

FINANCIAL STATEMENTS

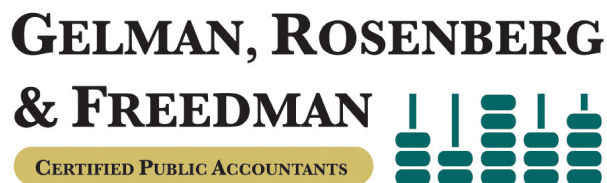


**FOR THE YEARS ENDED
DECEMBER 31, 2013 AND 2012**

HOPE FOR THE WARRIORS®

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Hope For The Warriors®
Annandale, Virginia

We have audited the accompanying financial statements of Hope For The Warriors®, which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hope For The Warriors® as of December 31, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of Functional Expenses on pages 12 - 15, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in cursive script that reads "Gelman Rosenberg & Friedman".

April 21, 2014

HOPE FOR THE WARRIORS®
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2013 AND 2012

ASSETS

	<u>2013</u>	<u>2012</u>
Cash and cash equivalents	\$ 1,627,542	\$ 787,425
Contributions receivable	29,050	257,201
Deposits and prepaid expenses	62,723	52,591
Other assets (Note 6)	659,203	510,995
Furniture and equipment, net of accumulated depreciation and amortization of \$125,860 and \$95,989 for 2013 and 2012, respectively (Note 2)	<u>114,004</u>	<u>75,190</u>
TOTAL ASSETS	<u>\$ 2,492,522</u>	<u>\$ 1,683,402</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 169,591	\$ 127,444
Deferred revenue	2,260	-
Accrued salaries and related benefits	81,488	71,790
Deferred rent (Note 5)	<u>1,703</u>	<u>2,058</u>
Total liabilities	<u>255,042</u>	<u>201,292</u>

NET ASSETS

Unrestricted	1,483,064	568,671
Temporarily restricted (Note 3)	<u>754,416</u>	<u>913,439</u>
Total net assets	<u>2,237,480</u>	<u>1,482,110</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,492,522</u>	<u>\$ 1,683,402</u>

HOPE FOR THE WARRIORS®

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013			2012		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
REVENUE						
Contributions	\$3,767,772	\$ 200,155	\$3,967,927	\$3,588,033	\$ 375,633	\$3,963,666
Revenue from special events	1,051,809	-	1,051,809	802,898	-	802,898
Less: Direct benefit to donor costs	(336,294)	-	(336,294)	(185,378)	-	(185,378)
Net revenue from special events	715,515	-	715,515	617,520	-	617,520
Revenue from sales of donated vehicles	36,750	-	36,750	154,707	-	154,707
Less: Direct benefit to donor costs	(24,683)	-	(24,683)	(91,981)	-	(91,981)
Net revenue from sales of donated vehicles	12,067	-	12,067	62,726	-	62,726
Interest and other income	1,352	-	1,352	2,218	-	2,218
Donated goods and services (Note 4)	476,610	-	476,610	294,483	148,737	443,220
Net assets released from donor restrictions (Note 3)	359,178	(359,178)	-	26,270	(26,270)	-
Total revenue	5,332,494	(159,023)	5,173,471	4,591,250	498,100	5,089,350
EXPENSES						
Program Services:						
Above & Beyond	288,164	-	288,164	183,487	-	183,487
Beneficiary Events	200,973	-	200,973	197,932	-	197,932
College Initiative	120,150	-	120,150	43,686	-	43,686
Community Outreach	459,880	-	459,880	506,972	-	506,972
Critical Care Coordination	606,971	-	606,971	709,049	-	709,049
Family Reintegration	364,643	-	364,643	439,676	-	439,676
General Marketing and Public Relations	302,596	-	302,596	108,802	-	108,802
Hope & Morale	152,557	-	152,557	271,349	-	271,349
Outdoor Adventures	115,852	-	115,852	162,574	-	162,574
Spouse/Caregiver Scholarships	35,844	-	35,844	102,566	-	102,566
Team Hope For The Warriors®	405,456	-	405,456	466,927	-	466,927
A Warrior's Wish®	147,748	-	147,748	330,169	-	330,169
Other Programs	361,917	-	361,917	361,324	-	361,324
Total program services	3,562,751	-	3,562,751	3,884,513	-	3,884,513
Supporting Services:						
Management and General Fundraising	466,844	-	466,844	485,125	-	485,125
	388,506	-	388,506	379,803	-	379,803
Total supporting services	855,350	-	855,350	864,928	-	864,928
Total expenses	4,418,101	-	4,418,101	4,749,441	-	4,749,441
Changes in net assets	914,393	(159,023)	755,370	(158,191)	498,100	339,909
Net assets at beginning of year	568,671	913,439	1,482,110	726,862	415,339	1,142,201
NET ASSETS AT END OF YEAR	\$1,483,064	\$ 754,416	\$2,237,480	\$ 568,671	\$ 913,439	\$1,482,110

See accompanying notes to financial statements.

HOPE FOR THE WARRIORS®
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 755,370	\$ 339,909
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	30,591	30,782
Loss on disposal of assets	70	344
Donated securities	(2,840)	(3,581)
Donated property	-	(148,737)
(Increase) decrease in:		
Contributions receivable	228,151	(116,230)
Deposits and prepaid expenses	(10,132)	(48,042)
Other assets	(148,208)	(76,359)
Increase (decrease) in:		
Accounts payable	42,147	31,923
Deferred revenue	2,260	(1,250)
Accrued salaries and related benefits	9,698	4,122
Deferred rent abatement	<u>(355)</u>	<u>2,058</u>
Net cash provided by operating activities	<u>906,752</u>	<u>14,939</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(70,125)	(15,811)
Sale of fixed assets	<u>650</u>	<u>-</u>
Net cash used by investing activities	<u>(69,475)</u>	<u>(15,811)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from sale of investments	<u>2,840</u>	<u>3,581</u>
Net cash provided by financing activities	<u>2,840</u>	<u>3,581</u>
Net increase in cash and cash equivalents	840,117	2,709
Cash and cash equivalents at beginning of year	<u>787,425</u>	<u>784,716</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,627,542</u>	<u>\$ 787,425</u>

See accompanying notes to financial statements.

HOPE FOR THE WARRIORS®
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

Hope For The Warriors® is a non-profit organization, incorporated in the State of North Carolina. The mission of Hope For The Warriors® is to enhance the quality of life for post 9/11 service members, their families, and families of the fallen who have sustained physical and psychological wounds in the line of duty. Hope For The Warriors® is dedicated to restoring a sense of self, restoring the family unit, and restoring hope for our service members and our military families.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with FASB ASC 958, *Not-for-Profit Entities*.

Cash and cash equivalents -

Hope For The Warriors® considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, Hope For The Warriors® maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Investments -

Donated investments are recorded at fair value based on quoted market prices at the time of receipt and, by policy, are immediately sold upon receipt. Hope For The Warriors® received donated stock with a fair value of \$2,840 for the year ended December 31, 2013.

Contributions receivable -

Contributions receivable represent unconditional amounts committed to Hope For The Warriors® and are recognized as contribution revenue in the period received. All amounts are expected to be collected within one year and are recorded at their net realizable value. Accordingly, an allowance for doubtful accounts has not been established.

Fixed assets -

Fixed assets in excess of \$1,000 are capitalized and stated at cost. Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally five to ten years. Leasehold improvements are amortized over the remaining life of the lease agreement. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation expense for the years ended December 31, 2013 and 2012 totaled \$30,591 and \$30,782, respectively.

Income taxes -

Hope For The Warriors® is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. Hope For The Warriors® is not a private foundation. Hope For The Warriors® is subject to tax on income from unrelated business activities. There was no unrelated business activity for the year ended December 31, 2013.

HOPE FOR THE WARRIORS®
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Uncertain tax positions -

For the years ended December 31, 2013 and 2012, Hope For The Warriors® has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements. The Federal Form 990, *Return of Organization Exempt from Income Tax*, is subject to examination by the Internal Revenue Service, generally for three years after it is filed.

Advertising -

Advertising costs are expensed when incurred.

Deferred revenue -

Deferred revenue consists of event registrations received in advance. Hope For The Warriors® recognizes event revenue when the related event has occurred.

Net asset classification -

The net assets are reported in two self-balancing groups as follows:

- **Unrestricted net assets** include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation and general programs of the organization.
- **Temporarily restricted net assets** include revenue and contributions subject to donor-imposed stipulations that will be met by the actions of Hope For The Warriors® and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities and Changes in Net Assets as net assets released from restrictions.

Contributions -

Unrestricted and temporarily restricted contributions are recorded as revenue in the year notification is received from the donor.

Temporarily restricted contributions are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Temporarily restricted contributions received in excess of expenses incurred are shown as temporarily restricted net assets in the accompanying financial statements.

Donated vehicles -

Hope For The Warriors® uses a third party to administer its donated vehicles program. Donated vehicles are reported at the gross sales price, which represents the fair market value at the time of the gift. There is no significant inventory of donated vehicles at any time during the fiscal year since the sale transaction mainly occurs immediately after the vehicle donation. The donated vehicles are reported as contributions from the public as revenue from sales of donated vehicles on the Statements of Activities and Changes in Net Assets.

HOPE FOR THE WARRIORS®

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Use of estimates -

The preparation 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 at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

2. FIXED ASSETS

Fixed assets consist of the following at December 31, 2013 and 2012:

	2013	2012
Furniture	\$ 36,699	\$ 36,699
Computer equipment	40,198	35,984
Vehicles	96,440	96,440
Leasehold improvements	2,056	2,056
Development in Progress	64,471	-
Total fixed assets	239,864	171,179
Less: Accumulated depreciation and amortization	(125,860)	(95,989)
NET FIXED ASSETS	\$ 114,004	\$ 75,190

3. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following at December 31, 2013 and 2012:

	2013	2012
Above & Beyond	\$ -	\$ 100,000
Warrior Hope and Care Center	451,882	465,818
A Warrior's Wish®	225,827	203,747
Scholarships	27,000	24,000
Family Reintegration	-	25,000
Time Restrictions	14,607	94,874
Immediate Needs Grants	35,100	-
TOTAL TEMPORARILY RESTRICTED NET ASSETS	\$ 754,416	\$ 913,439

HOPE FOR THE WARRIORS®

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

3. TEMPORARILY RESTRICTED NET ASSETS (Continued)

The following temporarily restricted net assets were released from donor restrictions by incurring expenses (or through the passage of time), which satisfied the restricted purposes specified by the donors:

	2013	2012
Above & Beyond	\$ 100,000	\$ -
Warrior Hope and Care Center	13,936	461
Scholarships	12,000	-
Family Reintegration	25,000	-
Time Restrictions	94,874	-
Immediate Needs Grants	64,900	-
A Warrior's Wish®	48,468	25,809
TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS	\$ 359,178	\$ 26,270

4. DONATED GOODS AND SERVICES

During the years ended December 31, 2013 and 2012, Hope For The Warriors® was the beneficiary of donated goods and services, which allow the organization to provide greater resources toward various programs.

To properly reflect total program activity, the following donations have been included in revenue and expenses or other assets for the years ended December 31, 2013 and 2012:

	2013	2012
Donated house (included in Other Assets on the Statements of Financial Position)	\$ -	\$ 148,737
Donated rent	150,682	115,038
Other equipment	-	66,052
Adaptive equipment	6,445	44,858
Professional fees and contracted services	113,611	35,114
Other goods and services	120,970	23,421
Advertising	84,902	10,000
TOTAL CONTRIBUTED SERVICES AND MATERIALS	\$ 476,610	\$ 443,220

In addition, a number of volunteers have donated significant time to develop and assist with the organization's programs and activities. These donated services are not reflected in the accompanying financial statements since they do not meet the criteria for recognition under accounting principles generally accepted in the United States.

5. LEASE COMMITMENTS

Hope For The Warriors® leases office space in Virginia under an agreement, which originated in February 2010 and expires on December 31, 2014. Base rent is \$28,800 per year, plus a proportionate share of expenses.

HOPE FOR THE WARRIORS®
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

5. LEASE COMMITMENTS (Continued)

Hope For The Warriors® leases office space in Virginia under an agreement, which originated in June 2012 and expires on December 31, 2014. Base rent is \$16,150 per year.

Hope For The Warriors® subleased office space in New York under a one year agreement, which originated in September 30, 2012 and ended on August 31, 2013. Base rent was \$2,000 per month.

Hope For The Warriors® maintains space in other locations where the rent is donated.

The following is a schedule of the future minimum lease payments:

Year Ending December 31, 2014 **\$ 46,299**

Rent expense for the years ended December 31, 2013 and 2012 was \$60,596 and \$47,418, respectively. The deferred rent liability was \$1,703 and \$2,058 for the years ended December 31, 2013 and 2012, respectively.

6. OTHER ASSETS

Other assets are comprised of items that will ultimately be contributed for the benefit of service members and consisted of the following at December 31, 2013 and 2012:

	2013	2012
Warrior Hope and Care Center Statues	\$ 476,168	\$ 362,258
Donated House	183,035	148,737
TOTAL OTHER ASSETS	\$ 659,203	\$ 510,995

7. SUBSEQUENT EVENTS

There are no subsequent events that required disclosure.

SUPPLEMENTAL INFORMATION

HOPE FOR THE WARRIORS®

SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2013

	Program Services										
	Above & Beyond	Beneficiary Events	College Initiative	Community Outreach	Critical Care Coordination	Family Reintegration	General Marketing and Public Relations	Hope & Morale	Outdoor Adventures	Spouse/Caregiver Scholarships	Team Hope For The Warriors®
Personnel cost	\$ 169,638	\$ 102,417	\$ 66,097	\$ 328,551	\$ 263,737	\$ 168,978	\$ 126,631	\$ 65,431	\$ 28,950	\$ 26,605	\$ 143,872
Grants and contributions	6,357	8,301	30,142	5,798	257,423	70,348	7	65,067	28,799	3,500	55,718
Professional fees and contracted services	14,262	2,998	610	15,471	8,117	67,668	26,710	109	38,540	40	1,204
Advertising and promotions	8,078	30,426	268	3,243	14	782	21,392	1,231	827	-	2,836
Office expense	5,597	9,653	1,440	7,256	6,511	3,745	6,407	1,336	1,668	400	5,071
Technology	6,564	3,843	2,562	12,283	9,993	6,541	16,279	2,532	1,002	919	8,927
Occupancy	6,011	3,520	2,347	11,249	9,117	5,990	4,479	2,319	920	842	4,879
Insurance (non-employee related)	866	507	338	1,621	1,314	863	646	334	132	121	703
Travel-staff and volunteer	39,519	8,095	4,901	24,760	7,915	7,839	1,794	3,263	5,649	-	17,086
Telecommunications	4,255	2,491	1,661	7,963	6,453	4,240	3,170	1,641	1,044	596	3,454
Depreciation and loss on disposal of assets	2,664	1,560	1,040	4,986	4,042	2,655	1,985	1,028	407	373	2,165
Donated goods and services	18,029	22,972	6,823	32,711	31,332	22,219	86,731	6,743	5,169	2,448	41,707
Bank and credit card fees	-	4	-	14	37	7	-	-	-	-	3,179
Meetings and events	5,906	3,965	1,921	3,575	513	855	245	1,243	2,220	-	113,178
Miscellaneous	418	221	-	399	453	1,913	6,120	280	525	-	1,477
Subtotal	288,164	200,973	120,150	459,880	606,971	364,643	302,596	152,557	115,852	35,844	405,456
Less: Direct benefit costs	-	-	-	-	-	-	-	-	-	-	-
Less: Donated vehicles cost of sales and selling expenses	-	-	-	-	-	-	-	-	-	-	-
TOTAL	\$ 288,164	\$ 200,973	\$ 120,150	\$ 459,880	\$ 606,971	\$ 364,643	\$ 302,596	\$ 152,557	\$ 115,852	\$ 35,844	\$ 405,456

HOPE FOR THE WARRIORS®

**SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2013**

	Program Services (Continued)			Supporting Services				
	A Warrior's Wish®	Other Programs	Total Program Services	Management and General	Fundraising	Direct Benefit Costs and Donated Vehicle Costs and Expenses	Total Supporting Services	Total Expenses
Personnel cost	\$ 35,421	\$ 106,618	\$ 1,632,946	\$ 139,612	\$ 176,245	\$ -	\$ 315,857	\$ 1,948,803
Grants and contributions	103,106	73,842	708,408	-	-	-	-	708,408
Professional fees and contracted services	60	2,599	178,388	207,961	13,581	24,683	246,225	424,613
Advertising and promotions	-	16,519	85,616	220	38,945	-	39,165	124,781
Office expense	642	16,363	66,089	13,276	10,736	373	24,385	90,474
Technology	1,379	9,511	82,335	52,520	33,524	-	86,044	168,379
Occupancy	1,263	3,812	56,748	5,763	6,564	-	12,327	69,075
Insurance (non-employee related)	182	543	8,170	831	944	2,869	4,644	12,814
Travel-staff and volunteer	503	58,802	180,126	8,930	8,955	-	17,885	198,011
Telecommunications	894	2,665	40,527	4,079	4,638	-	8,717	49,244
Depreciation and loss on disposal of assets	559	1,669	25,133	2,624	2,904	-	5,528	30,661
Donated goods and services	3,672	56,635	337,191	25,779	55,778	57,862	139,419	476,610
Bank and credit card fees	-	5,525	8,766	609	22,565	-	23,174	31,940
Meetings and events	33	5,734	139,388	1,267	137	274,484	275,888	415,276
Miscellaneous	34	1,080	12,920	3,373	12,990	706	17,069	29,989
Subtotal	147,748	361,917	3,562,751	466,844	388,506	360,977	1,216,327	4,779,078
Less: Direct benefit costs	-	-	-	-	-	(336,294)	(336,294)	(336,294)
Less: Donated vehicles cost of sales and selling expenses	-	-	-	-	-	(24,683)	(24,683)	(24,683)
TOTAL	\$ 147,748	\$ 361,917	\$ 3,562,751	\$ 466,844	\$ 388,506	\$ -	\$ 855,350	\$ 4,418,101

HOPE FOR THE WARRIORS®
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2012

	Program Services										
	Above & Beyond	Beneficiary Events	College Initiative	Community Outreach	Critical Care Coordination	Family Reintegration	General Marketing and Public Relations	Hope & Morale	Outdoor Adventures	Spouse/ Caregiver Scholarships	Team Hope For The Warriors®
Personnel costs	\$ 108,249	\$ 57,438	\$ 30,048	\$ 180,107	\$ 131,679	\$ 108,518	\$ 88,433	\$ 88,873	\$ 34,925	\$ 40,772	\$ 116,821
Grants and contributions	5,149	27,223	4,969	23,523	493,548	93,984	-	87,334	44,070	50,196	105,604
Professional fees and contracted services	18,892	2,049	-	47,272	4,777	90,123	-	2,563	18,347	2,049	3,647
Advertising and promotions	-	13,902	-	84,575	-	-	392	780	704	-	9,070
Office expense	5,244	3,493	450	23,398	8,606	6,168	1,325	3,032	8,175	714	18,627
Technology	2,603	1,011	529	8,605	3,082	2,098	1,557	1,752	802	911	2,244
Occupancy	4,606	2,444	1,279	7,664	5,603	4,618	3,763	3,782	1,486	1,735	4,971
Insurance (non-employee related)	567	301	158	969	690	569	464	466	183	214	1,941
Travel-staff and volunteer	17,565	23,442	1,882	80,643	34,547	96,042	-	54,594	28,504	38	40,359
Telecommunications	4,550	2,415	1,263	7,571	5,535	4,562	3,717	3,736	1,468	1,714	4,911
Depreciation and loss on disposal of assets	2,292	1,216	636	3,814	2,789	2,298	1,873	1,882	740	863	2,474
Donated goods and services	8,593	6,668	2,357	24,131	10,331	14,784	6,938	15,423	22,290	3,199	55,583
Bank and credit card fees	-	17	-	-	36	-	-	-	6	-	5,369
Meetings and events	4,262	55,728	-	9,565	3,728	13,721	-	6,016	665	-	88,191
Miscellaneous expenses	915	585	115	5,135	4,098	2,191	340	1,116	209	161	7,115
Subtotal	183,487	197,932	43,686	506,972	709,049	439,676	108,802	271,349	162,574	102,566	466,927
Less: Direct benefit costs	-	-	-	-	-	-	-	-	-	-	-
Less: Donated vehicles cost of sales and selling expenses	-	-	-	-	-	-	-	-	-	-	-
TOTAL	\$ 183,487	\$ 197,932	\$ 43,686	\$ 506,972	\$ 709,049	\$ 439,676	\$ 108,802	\$ 271,349	\$ 162,574	\$ 102,566	\$ 466,927

HOPE FOR THE WARRIORS®

**SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Program Services (Continued)			Supporting Services				Total Supporting Services	Total Expenses
	A Warrior's Wish®	Other Programs	Total Program Services	Management and General	Fundraising	Direct Benefit Costs and Donated Vehicle Costs and Expenses			
Personnel costs	\$ 58,834	\$ 70,760	\$ 1,115,457	\$ 195,836	\$ 142,218	\$ -	\$ 338,054	\$ 1,453,511	
Grants and contributions	197,386	130,250	1,263,236	-	-	-	-	1,263,236	
Professional fees and contracted services	3,249	14,794	207,762	165,801	46,039	132,019	343,859	551,621	
Advertising and promotions	-	7,987	117,410	449	51,715	-	52,164	169,574	
Office expense	1,102	43,387	123,721	16,872	14,812	21,792	53,476	177,197	
Technology	1,218	2,287	28,699	17,981	43,500	-	61,481	90,180	
Occupancy	2,504	3,011	47,466	8,334	6,052	-	14,386	61,852	
Insurance (non-employee related)	309	-	6,831	1,026	617	4,535	6,178	13,009	
Travel-staff and volunteer	1,670	60,759	440,045	8,099	7,966	-	16,065	456,110	
Telecommunications	2,473	2,975	46,890	8,232	5,978	-	14,210	61,100	
Depreciation and loss on disposal of assets	1,246	1,499	23,622	4,491	3,013	-	7,504	31,126	
Donated goods and services	58,399	5,552	234,248	47,578	11,157	1,500	60,235	294,483	
Bank and credit card fees	326	4,905	10,659	899	29,206	-	30,105	40,764	
Meetings and events	130	9,390	191,396	2,303	161	117,513	119,977	311,373	
Miscellaneous expenses	1,323	3,768	27,071	7,224	17,369	-	24,593	51,664	
Subtotal	330,169	361,324	3,884,513	485,125	379,803	277,359	1,142,287	5,026,800	
Less: Direct benefit costs	-	-	-	-	-	(185,378)	(185,378)	(185,378)	
Less: Donated vehicles cost of sales and selling expenses	-	-	-	-	-	(91,981)	(91,981)	(91,981)	
TOTAL	\$ 330,169	\$ 361,324	\$ 3,884,513	\$ 485,125	\$ 379,803	\$ -	\$ 864,928	\$ 4,749,441	