of the Church's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to in the first paragraph above present fairly, in all material respects, the financial position of Debre Meheret St. Micheal's Church Inc. as of December 31, 2010 and the results of its activities and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The Roberson Group PLLC

The Roberson Group, PLLC
Washington, DC
April 13, 2011



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DEBRE MEHERET ST. MICHAEL'S CHURCH INC.
STATEMENT OF FINANCIAL POSITION

As of December 31, 2010

ASSETS

CURRENT ASSETS:

Cash and cash equivalents \$ 408,496
Account receivable 6,872

Total Current Assets \$415,368

PROPERTY AND EQUIPMENT:

Land (Note 3) 240,000
Building and improvements 1,091,457
Furniture and equipment 66,094
Parking Lots 127,097
Photo Camera 3,551
Automobiles 72,292
Sound & Projection Equipment 40,410
1,640,901
Less: accumulated depreciation (567,305)
Net property and equipment \$1,073,596

Total Assets \$1,488,964

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES:

Account Payable 600
Other current liabilities 6,490
Total current liabilities 7,090

Total liabilities 7,090

NET ASSETS:

Unrestricted \$1,481,874

Total Liabilities and net assets \$1,488,964

DEBRE MEHERET ST. MICHAEL'S CHURCH INC.
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2010

CHANGES IN UNRESTRICTED NET ASSETS:

Unrestricted Revenue	\$255,830
Operating expenses:	
General and administrative	<u>(253,340)</u>
Excess of unrestricted fund balance before Other income and (expenses)	<u>2,490</u>
Other income and (expenses):	
Interest Income	2,287
Depreciation	(44,196)
Interest expenses	
Total other income and (expenses)	<u>(41,909)</u>
Rounding	(1)
Increase (decrease) in unrestricted net assets	(39,419)
NET ASSETS, beginning of the year	<u>\$1,521,293</u>
NET ASSETS, end of the year	<u>\$1,481,874</u>

The accompanying notes are an integral part of these financial statements

STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2010

Decrease in Cash and Cash Equivalents

Cash flow from operating activities:	
Change in net assets	\$ (39,418)
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities	
• Depreciation	44,196
• Changes in assets and liabilities (Increase) decrease in:	
• Accounts receivable	(6,872)
• Increase (decrease) in:	
• Current liabilities	2,400
• Other liabilities	(3,000)
Net Cash provided by operating activities	<u>(2,695)</u>

Cash flows from (for) investing activities:

Net cash used for investment 0

Cash flows from financing activities:

Net cash used for investment 0

Net increase in cash and cash equivalents (2,695)

Cash and cash equivalents, beginning of the year \$411,191

Cash and cash equivalents, end of the year \$408,496

The accompanying notes are an integral part of these financial statements