

MIRIAM'S KITCHEN, INC.

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To the Board of Directors of
Miriam's Kitchen, Inc.:

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying Comparative Statement of Financial Position of Miriam's Kitchen, Inc. (a nonprofit organization), as of December 31, 2009 and 2008, and the related Comparative Statements of Activities, Functional Expenses 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 audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 Miriam's Kitchen, Inc., as of December 31, 2009 and 2008, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

BUCHANAN & COMPANY, PLLC
June 28, 2010

MIRIAM'S KITCHEN, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31,

ASSETS		2009	2008
CURRENT ASSETS:			
Cash and Cash Equivalents	\$	41,133	\$ 154,953
Accounts Receivable		275,309	215,897
Pledges Receivable		289,128	193,602
Prepaid Expenses		12,870	5,409
Total Current Assets	\$	618,440	\$ 569,861
INVESTMENTS:			
FBR Mutual Funds	\$	-	\$ 1,077,100
Legg Mason Government Money Market Fund		2,042,323	-
Vanguard Index and Money Market Funds		135,366	126,197
Total Investments	\$	2,177,689	\$ 1,203,297
PROPERTY AND EQUIPMENT:			
Land	\$	-	\$ 112,890
Building		-	177,249
Dining Room Renovations		85,618	-
Kitchen Equipment		14,382	18,678
Office Equipment		30,857	10,149
Less: Accumulated Depreciation		(11,709)	(65,118)
Total Property and Equipment	\$	119,148	\$ 253,848
OTHER ASSETS:			
Other	\$	780	\$ 510
Total Other Assets	\$	780	\$ 510
TOTAL ASSETS	\$	2,916,057	\$ 2,027,516
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Accounts Payable and Accrued Expenses	\$	92,580	\$ 53,201
Total Current Liabilities	\$	92,580	\$ 53,201
LONG TERM LIABILITY:			
Housing Deposits		-	400
Total Liabilities	\$	92,580	\$ 53,601
NET ASSETS:			
Temporarily Restricted	\$	451,643	\$ 332,714
Unrestricted		2,371,834	1,641,201
Total Net Assets	\$	2,823,477	\$ 1,973,915
TOTAL LIABILITIES AND NET ASSETS	\$	2,916,057	\$ 2,027,516

The "Notes to Comparative Financial Statements" are an integral part of these statements and should be read in conjunction therewith.

MIRIAM'S KITCHEN, INC.
STATEMENT OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31,

	2009	2008
CHANGES IN UNRESTRICTED NET ASSETS:		
SUPPORT AND REVENUE:		
Cash Contributions	\$ 1,203,096	\$ 618,201
In Kind Contributions	186,103	194,261
Special Events Revenue	286,882	267,655
Transitional Housing Rent	828	3,734
Investment Income	3,457	21,718
Merchandise Sales	778	701
Realized Gain on Sale of Transitional Housing Property	111,405	-
Realized and Unrealized Gain on Investments and Fixed Asset	1,067	(3,467)
Assets Released from Restriction	332,714	241,313
Total Unrestricted Support and Revenue	\$ 2,126,330	\$ 1,344,116
EXPENSES:		
Program Services:		
Breakfast	\$ 455,884	\$ 448,367
After Breakfast Program	112,954	102,019
Case Management	337,231	293,732
Transitional Housing	85,980	131,470
Dinner Program	58,874	-
Case Management (Evening)	88,236	-
Advocacy	3,472	-
Fundraising	219,923	183,442
Management and General	33,143	27,929
Total Expenses	\$ 1,395,697	\$ 1,186,959
INCREASE IN UNRESTRICTED NET ASSETS	\$ 730,633	\$ 157,157
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:		
Contributions	\$ 451,643	\$ 332,714
Assets Released from Restriction	(332,714)	(241,313)
INCREASE IN TEMPORARILY RESTRICTED NET ASSETS	\$ 118,929	\$ 91,401
CHANGE IN NET ASSETS	\$ 849,562	\$ 248,558
NET ASSETS, BEGINNING OF YEAR	1,973,915	1,725,357
NET ASSETS, END OF YEAR	\$ 2,823,477	\$ 1,973,915
NET ASSETS, END OF YEAR:		
Temporarily Restricted	\$ 451,643	\$ 332,714
Unrestricted	2,371,834	1,641,201
	\$ 2,823,477	\$ 1,973,915

The "Notes to Comparative Financial Statements" are an integral part of these statements and should be read in conjunction therewith.

MIRIAM'S KITCHEN, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2009

	Program Services							Fundraising	Management and General	Total
	Breakfast Program	After Breakfast Program	Case Management	Transitional Housing	Dinner Program	Case Management (Evening)	Advocacy			
Food and Kitchen Supplies	\$ 84,262	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 84,262
Salaries and Benefits	143,145	83,467	190,364	43,184	58,367	64,924	236	104,409	26,042	714,138
Insurance	18,191	4,815	14,981	6,420	-	-	1,071	6,956	1,070	53,504
Office Supplies and Expense	18,841	4,496	14,740	6,387	-	-	1,065	6,530	1,159	53,218
Program Support	23,712	10,292	18,179	127	-	-	-	296	87	52,693
Client Support	-	-	27,716	-	-	-	-	-	-	27,716
Financial Solicitation	6,536	1,730	5,383	1,922	-	-	577	67,919	577	84,644
Repairs and Maintenance	53,139	-	-	-	-	-	-	-	-	53,139
Professional Fees	6,565	3,280	5,845	2,640	-	-	240	2,760	240	21,570
Miscellaneous	13,632	4,367	3,982	1,707	-	-	283	1,774	427	26,172
Occupancy	84,890	-	32,650	15,216	-	-	-	28,265	3,265	164,286
Depreciation and Amortization	944	-	79	8,377	-	-	-	-	276	9,676
Capital Expenses	2,027	507	23,312	-	507	23,312	-	1,014	-	50,679
Total Expenses	\$ 455,884	\$ 112,954	\$ 337,231	\$ 85,980	\$ 58,874	\$ 88,236	\$ 3,472	\$ 219,923	\$ 33,143	\$ 1,395,697

The "Notes to Comparative Financial Statements" are an integral part of these statements and should be read in conjunction therewith.

MIRIAM'S KITCHEN, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2008

	Program Services					Management and General	Total
	Breakfast Program	After Breakfast Program	Case Management	Transitional Housing	Fundraising		
Food and Kitchen Supplies	\$ 116,971	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 116,971
Salaries and Benefits	152,309	80,840	183,997	84,048	83,351	21,413	605,958
Insurance	6,740	2,306	4,257	2,128	1,774	532	17,737
Office Supplies and Expense	21,604	6,590	13,352	6,777	5,131	1,459	54,913
Program Support	8,004	520	3,294	911	715	195	13,639
Client Support	-	-	29,310	-	-	-	29,310
Financial Solicitation	2,840	852	1,704	852	83,991	213	90,452
Repairs and Maintenance	29,895	-	13,559	-	-	-	43,454
Professional Fees	8,893	4,508	7,168	3,508	3,278	345	27,700
Miscellaneous	15,775	6,403	4,404	2,450	1,937	377	31,346
Occupancy	84,890	-	32,650	22,688	3,265	3,265	146,758
Depreciation and Amortization	446	-	37	8,108	-	130	8,721
Total Expenses	\$ 448,367	\$ 102,019	\$ 293,732	\$ 131,470	\$ 183,442	\$ 27,929	\$ 1,186,959

The "Notes to Comparative Financial Statements" are an integral part of these statements and should be read in conjunction therewith.

MIRIAM'S KITCHEN
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,

	2009	2008
CHANGE IN NET ASSETS	\$ 849,562	\$ 248,558
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH (USED) BY OPERATING ACTIVITIES:		
Depreciation	\$ 9,676	\$ 8,721
Unrealized Gain (Loss) on Investments	(2,651)	3,467
Realized Loss on disposition of fixed assets	1,584	-
Realized Gain on sale of transitional housing property	(111,405)	-
(Increase) Decrease in Accounts Receivable	(59,412)	7,154
(Increase) Decrease in Pledges Receivable	(95,526)	(93,043)
(Increase) Decrease in Prepaid Expenses	(7,461)	10,503
(Increase) Decrease in Other Assets	(270)	-
Increase (Decrease) in Accounts Payable and Accrued Expenses	39,379	9,807
Increase (Decrease) in Other Liabilities	(400)	-
Net Cash (Used) by Operating Activities	\$ (226,486)	\$ (53,391)
CASH FLOW (USED) BY INVESTING ACTIVITIES:		
Proceeds from Sale of Transitional Housing Property	\$ 356,877	\$ -
Acquisition of Fixed Assets	(122,032)	-
Net Acquisition of Investments	(971,741)	(112,323)
Net Cash (Used) by Investing Activities	\$ (736,896)	\$ (112,323)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (113,820)	\$ 82,844
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	154,953	72,109
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 41,133	\$ 154,953

The "Notes to Comparative Financial Statements" are an integral part of these statements and should be read in conjunction therewith.

MIRIAM'S KITCHEN, INC.

NOTES TO COMPARATIVE FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND PURPOSE

Miriam's Kitchen (the Organization) was founded in 1983 under the laws of the District of Columbia through a collaboration of Western Presbyterian Church, the United Church, and the George Washington University Hillel Student Association. Located in Northwest Washington, D.C., the Organization operates four programs: the Breakfast Program, which serves breakfast each weekday morning; the Case Management Program, which provides clinical case management services, transportation and identification assistance, and referrals to needed support services; the After Breakfast Program, which provides therapeutic art and socialization groups each weekday morning; and the Transitional Housing Program, which provides formerly homeless men with transitional housing. As of December 2009, the Transitional Housing Program was no longer operating.

Miriam's Kitchen is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, Miriam's Kitchen has been organized and operated exclusively for charitable purposes.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

Miriam's Kitchen uses the accrual basis of accounting for financial reporting whereby revenue is recognized when earned and expenses are recognized when incurred. The Organization's primary source of revenue is contributions, which are recognized as unrestricted unless specified by the donor for a specific use in future periods. Temporarily restricted revenues received and released from restriction in the same period are reported as unrestricted revenues.

Contributed Goods and Services

Support from donated food, professional services, van usage and building and equipment usage has been recorded at its estimated fair value. Support arising from contributed services of volunteers has not been recognized in the accompanying financial statements because an objective basis is not available to assign fair values to such items.

MIRIAM'S KITCHEN, INC.

NOTES TO COMPARATIVE FINANCIAL STATEMENTS

NOTE 2. (Continued)

The 2009 and 2008 in-kind contributions are described below:

	2009	2008
Facility Use	\$ 130,600	\$ 130,600
Van Use	182	182
Accounting Services	8,570	8,570
Food	21,751	29,909
Fundraising Support	25,000	25,000
Total	<u>\$ 186,103</u>	<u>\$ 194,261</u>

As part of the 100 Bowls fundraising event, donors contribute items to be auctioned off. Items that are not sold during the event are returned to the donor unless the donor declines to accept them back. Items that are not returned are utilized in other fundraising events. These items are not recorded on the financial statements.

FDIC Insurance

The Organization maintains its cash accounts primarily with banks located in the Washington, DC area. The total cash balances are insured by the FDIC up to \$250,000 per bank in 2009 and 2008. The Organization's amounts on deposit that exceeded the balance insured by the FDIC as follows:

December 31, 2009	None
December 31, 2008	\$64,392

Inventory

Miriam's Kitchen holds immaterial amounts of inventory, consisting of various food items and paper products, the costs of which have been expensed in the accompanying financial statements.

Cash and Cash Equivalents

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

MIRIAM'S KITCHEN, INC.

NOTES TO COMPARATIVE FINANCIAL STATEMENTS

NOTE 2. (Continued)

Use of Estimates

The presentation 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, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investments

Investments are reported at market value in accordance with FASB Statement 124, "Accounting for Certain Investments Held by Not-for-Profit Organizations." Unrealized gains and losses are shown as changes in net assets.

Receivables

Receivables are recorded at cost, no interest is charged on accounts and accounts are written off at the point management deems them to be uncollectible.

Property and Equipment

Equipment is recorded at cost and depreciation is computed on the accelerated method over a five year to seven year useful life. Residential rental property was depreciated on the accelerated method over a 27.5 year life.

Expenditures for maintenance and repairs and minor betterments that do not extend the lives of the assets are charged to expense as incurred. Major expenditures which extend the lives of the assets are capitalized.

Fair Value of Financial Instruments

Effective January 1, 2008, the Organization adopted Financial Accounting Standards Board (FASB) Statement of Financial Accounting Standards (SFAS) No. 157, Fair Value Measurements. SFAS No. 157 defines fair value, establishes a framework for measuring fair value in accordance with U.S. generally accepted accounting principles (GAAP) and expands disclosures about fair value measurements. This pronouncement did not require any new fair value measurements and its adoption did not affect the results of operations or financial position of the Organization.

Subsequent Events

Subsequent events have been evaluated through the accountant's report date, which is the date the financial statements were available to be issued.

MIRIAM'S KITCHEN, INC.

NOTES TO COMPARATIVE FINANCIAL STATEMENTS

NOTE 3. CONTRIBUTIONS

Contributions included the following for the year ended December 31, 2009:

	<u>Unrestricted</u>	<u>In-Kind</u>	<u>Total</u>
Foundations	\$ 398,763	\$ -	\$ 398,763
Church Community Corporations/Other Organizations	45,941	139,352	185,293
United Way	128,281	46,751	175,032
Individuals	2,506	-	2,506
	<u>627,605</u>	<u>-</u>	<u>627,605</u>
 Total Contributions	 <u>\$ 1,203,096</u>	 <u>\$ 186,103</u>	 <u>\$ 1,389,199</u>

For the year ended December 31, 2009, \$44,652 was received from members of the Board of Directors and staff. Temporarily restricted contributions received and used in the same year are treated as unrestricted contributions.

Contributions included the following for the year ended December 31, 2008:

	<u>Unrestricted</u>	<u>In-Kind</u>	<u>Total</u>
Foundations	\$ 189,321	\$ -	\$ 189,321
Church Community Corporations/Other Organizations	112,607	139,352	251,959
United Way	101,622	54,909	156,531
Individuals	141,063	-	141,063
	<u>73,588</u>	<u>-</u>	<u>73,588</u>
 Total Contributions	 <u>\$ 618,201</u>	 <u>\$ 194,261</u>	 <u>\$ 812,462</u>

For the year ended December 31, 2008, \$15,887 was received from members of the Board of Directors and staff. Temporarily restricted contributions received and used in the same year are treated as unrestricted contributions.

In 2009, Miriam's Kitchen received a \$2,500 conditional in kind grant from the Capital Area Food Bank. Of the \$2,500 grant received, Miriam's Kitchen utilized \$200 in 2009 and has the remaining \$2,300 to use in 2010, provided that it continues to purchase food from the grantor.

NOTE 4. SPECIAL EVENTS REVENUE

Annual fundraising events are both operated by Miriam's Kitchen and held by other organizations for the benefit of Miriam's Kitchen. The proceeds received from these events are:

MIRIAM'S KITCHEN, INC.
NOTES TO COMPARATIVE FINANCIAL STATEMENTS

NOTE 4. (Continued)

	2009	2008
100 Bowls of Compassion	\$ 286,882	\$ 267,655
Help the Homeless Walkathon	162,516	139,112
Totals	\$ 449,398	\$ 406,767

The Help on the Homeless Walkathon revenue is included in temporarily restricted contribution revenue, as it was not received until the following year.

NOTE 5. CASE MANAGEMENT PROGRAM

Case Management Program expenses include salary and fringe benefits for a full-time Director of Social Services, a Senior Case manager, three Case Managers, an art therapy intern and the Arnold's Place Transitional Housing House Manager. The Case Management Program served over 2,301 individual clients in 2009 and over 2,456 individual clients in 2008. Case Management staff conducted intakes to the Case Management program, helped guests obtain identification, and provided tokens to get individuals to documented job, legal or medical appointments. The Program aided its guests in obtaining food stamps and other public benefits. Case Managers moved clients into intensive drug and alcohol rehabilitation programs, and referred or placed guests in mental health treatment programs.

NOTE 6. RELATED-PARTY TRANSACTIONS

Western Presbyterian Church provides some direct financial support to Miriam's Kitchen, free use of space to house the Organization's operations, certain accounting services, and use of its vehicles. Included in the December 31, 2009 and 2008 accounts (payable)/receivable are \$(22,698) and \$74,075, respectively, due (to)/from with the Church for reimbursements for certain expenses.

In 2009 and 2008, the Church made annual in-kind contributions of \$139,352.

In July 2009, Miriam's Kitchen began making payments to Western Presbyterian Church to defray its costs associated with Miriam's Kitchen's use of additional space for its case management program. The payment is \$7,000 per month on a month-to-month basis.

Cash contributions made by Western Presbyterian Church to the Kitchen were \$4,000 in 2009 and \$5,000 in 2008.

MIRIAM'S KITCHEN, INC.
NOTES TO COMPARATIVE FINANCIAL STATEMENTS

NOTE 7. RESTRICTED NET ASSETS

Temporarily restricted net assets consist of funds received for general use in a future year, as shown below:

	<u>2009</u>	<u>2008</u>
Pledges Receivable	\$289,127	\$193,602
Help the Homeless Walkathon	162,516	139,112
Total	<u>\$451,643</u>	<u>\$332,714</u>

NOTE 8. 403(b) PLAN

In July 2000, the Board of Directors authorized the creation of a defined contribution 403(b) Plan. The Plan name is the Western Presbyterian Church 403(b) Retirement Plan, and all permanent employees who work over 20 hours a week are eligible to make elective deferrals and to receive employer contributions equal to 6% of their salaries. The 2009 and 2008 employer contributions were \$31,103 and \$25,433, respectively.

NOTE 9. UNCONDITIONAL PROMISES TO GIVE

Individuals have pledged the following amounts, either directly or through America Charities (AC) and the Combined Federal Campaign (CFC) as of the year ended December 31, 2009:

	<u>Direct</u>	<u>AC and</u>	<u>Total</u>
	<u>Pledges</u>	<u>CFC</u>	
To Be Paid In 2010-2013	<u>\$ 205,956</u>	<u>\$ 83,172</u>	<u>\$ 89,128</u>

Individuals have pledged the following amounts as of the year ended December 31, 2008:

	<u>Direct</u>	<u>AC and</u>	<u>Total</u>
	<u>Pledges</u>	<u>CFC</u>	
To Be Paid In 2009-2010	<u>\$ 102,500</u>	<u>\$ 91,102</u>	<u>\$ 193,602</u>

Management believes that 100% of all direct pledges are collectible. The AC and CFC amounts are based upon pledges received and determined in the year indicated. Due to the low rates of return currently available on investments, no discount has been recorded on the above pledges.

MIRIAM'S KITCHEN, INC.
NOTES TO COMPARATIVE FINANCIAL STATEMENTS

NOTE 10. ACCOUNTS RECEIVABLE

Accounts Receivable consists of the following items:

	December 31, 2009	December 31, 2008
Received in 2010 for 2009 Events:		
Help the Homeless Walkathon	\$ 162,516	\$ -
Other Contributions	112,793	-
Received in 2009 for 2008 Events:		
Help the Homeless Walkathon	-	139,112
Other Contributions	-	2,710
On Account with Western Presbyterian Church	-	74,075
Total	\$ 275,309	\$ 215,897

NOTE 11. FAIR VALUE MEASUREMENTS

Fair Value of Financial Instruments

The following table represents the historical cost basis and estimated fair values of financial instruments at December 31, 2009 and 2008.

	2009		2008	
	Cost basis	Fair value	Cost basis	Fair value
Cash and cash equivalents	\$ 41,133	\$ 41,133	\$ 154,953	\$ 154,953
FBR Mutual Funds	-	-	1,077,100	1,077,100
Legg Mason Government Money Market Fund	2,042,323	2,042,323	-	-
Vanguard Funds	71,660	135,366	69,031	126,197
Total	\$ 2,155,116	\$ 2,218,822	\$ 1,301,084	\$ 1,358,250

The fair values of the financial statements shown in the preceding table represent management's best estimates of the amounts that would be received to sell those assets in an orderly transaction between market participants as of the dates shown. Those fair value measurements maximize the use of observable units.

MIRIAM'S KITCHEN, INC.

NOTES TO COMPARATIVE FINANCIAL STATEMENTS

NOTE 11. (Continued)

The following methods and assumptions were used to estimate the fair value of each class of financial instruments:

Cash and cash equivalents – the net carrying amounts, at face value, approximate fair value because of the short maturity of these instruments.

Investments – Fair values for securities are measured using prices provided by its investment managers and its custodian bank multiplied by the quantity held. Both the investment managers and the custodian bank use a variety of pricing sources to determine market valuations. Each designate specific pricing services or indexes for each sector of the market based upon the provider's expertise. The securities portfolio is highly liquid, which allows for a high percentage of the portfolio to be priced through pricing services.

Fair Value Hierarchy

The Organization adopted SFAS No. 157, effective January 1, 2008, for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. SFAS No. 157 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy are as follows.

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liabilities.

MIRIAM'S KITCHEN, INC.
NOTES TO COMPARATIVE FINANCIAL STATEMENTS

NOTE 11. (Continued)

The following table presents the Organization's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2009 and 2008.

	December 31, 2009	Quoted Prices in active Markets for identical assets (Level 1)	Significant Other observable inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Financial Assets:				
Investments:				
Legg Mason Accounts	\$ 2,042,323	\$ 2,042,323	\$ -	\$ -
Vanguard - Treasury Money Market Fund	61,658	61,658	-	-
Bond Index Funds	65,862	65,862	-	-
Stock Funds	7,846	7,846	-	-
Total	\$ 2,177,689	\$ 2,177,689	\$ -	\$ -

	December 31, 2008	Quoted Prices in active Markets for identical assets (Level 1)	Significant Other observable inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Financial Assets:				
Investments:				
FBR Mutual Funds	\$ 1,077,100	\$ 1,077,100	\$ -	\$ -
Vanguard - Treasury Money Market Fund	57,769	57,769	-	-
Bond Index Funds	62,225	62,225	-	-
Stock Funds	6,203	6,203	-	-
Total	\$ 1,203,297	\$ 1,203,297	\$ -	\$ -

MIRIAM'S KITCHEN, INC.
NOTES TO COMPARATIVE FINANCIAL STATEMENTS

NOTE 12. MATCHING PLEDGE

In 2007, the Organization received a conditional pledge to match 1-to-1 any new or increased donations made by individuals during the period January 1, 2008 through June 30, 2009 up to \$50,000. The condition was fully met during 2008 so the \$50,000 pledge was recorded. The pledge was paid in full in 2010.

NOTE 13. SALE OF TRANSITIONAL HOUSING

On November 2, 2009, the Organization sold its transitional housing unit known as Arnold's House. The gain on the sale is calculated as follows:

Sales Price		\$ 382,000
Less: Settlement fees		<u>(25,123)</u>
Sales Proceeds		\$ 356,877
Less Cost	\$ 290,139	
Accumulated		
Depreciation	<u>(44,667)</u>	<u>245,472</u>
Gain on Sale		<u>\$ 111,405</u>