End Hunger In Calvert County, Inc.

Financial Report
(Reviewed)
December 31, 2010

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McGladrey

Independent Accountant's Review Report

To the Board of Directors
End Hunger in Calvert County, Inc.
Huntingtown, Maryland

We have reviewed the accompanying balance sheets of End Hunger in Calvert County, Inc. (the Corporation) as of December 31, 2010 and 2009, and the related statements of activities and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the reviews in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our reviews, we are not aware of any material modification that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

McGladrey & Pullen, LLP

Gaithersburg, Maryland
September 7, 2011

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End Hunger In Calvert County, Inc.

Balance Sheets
December 31, 2010 And 2009
See Independent Accountant's Review Report

Assets		**2010**		2009
Cash And Cash Equivalents	**$**	**54,626**	$	27,667
Accounts Receivable		**7,968**		7,968
	$	**62,594**	$	35,635
Liabilities And Net Assets				
Liabilities – Accounts Payable	**$**	**289**	$	-
Net Assets – Unrestricted		**62,305**		35,635
	$	**62,594**	$	35,635

See Notes To Financial Statements.

End Hunger In Calvert County, Inc.

Statements Of Activities
Years Ended December 31, 2010 And 2009
See Independent Accountant's Review Report

	2010	2009
Support and revenue:		
Contributions	**$ 103,248**	$ 80,689
Other	**103**	11,082
Total support and revenue	**103,351**	91,771
Expenses:		
Program:		
Special events	**24,993**	48,375
Client services	**49,085**	4,356
General and administrative	**2,603**	3,405
Total expenses	**76,681**	56,136
Change in net assets	**26,670**	35,635
Net assets:		
Beginning	**35,635**	-
Ending	**$ 62,305**	$ 35,635

See Notes To Financial Statements.

End Hunger In Calvert County, Inc.

Statements Of Cash Flows
Years Ended December 31, 2010 And 2009
See Independent Accountant's Review Report

		2010		2009
Cash Flows From Operating Activities				
Change in net assets	**$**	**26,670**	$	35,635
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Changes in assets and liabilities:				
Increase in accounts receivable		**-**		(7,968)
Increase in accounts payable		**289**		-
Net cash provided by operating activities		**26,959**		27,667
Net increase in cash and cash equivalents		**26,959**		27,667
Cash And Cash Equivalents:				
Beginning		**27,667**		-
Ending	**$**	**54,626**	$	27,667

See Notes To Financial Statements.

End Hunger In Calvert County, Inc.

Notes To Financial Statements
See Independent Accountant's Review Report

Note 1. Nature Of Activities And Significant Accounting Policies

Nature of activities: End Hunger in Calvert County, Inc. (the Corporation) was incorporated in Huntingtown, Maryland on July 24, 2009, for the purpose of making distributions to not-for-profit organizations to assist with public welfare.

A summary of the Corporation's significant accounting policies follows:

Basis of accounting: The accompanying financial statements are presented in accordance with the accrual basis of accounting, whereby, revenue is recognized when earned and expenses are recognized when incurred.

Accounting standards codification: In June 2009, the Financial Accounting Standards Board (FASB) issued the Accounting Standards Codification (ASC). Effective July 1, 2009, the ASC is the single source of authoritative accounting principles recognized by the FASB to be applied by non-governmental entities in the preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP). The ASC is intended to reorganize, rather than change, existing GAAP. Accordingly, all references to currently existing GAAP have been removed and have been replaced with plain-English explanations of the Corporation's accounting policies. The adoption of the ASC did not have a material impact on the Corporation's financial position.

Basis of presentation: The financial statement presentation follows the recommendations of the FASB ASC. As required by the Non-Profit Entities Topic of the FASB ASC, the Corporation 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 Corporation had no temporarily or permanently restricted net assets at December 31, 2010 and 2009.

Cash and cash equivalents: For purposes of reporting cash flows, the Corporation considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

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

Accounts receivable: Accounts receivable are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a monthly basis. Accounts receivable are considered to be past due if any portion of the receivable balance is outstanding for more than 90 days. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received. Based on management's evaluation of the collectability of receivables, no provision for an allowance for doubtful accounts was necessary.

Net assets: Unrestricted net assets are net assets that are neither temporarily nor permanently restricted by donor-imposed stipulations.

Contributions: Contributions are recognized when the donor makes a promise to give to the Corporation that is, in substance, unconditional. All donor-restricted revenue is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. Contributions that are restricted by the donor are reported as unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized.

Note 1. Nature Of Activities And Significant Accounting Policies (Continued)

Tax status: The Corporation is generally exempt from federal and state income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code. However, the Corporation is subject to income taxes on unrelated business income, as defined by the Internal Revenue Service. During the year ended December 31, 2010, the Corporation had no taxable unrelated business income, and accordingly, no provision for income taxes is required in the accompanying financial statements.

The Corporation adopted the accounting standard on accounting for uncertainty in income taxes (FASB ASC Topic 740-10), which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Corporation may recognize the tax benefit from an uncertain tax position only if it is more-likely-than-not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes, and accounting in interim periods.

Management evaluated the Corporation's tax positions and concluded that the Corporation has taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance.

Functional allocation of expenses: The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities. General and administrative expenses include those expenses that are not directly identifiable with any other specific function, but that provide for the overall support and direction of the Corporation.

Use of estimates: The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent events: The Corporation evaluated subsequent events through September 7, 2011, which is the date the financial statements were available to be issued.

Note 2. Related Party Transactions

The Corporation received reimbursement from Chesapeake Church (the Church), a related organization that is affiliated by common management and directors, for administration of the Corporation's programs.

At December 31, 2010 and 2009, respectively, accounts receivable from the Church totaled $7,968, which is shown as a component of accounts receivable presented in the balance sheets.