

SOUTHSIDE COMMUNITY LAND TRUST

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Financial Statements

December 31, 2010

Mullen Scorpio Cerilli

**Certified Public Accountants
Business Consultants**

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June 21, 2011

To the Board of Directors of
Southside Community Land Trust

Independent Auditors' Report

We have audited the accompanying statement of financial position of Southside Community Land Trust (a nonprofit organization) as of December 31, 2010, and the related statements of activities, functional expenses and cash flows for the year 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 audit. The prior year summarized comparative information has been derived from Southside Community Land Trust's December 31, 2009 audited financial statements and, in our report dated August 17, 2010; we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing 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 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 Southside Community Land Trust as of December 31, 2010, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.



SOUTHSIDE COMMUNITY LAND TRUST
Statement of Financial Position
December 31, 2010
(With Comparative Totals for December 31, 2009)

	<u>2010</u>	<u>2009</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 373,538	\$ 238,369
Grants receivable	31,763	6,044
Pledges receivable - due within one year	47,596	19,234
Total current assets	<u>452,897</u>	<u>263,647</u>
Other assets:		
Property and equipment, net	883,461	886,624
Investments	30,222	26,328
Pledges receivable - due after one year	78,531	43,946
Total other assets	<u>992,214</u>	<u>956,898</u>
Total assets	<u><u>\$ 1,445,111</u></u>	<u><u>\$ 1,220,545</u></u>
Liabilities and Net Assets		
Liabilities (all current):		
Accounts payable and accrued expenses	\$ 4,988	\$ 2,000
Accrued payroll and taxes	11,614	12,070
Total liabilities	<u>16,602</u>	<u>14,070</u>
Net assets:		
Unrestricted net assets:		
Available for operations	274,132	209,260
Board designated for investment	20,222	16,328
Invested in property and equipment	883,461	886,624
Total unrestricted net assets	<u>1,177,815</u>	<u>1,112,212</u>
Temporarily restricted	240,694	84,263
Permanently restricted	<u>10,000</u>	<u>10,000</u>
Total net assets	<u>1,428,509</u>	<u>1,206,475</u>
Total liabilities and net assets	<u><u>\$ 1,445,111</u></u>	<u><u>\$ 1,220,545</u></u>

See accompanying notes to the financial statements.

SOUTHSIDE COMMUNITY LAND TRUST

Statement of Activities

For the Year Ended December 31, 2010

(With Comparative Totals for the Year Ended December 31, 2009)

	2010			2009
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue:				
Foundation grants and contributions	\$ 284,177	\$ 240,500	\$ -	\$ 524,677
Government grants	186,038	-	-	186,038
Membership dues	27,294	-	-	27,294
Program income	44,583	-	-	44,583
Fundraising income	50,153	-	-	50,153
In-kind income	3,565	-	-	3,565
Interest and dividends	1,497	-	-	1,497
Rental income	4,200	-	-	4,200
Other income	7,339	-	-	7,339
Net realized and unrealized gains on investments	2,900	-	-	2,900
Released from restrictions	84,069	(84,069)	-	-
Total revenue	695,815	156,431	-	852,246
Expenses:				
Program:				
Community Gardens	161,058	-	-	161,058
City Farm	92,532	-	-	92,532
Urban Edge Farm	31,660	-	-	31,660
Education and outreach	182,570	-	-	182,570
Total program expenses	467,820	-	-	467,820
Support services:				
Management and general	83,507	-	-	83,507
Fundraising expenses	78,885	-	-	78,885
Total expenses	630,212	-	-	630,212
Change in net assets	65,603	156,431	-	222,034
Net assets, beginning of year	1,112,212	84,263	10,000	1,206,475
Net assets, end of year	\$ 1,177,815	\$ 240,694	\$ 10,000	\$ 1,428,509

See accompanying notes to the financial statements.

SOUTHSIDE COMMUNITY LAND TRUST

Statement of Functional Expenses

For the Year Ended December 31, 2010

(With Comparative Totals for the Year Ended December 31, 2009)

	2010						2009	
	Program Expenses			Support Services			Total	Total
	Community Gardens	City Farm	Urban Edge Farm	Education Outreach	Total Program Expenses	Management and General	Fundraising Expenses	
Personnel costs:								
Salaries	\$ 58,653	\$ 54,194	\$ 8,614	\$ 98,935	\$ 220,396	\$ 45,676	\$ 40,285	\$ 306,357
Payroll taxes	5,620	5,083	814	9,470	20,987	4,594	3,873	29,454
Employee benefits	9,176	7,025	-	13,278	29,479	9,415	4,708	43,602
Total personnel costs	73,449	66,302	9,428	121,683	270,862	59,685	48,866	379,413
Other expenses:								
Agricultural equipment and supplies	25,141	5,286	2,251	1,119	33,797	-	-	33,797
Outside labor	33,962	1,823	2,307	11,713	49,805	7,134	2,707	59,646
Conferences and meetings	61	215	15	348	639	629	835	2,103
Building maintenance and repair	3,094	509	960	850	5,413	425	425	6,263
Utilities	6,614	2,813	6,256	1,258	16,941	662	680	18,283
Printing and copying	379	-	-	4,030	4,409	-	3,892	8,301
Office expenses	1,440	1,127	2,481	2,625	7,673	3,115	6,189	16,977
Stipends	600	1,454	-	3,561	5,615	-	-	5,615
Teaching equipment and supplies	-	-	-	627	627	53	-	680
Accounting and auditing fees	1,869	1,869	1,869	3,738	9,345	1,869	1,869	13,083
Dues, licenses and fees	116	439	14	471	1,040	389	1,434	2,863
Publicity	1,429	225	26	3,441	5,121	26	26	5,173
Insurance	1,310	1,310	1,310	2,620	6,550	1,310	1,310	9,170
Postage and delivery	141	12	7	198	358	257	1,213	1,828
Vehicle expenses	279	961	1,812	379	3,431	149	161	3,741
Bank fees	9	908	9	18	944	323	656	1,923
In-kind expenses	3,565	-	-	-	3,565	-	-	3,565
Fundraising expense	-	2,959	-	-	2,959	-	5,446	8,405
Local travel	2,502	-	-	1,508	4,010	815	815	5,640
Professional development	-	580	-	323	903	2,573	50	3,526
Property tax	2,200	1,246	-	-	3,446	-	-	3,446
Miscellaneous	76	56	17	427	576	2,560	898	4,034
Total other expenses	84,787	23,792	19,334	39,254	167,167	22,289	28,606	218,062
Depreciation	2,822	2,438	2,898	21,633	29,791	1,533	1,413	32,737
Total functional expenses	\$ 161,058	\$ 92,532	\$ 31,660	\$ 182,570	\$ 467,820	\$ 83,507	\$ 78,885	\$ 630,212
								\$ 580,902

See accompanying notes to the financial statements.

SOUTHSIDE COMMUNITY LAND TRUST

Statement of Cash Flows

For the Year Ended December 31, 2010

(With Comparative Totals for the Year Ended December 31, 2009)

	<u>2010</u>	<u>2009</u>
Net cash flows from operating activities:		
Change in net assets	\$ 222,034	\$ 46,113
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Realized and unrealized gains on investments	(2,900)	(1,330)
Depreciation	32,737	34,862
Allowance for uncollectible pledges	6,335	-
Amortization of pledge discount	4,553	-
Changes in current assets and liabilities:		
Grants receivable	(25,719)	18,465
Pledges receivable	(73,835)	(20,316)
Accounts payable	2,988	(8,339)
Accrued payroll and taxes	<u>(456)</u>	<u>(8,981)</u>
Net cash provided by operating activities	<u>165,737</u>	<u>60,474</u>
Net cash flows from investing activities:		
Purchase of investments	(20,193)	(10,071)
Proceeds from sale of investments	19,199	-
Purchase of land	(4,000)	(48,568)
Purchase of improvements and equipment	<u>(25,574)</u>	<u>(33,234)</u>
Net cash used in investing activities	<u>(30,568)</u>	<u>(91,873)</u>
Net increase (decrease) in cash and cash equivalents	135,169	(31,399)
Cash and cash equivalents, beginning of year	<u>238,369</u>	<u>269,768</u>
Cash and cash equivalents, end of year	<u><u>\$ 373,538</u></u>	<u><u>\$ 238,369</u></u>
Supplemental disclosure:		
Interest paid	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying notes to the financial statements.

SOUTHSIDE COMMUNITY LAND TRUST

Notes to Financial Statements

December 31, 2010

Note 1 - Summary of Significant Accounting Policies

Nature of Operations

Southside Community Land Trust (the Organization) is a nonprofit corporation incorporated in the State of Rhode Island in 1981. Southside Community Land Trust's purpose is to provide access to land, education and other resources necessary for people in the Greater Providence area to grow food in environmentally sustainable ways.

Basis of Financial Reporting

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting.

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the Organization, the accounts are maintained in net asset groups as follows:

- Unrestricted net asset group includes funds, which are available for use in achieving the mission of the Organization.
- Temporarily restricted net asset group includes funds restricted by outside sources, which may only be utilized in accordance with purposes established by the donors of such funds. When the restriction expires, either by the passage of a stipulated time restriction or by the accomplishment of a specific purpose, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.
- Permanently restricted net asset group includes funds and assets permanently restricted by outside sources which require that the principal be invested in perpetuity and only the income be utilized by the Organization. Income from investments may be utilized for unrestricted purposes or temporarily restricted purposes as established by the source of such funds.

Cash and Cash Equivalents

Cash and cash equivalents include all cash balances in savings and checking accounts.

Note 1 continued on the next page.

Note 1 - Summary of Significant Accounting Policies

Property and Equipment

The Organization capitalizes property and equipment that costs \$2,000 or more and has a useful life of one or more years. This property and equipment is recorded at cost as of the date of acquisition or fair value as of the date of receipt in the case of gifts. Depreciation is computed on a straight-line basis over the estimated useful lives of the property and equipment. The useful lives range from three to thirty-nine years.

The cost and accumulated depreciation of property sold or retired is removed from the related asset and accumulated depreciation accounts and any resulting gain or loss is recorded in the period of disposal.

Renewals and improvements, which extend the useful lives of assets, are capitalized at cost. Maintenance and repairs are included as expenses in the statement of activities.

Advertising

Advertising costs are expensed as incurred.

Pledges Receivable

Unconditional promises to give (less an allowance for uncollectible amounts) that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises will be received.

Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

Grants Receivable

The Organization uses the specific write off method to record bad debts on grants receivables. Under this method, an allowance for doubtful accounts is not maintained but accounts are written off when they become uncollectible. Generally accepted accounting principles require an allowance whenever it can be reasonably estimated and is a material amount. The effect of using the specific write off method instead of the reserve method is not material to these financial statements.

Donated Services

The Organization receives a significant amount of donated services from various volunteers who assist in administrative and educational duties. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

Note 1 continued on the next page.

Note 1 - Summary of Significant Accounting Policies

Board Designated Funds

The Board of Directors of the Organization has designated certain portions of unrestricted net assets for specific purposes. Although these funds are designated, the funds can be used for operations when approved by the Board of Directors.

Designated – Investment Fund is the fair market value of the assets in the unrestricted investment account as of the financial statement date. Designated investment funds were \$20,222 and \$16,328 at December 31, 2010 and 2009, respectively.

Functional Allocation of Expenses

The cost of providing the various programs and other activities has been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes

The Organization is exempt from income taxes as a charitable organization under Section 501(c)(3) under the Internal Revenue Code and is not considered a private foundation.

The Organization evaluates its uncertain tax positions using guidance for contingencies as contained in US generally accepted accounting principles. The Organization was not aware of any uncertain tax positions that were not provided for in the accompanying financial statements

Investments

Investments are recorded at fair market value. Unrealized gains and losses are included in the change in net assets.

Use of 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassification

Certain amounts previously reported have been reclassified to conform to the 2010 presentation.

Note 2 - Grants Receivable

Grants receivable at December 31, 2010 and 2009 consisted of the following:

	2010	2009
U.S. Department of Agriculture	\$ 31,763	-
Other	-	6,044
Total grants receivable	<u>\$ 31,763</u>	<u>\$ 6,044</u>

Note 3 - Pledges Receivable - Net

Pledges receivable at December 31, 2010 and 2009 include the following:

	2010	2009
Harvesting Hope campaign	\$ 142,845	\$ 75,015
Annual appeal	6,005	-
Total pledges	<u>148,850</u>	<u>75,015</u>
Allowance for uncollectible pledges	(14,285)	(7,950)
Unamortized discount on future contributions	<u>(8,438)</u>	<u>(3,885)</u>
Pledges receivable - net	126,127	63,180
Amount due within one year	<u>47,596</u>	<u>(19,234)</u>
Pledges receivable due after one year	<u>\$ 78,531</u>	<u>\$ 43,946</u>

Gross pledges receivable at December 31, 2010 are due according to the following schedule:

Year Ended December 31,	
2011	\$ 47,596
2012	29,777
2013	28,803
2014	20,454
2015 and later	<u>22,720</u>
Total	<u>\$ 148,850</u>

Pledges receivable in future periods were discounted at 3.8% for December 31, 2010 and 2009. The unamortized discount has been recorded against contribution income in the years ended December 31, 2010 and 2009.

Note 4 - Investments

Investments are stated at fair market value and consist of equity securities. Cost, fair market value and net unrealized gains and losses are summarized as follows:

	2010		
	Cost	Fair Market Value	Net Unrealized Gains (Losses)
Cash and money market	\$ 6,798	\$ 6,798	\$ -
Mutual funds	22,235	23,424	1,189
Total investments	<u>\$ 29,033</u>	<u>\$ 30,222</u>	<u>\$ 1,189</u>

	2009		
	Cost	Fair Market Value	Net Unrealized Gains (Losses)
Cash and money market	\$ 15,583	\$ 15,583	\$ -
Common stock	9,415	10,745	1,330
Total investments	<u>\$ 24,998</u>	<u>\$ 26,328</u>	<u>\$ 1,330</u>

Note 5 - Fair Value Measurements

Generally accepted accounting principles establish a framework for measuring fair value and expand disclosures about fair value measurements for assets and liabilities. That framework provides 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 input) and the lowest priority to unobservable inputs (level 3 inputs). The three levels of the fair value hierarchy according to generally accepted accounting principles are as follows:

- Level 1 – valuations based on quoted prices in active markets for identical investments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.
- Level 2 – valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly, and determined through the use of models or other valuation methodologies.
- Level 3 – valuations based on inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

Note 5 continued on the next page.

Note 5 - Fair Value Measurements

The following table presents financial assets at December 31, 2010 and 2009 that the Organization measures fair values on a recurring basis, by level, within the fair value hierarchy:

Investments at Fair Value as of December 31, 2010:

	Investments			Total
	Level 1	Level 2	Level 3	
Insured deposit account	\$ 6,798	\$ -	\$ -	\$ 6,789
Mutual funds	23,424	-	-	23,424
Total investments	<u>\$ 30,222</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,222</u>

Investments at Fair Value as of December 31, 2009:

	Investments			Total
	Level 1	Level 2	Level 3	
Insured deposit account	\$ 15,583	\$ -	\$ -	\$ 15,583
Equities:				
Energy industry	1,909	-	-	1,909
Industrials	8,836	-	-	8,836
Total investments	<u>\$ 26,328</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,328</u>

Note 6 - Property and Equipment

Property and equipment at December 31, 2010 and 2009 are summarized as follows:

	2010	2009
Building	\$ 56,514	\$ 56,514
Building improvements	148,454	129,658
Land	297,001	293,001
Site improvements - Urban Edge Farm	506,853	506,853
Site improvements - other	14,755	7,978
Farm Equipment	51,458	51,458
Vehicles	29,400	29,400
Office equipment	38,797	38,797
Total property and equipment	1,143,232	1,113,659
Accumulated depreciation	<u>(259,771)</u>	<u>(227,035)</u>
Net property and equipment	<u>\$ 883,461</u>	<u>\$ 886,624</u>

Depreciation expense for the year ended December 31, 2010 and 2009 was \$32,736 and \$34,862, respectively.

Note 7 - Endowment

The Organization's endowment account includes both donor-restricted endowment funds and funds designated by the Board to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

On June 30, 2010, an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) became effective for the State of Rhode Island, to whose law the Organization is subject to.

The Organization has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with Rhode Island State law, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- a) the duration and preservation of the endowment fund
- b) the purpose of the Organization and the endowment
- c) general economic conditions
- d) the possible effect of inflation or deflation
- e) the expected total return from income and the appreciation of investments
- f) other resources
- g) the investment policy of the Organization

In addition, the appropriation for expenditure in any year of an amount greater than seven percent of a three year-rolling average fair market value, may be deemed imprudent.

The Organization has adopted investment and spending policies for endowment assets that attempts to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold for either a donor-specified time as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that match or exceed the results of the Standard & Poor 500 index and other comparable indices as applicable, while assuming a moderate level of investment risk.

Note 7 continued on the next page.

Note 7 - Endowment

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (both realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Under the Organization's investment policy, the Board must approve any distributions to support operations, if any.

The composition of endowment net assets by net asset class is as follows for the years ended December 31, 2010 and 2009 as follows:

	2010			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Donor-restricted endowment funds	\$ -	\$ -	\$ 10,000	\$ 10,000
Board designated endowment funds	20,222	-	-	20,222
	<u>\$ 20,222</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 30,222</u>
	2009			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Donor-restricted endowment funds	\$ -	\$ -	\$ 10,000	\$ 10,000
Board designated endowment funds	16,328	-	-	16,328
	<u>\$ 16,328</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 26,328</u>

Endowment activities by net asset class are as follows for the years ended December 31, 2010 and 2009:

	2010				2009
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
Endowment net assets, beginning of year	\$ 16,328	\$ -	\$ 10,000	\$ 26,328	\$ 14,684
Investment return:					
Investment income, net of fees	994	-	-	994	314

Note 7 continued on the next page.

Note 7 - Endowment

	2010			2009
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Net realized and unrealized gains	\$ 2,900	\$ -	\$ -	\$ 2,900
Contributions	-	-	-	-
Appropriation of endowment funds for expenditures	-	-	-	-
Endowment net assets, end of year	<u>\$ 20,222</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 30,222</u>
				<u>\$ 26,328</u>

Reconciliation of endowment assets total net assets at December 31, 2010:

	2010		
	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets
Endowment assets and those functioning as endowment assets	\$ 20,222	\$ -	\$ 10,000
Other net assets	1,157,593	240,694	-
Total net assets	<u>\$1,177,815</u>	<u>\$ 240,694</u>	<u>\$ 10,000</u>
			<u>\$ 1,428,509</u>

Reconciliation of endowment assets to total net asset at December 31, 2009:

	2009		
	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets
Endowment assets and those functioning as endowment assets	\$ 16,328	\$ -	\$ 10,000
Other net assets	1,095,884	84,263	-
Total net assets	<u>\$1,112,212</u>	<u>\$ 84,263</u>	<u>\$ 10,000</u>
			<u>\$ 1,206,475</u>

Note 8 - Temporarily Restricted Net Assets

At December 31, 2010 and 2009, temporarily restricted net assets consisted of the following:

	2010	2009
Cedar Tree - Community Gardens	\$ 25,940	\$ 43,831
Cedar Tree - City Farm	31,000	-
Island Foundation - Land Acquisition and Community Gardens	13,612	31,432
Van Beuren - Rhode Island Food Council	100,000	-
RI Foundation - Rhode Island Food Council	30,000	-
RI Foundation - 30 th Anniversary	2,642	-
1772 Foundation	7,500	-
Mary Worell - Land fund	30,000	-
Other	-	9,000
Total	<u>\$ 240,694</u>	<u>\$ 84,263</u>

Note 10 - Net Assets Released from Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of events specified by the donors. The amount released during the year ended December 31, 2010 and 2009 represents program expenses of \$84,069 and \$124,741, respectively.

Note 11 - Concentrations

Southside Community Land Trust receives approximately 16% of its revenue from U.S. Department of Agriculture.

Note 12 - In-Kind Donations

During 2010, volunteers donated their services to the Organization for the various programs operated by the Organization. An objective basis to measure the approximate amount of time donated by volunteers for its programs has been developed.

In accordance with generally accepted accounting principles for accounting for contributions received, services requiring specialized skills that would have had to be purchased have been included in the accompanying financial statements. The fair market value of these services relating to the Community Gardens was \$3,565 for 2010. For the year ending December 31, 2009 in-kind donations for the Community Gardens was \$21,179.

Note 13 - Subsequent Events

Subsequent events have been evaluated through June 21, 2011, which is the date the financial statements were available for issuance.