

JAIN CENTER OF AMERICA INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2009

K.K.MEHTA C.P.A ASSOCIATES PLLC
CERTIFIED PUBLIC ACCOUNTANTS

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December 09, 2010

The Board of Directors
The Jain Center of America, New York, U.S.A.
43-11 Ithaca Street
Elmhurst N.Y. 11373

Dear Sir,

We have compiled the accompanying statement of Assets, Liabilities and Fund Balances arising from cash transactions of Jain Center of America Inc., New York, U.S.A. as of December 31, 2009 and the related Statement of Support, Revenue Collected & Expenses paid and the changes in Fund Balances for the year then ended.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express opinion or any other form of assurance on them.

Management has elected to omit certain disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusion about the company's financial position, results of operation, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about these matters.

Very truly yours,


K.K. Mehta CPA

Jain Center Of America Inc. New York, U.S.A.
Statement of Assets, Liabilities and Fund Balances
As of December 31, 2009

Assets

		<u>2009</u>
Current Assets		
Cash and cash equivalents	\$	2,107,466
Undeposited funds		<u>6,252</u>
		<u>2,113,718</u>
Fixed Assets		
Ashtapad Installation	75,265	
New project - Lake Success	1,845,046	
Building - Ithaca	6,430,880	
Land - Ithaca	113,835	
Temple related Items	27,065	
Furniture and equipment	<u>31,104</u>	
	8,523,194	
Less: Accumulated Depreciation	<u>582,551</u>	7,940,643
Total Assets		<u><u>\$ 10,054,361</u></u>

Liabilities and Fund Balances

Liabilities

Payroll taxes payable	424
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Fund Balances

General	553,002	
Ashtapad Pratishtha Fund	66,558	
Dev - dravya	99,358	
Jivadaya	54,654	
Gyan dravya	21,563	
Bhojanshala	111,091	
Building - Lake Success	1,236,368	
Pratishtha	2,669,111	
Building Maintenance Fund	1,089,488	
Building - Ithaca	<u>4,152,744</u>	
Total Fund Balance		10,053,937
Total Liabilities and Fund Balance		<u><u>\$ 10,054,361</u></u>

See accompanying notes and accountants' report

Jain Center Of America Inc. New York, U.S.A.

Statements of Support and Revenue, Expenditure and Changes in Fund Balances

For the Year Ended December 31, 2009

	General Fund	Bojanabala Fund	Devi-dwya Fund	Jedaya Fund	Gym Devays Fund	Building Live Success	Building Ithaca Maintenance	Ashiqad Pratishtha Fund	Trashta 2005 Fund	Bultery Ithaca	Total
Support and Revenue											
Membership dues	\$ 300,923	\$ 98,715	\$ 141,377	\$ 33,238	\$ 26,263			\$	\$ 97,417	\$ 2,000	\$ 709,424
Ashiqad Research Fund	\$ 26,814										\$ 26,814
Sale of Property / 74th Street building	\$ 32,000									\$ 256,074	\$ 32,000
Total Support and Revenue	\$ 359,737	\$ 98,715	\$ 141,377	\$ 33,238	\$ 26,263	\$	\$	\$	\$ 97,417	\$ 258,074	\$ 858,238
Program activities expenses											
Support Service Expenses											
Salary and benefits	\$ 65,246		\$ 43,497								\$ 108,743
Insurance	\$ 12,501		\$ 8,394								\$ 20,895
Professional fees	\$ 12,000		\$ 8,000								\$ 20,000
Printing & postage	\$ 5,287		\$ 3,525								\$ 8,812
Telephone & internet	\$ 2,162		\$ 1,441								\$ 3,604
Utilities	\$ 29,676		\$ 19,784								\$ 49,460
Ashiqad installation & Pratishtha	\$ 31,617						\$ 32,933				\$ 64,550
Ashiqad research	\$ 18,531		\$ 12,354							\$	\$ 30,885
Repair maintenance and cleaning	\$ 9,186		\$ 6,124								\$ 15,310
Miscellaneous	\$ 294,365	\$ 79,139	\$ 103,119	\$ 53,850	\$ 25,587	\$		\$ 32,933	\$	\$	\$ 579,894
Total program and support expenses	\$ 65,372	\$ 28,576	\$ 38,257	\$ (20,612)	\$ 676	\$		\$ 66,558	\$ 97,417	\$ 758,074	\$ 278,244
Excess of support and revenue over expenses	\$ 65,372	\$ 28,576	\$ 38,257	\$ (20,612)	\$ 676	\$		\$ 66,558	\$ 97,417	\$ 95,443	\$ 278,244
Cost of Property / 74th Street building											
Excess before other income	\$ 65,372	\$ 28,576	\$ 38,257	\$ (20,612)	\$ 676	\$		\$ 66,558	\$ 97,417	\$ 95,443	\$ 278,244
Other income											
Interest - net	\$	\$	\$	\$	\$	\$	\$ 8,588	\$	\$	\$	\$ 8,588
Total income	\$ 65,372	\$ 28,576	\$ 38,257	\$ (20,612)	\$ 676	\$	\$ 8,588	\$ 66,558	\$ 97,417	\$ 95,443	\$ 380,275
Beginning fund balance	\$ 487,630	\$ 62,515	\$ 61,101	\$ 75,266	\$ 20,867	\$ 1,236,368	\$ 1,080,900	\$	\$ 2,571,694	\$ 4,667,301	\$ 9,673,662
Ending fund balance	\$ 553,002	\$ 111,091	\$ 99,458	\$ 54,654	\$ 21,983	\$ 1,236,368	\$ 1,080,488	\$ 66,558	\$ 2,609,111	\$ 4,152,744	\$ 10,053,937
Cash fund balances	\$ 415,670	\$ 111,091	\$ 99,358	\$ 54,654	\$ 21,983	\$ 1,089,488	\$ 1,089,488	\$ 66,558	\$ 2,609,111	\$ 4,152,744	\$ 10,053,937
										\$ 255,335	\$ 2,113,718

See accompanying notes and accountants' report

Jain Center Of America Inc. New York, U.S.A.

Statement of Cash Flows

For the Year Ended December 31, 2009

	<u>2009</u>
Cash Flows from Operating Activities:	
Excess of support and revenue over expenses	380,275
Less: Gain on sale of 74th street property	(93,443)
Adjustment to reconcile the excess of support and revenue over expenses to cash provided by the operating activities:	
Depreciation	
Gain on sale of fixed assets	-
Increase (decrease) in cash flows due to changes in operating assets and liabilities	
Other current assets	-
Payroll taxes payable	<u>(3,121)</u>
Net cash provided by operating activities	283,711
Cash Flows from Investing Activities	
Proceeds from sale of fixed assets including gain	253,335
Acquisition of fixed assets	<u>(125,347)</u>
Cash Flows from Financing Activities	
Notes payable	<u>-</u>
Increase in cash and cash equivalents	411,699
Cash and cash equivalents - beginning of year	<u>1,702,019</u>
Cash and cash equivalents - end of year	<u><u>2,113,718</u></u>

See accompanying notes and accountants' report

**Jain Center of America Inc.
Notes to Financial Statements
(See accountants' report)**

Note 1: Summary of Significant Accounting Policies

Jain Center of America, Inc. (Center), New York, USA organizes the Jain Religious activities in the area of New York.

a: Accounting Policies

The accompanying financial statements have been prepared on cash basis. The accounting policy is different from the generally accepted accounting principles.

b: Income Recognition

Income is generated by donation from donors and membership dues from members.

c: Income Taxes

The Center is not for profit religious organization, which is exempt from income tax under section 501 (c) (3) of the Internal Revenue Code.

d: Fixed Assets

Fixed assets are stated at cost.

e: Cash and Cash Equivalents

The Center maintains its cash in bank deposit accounts, which at times may exceed federally insured limits, with high credit quality institutions and US Treasury bills federally insured. The Center has not experienced any losses on these accounts and believes that it is not exposed to any significant credit risk. The Center considers all highly liquid debt instruments to be cash equivalents.

f: Donated Service

The unpaid volunteers and officers conduct the significant portion of regular activities. The value of this contributed time is not reflected in accompanying financial statements, because it is not susceptible to objective measurement.

Jain Center of America Inc.
Notes to Financial Statements
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Note 2: Building - Ithaca

The building at Ithaca Street was demolished and construction was finished as of December 31, 2004 for new temple.

Amount carried over from prior years	\$ 6,414,749
Expenditure incurred during the year	
Art work	14,330
Labor for various items	1,801
Total	<u>\$ 6,430,880</u>

Note 3: Project at Lake Success

Amount carried over from prior years	\$ 1,813,346
Expenditure incurred during the year	
Consulting	3,918
Legal fees	27,782
Total	<u>\$ 1,845,046</u>

Note 4: Ashtapad Installation & Pratishtha

Expenditure incurred during the year	
Abhishek celebration	\$ 20,035
Ashtapad Pratishtha Payments	12,898
Total	<u>\$ 32,933</u>

Jain Center of America Inc.
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Note 5: Program Activities

Expenditure for program activities as follows:

General Fund

Mahavir jayanti - April (hall rental, food, printing, trophies and others)	\$ 19,502
Mahavir janam vanchan - Paryushana (Food and Hall rental)	15,698
Chaitya pariparty	15,617
Sanji	7,155
Prior period expenses - Hall rental 2008	2,700
Prior period expenses - Gujarati Samaj	1,500
Prabhavna Paryushan	3,537
Parna Paryushan	1,233
Musicians Paryushan	9,300
Dadawadi Monthly Pooja	2,600
Other paryushana expenses (Car service, Securities, Grocery, printing and others)	11,659
Pratishtha anniversary	12,120
Senior citizen expenses	896
Youth expenses	551
Jaina - membership/donations/scholarship/others	4,001
Total	\$ 108,069

Bhojanshala Fund

Labor	\$ 35,392
Swamivatslya (outside food other than event specific food)	8,126
Vegetables and others	26,621
Total	<u>\$ 70,139</u>

Gyan Dravya Fund

Paryushana speaker fees	\$ 13,309
Book distribution	7,145
Other speaker fees and related expenses	1,778
Pratikraman hallis	3,355
Total	<u>\$ 25,587</u>

**Jain Center of America Inc.
Notes to Financial Statements
(See accountants' report)**

Note 6: Donation

Jivdaya Fund

The Center donated in the amount of \$53,850 to various Panjarapole in India.

Note 7: Fund Balances

Cash and cash equivalents has been allocated to Dev Dravya, Jiv Daya, Bhojanshala, Gyan fund, and Building maintenance funds. The fund balances also reflects the proceeds received from the sale of the 74th street building and amounts received towards Ashtapad Pratishtha fund. No cash fund balances have been assigned to Pratishtha 2005 Fund or Lake Success Fund as amounts have already been spent. The remaining cash balance has been allocated to the General fund. "Fund balances with Cash balances" represent amount available to spend. All fund balances are not supported with cash balances, as funds have been used to acquire fixed assets.

Note 8: Depreciation

The Center does not provide for depreciation, this is a change in the accounting policy effective from year 2007.

Note 9: Expenses allocation

Day to day operating expenses (utilities, salaries, printing, postage and event expenses) has been allocated to Dev Dravya fund. In the Annual General meeting of 2007, it was agreed that operation expenses should be allocated 60% to Sadharan and 40% to Dev Dravya. This ratio was determined based on area occupied for temple related activities and area occupied for general activities.

Note 10: 74th Street Property Sale

The 74th street property was purchased to house temporary temple until completion of new building construction. So the fund received on sale of 74th street property has been assigned to Ithaca Building fund. Ithaca Street building fund - cash balance reflects the entire proceeds and fund balance reflects gain on sale of 74th street building.

**Jain Center of America Inc.
Notes to Financial Statements
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Note 11: Ashtapad Fund account

As indicated in note 7 there is a difference between Fund balance and Cash balances. To avoid such discrepancies in future, we have expensed all Ashtapad related expenses. The Ashtapad Fund balance should reflect true cash collected for Ithaca Street property expansion. This fund should be always supported by 100% cash balances subject to any future expenses.