

TEE IT UP FOR THE TROOPS, INC.

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2010 AND 2009

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*Certified Public Accountants & Consultants
Meuwissen, Flygare, Kadrlík & Associates, P.A.*

To the Board of Directors
Tee it Up for the Troops, Inc.
Burnsville, Minnesota

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying statements of financial position of Tee it Up for the Troops, Inc. (a nonprofit organization) as of December 31, 2010 and 2009, and the related statements of activities 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 audits provide 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 Tee it Up for the Troops, Inc. as of December 31, 2010 and 2009, and the change in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Meuwissen, Flygare
Kadrlík & Associates, P.A.*

November 8, 2011



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TEE IT UP FOR THE TROOPS, INC.
 STATEMENTS OF FINANCIAL POSITION
 DECEMBER 31, 2010 AND 2009

	2010	2009
ASSETS		
Current assets:		
Cash	220,511	\$ 119,689
Accounts receivable	160,052	-
Total assets	\$ 380,563	\$ 119,689
LIABILITIES AND NET ASSETS		
Current liabilities:		
Credit card payable	\$ 737	\$ 2,110
Net assets:		
Unrestricted	379,826	117,579
Total liabilities and net assets	\$ 380,563	\$ 119,689

See Notes to Financial Statements.

TEE IT UP FOR THE TROOPS, INC.
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010	2009
Revenues:		
Event income	\$ 443,487	\$ 329,247
Contributions	400,309	275,773
Other income	207	24
Total revenues	844,003	605,044
Expenses:		
Program services:		
Contributions	417,046	591,428
Contract labor	38,312	9,572
Event expense	69,001	78,908
Program expense	130	559
Scholarships	-	2,500
Travel	17,008	10,900
Total program services	541,497	693,867
Administrative:		
Insurance	2,943	2,452
Licenses and permits	25	25
Marketing	4,220	314
Miscellaneous	764	2,251
Office expense	18,760	10,812
Professional services	6,347	12,709
Rent	7,200	-
Telephone	-	16
Total administrative	40,259	28,579
Total expenses	581,756	722,446
Change in net assets	262,247	(117,402)
Net assets, beginning of year	117,579	234,981
Net assets, end of year	\$ 379,826	\$ 117,579

See Notes to Financial Statements.

TEE IT UP FOR THE TROOPS, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010	2009
Operating activities:		
Change in net assets	\$ 262,247	\$ (117,402)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Decrease in investments	-	1,061
(Increase) in accounts receivable	(160,052)	-
(Decrease) in credit card payable	(1,373)	(1,112)
Net cash from operating activities	100,822	(117,453)
Change in cash	100,822	(117,453)
Cash, beginning of year	119,689	237,142
Cash, end of year	\$ 220,511	\$ 119,689

See Notes to Financial Statements.

TEE IT UP FOR THE TROOPS, INC.
NOTES TO FINANCIAL STATEMENTS

1. Organization and Summary of Significant Accounting Policies

Organization and Nature of Activities

Tee it up for the Troops is a nonprofit corporation, incorporated in 1992. The Organization was established to help support the fallen and disabled members of our armed forces, and their families.

Basis of Accounting

The financial statements have been prepared on the accrual basis in conformity with generally accepted accounting principles.

Financial Statement Presentation

In accordance with the FASB Codification the Organization is required to report information regarding its financial position and activities according to three net classes, unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. The Organization has no temporarily or permanently restricted net assets.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 support and revenue and functional expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all debt instruments with an original maturity of three months or less to be cash equivalents. The Organization maintains cash balances with various financial institutions which are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At times such balances may be in excess of the FDIC limit.

Accounts Receivable

Accounts receivable are recognized as revenues or gains in the period received as assets, decreases of liabilities, or expenses depending on the form of the benefits received.

Investments

The organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

TEE IT UP FOR THE TROOPS, INC.
NOTES TO FINANCIAL STATEMENTS

1. Organization and Summary of Significant Accounting Policies - (Continued)

Contributions

Contributions are recorded at their net realizable values when the donor makes an unconditional promise to give to the Organization. Donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of restrictions. When a restriction expires, temporarily restricted net assets are released to unrestricted net assets and reported in the statement of activity as net assets released from restrictions.

Allocation of Expenses

The Organization's expenses are presented on a functional basis, showing basic program activities and support services. The Organization allocates expenses to program and support services based on the organizational cost centers (functional units) in which expenses are incurred.

Fair Value Measurements

The Organization's financial instruments are cash and cash equivalents, investments and accounts payable. The recorded values of cash and cash equivalents, investments and credit cards payable approximate their fair values based on their short-term nature. The Organization has determined all of its financial instruments are classified in Level 1 of the fair value hierarchy in accordance with FASB Codification.

Date of Management Review

Management has evaluated subsequent events through November 8, 2011, the date the financial statements were available to be issued.

2. Lease Commitments

Operating Lease

The Organization leases office space under a month to month operating lease at \$300 per month. Rent expense for 2010 and 2009 was \$7,200 and \$0 respectively.

3. Income Taxes

The financial statements do not include any provisions for income taxes as Tee it Up For the Troops, Inc. is an exempt organization under Section 501(c)(3) of the Internal Revenue Code.

The Organization's income tax returns for the years 2007, 2008, 2009, and 2010 are subject to examination by the IRS, generally for three years after they were filed.