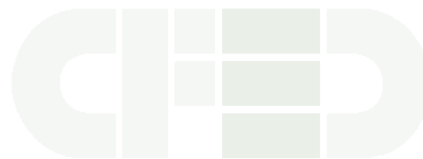
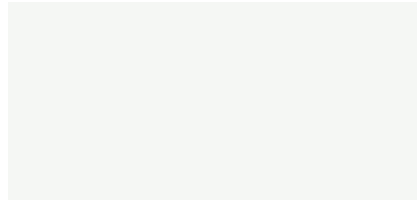
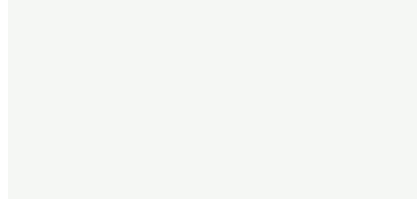


## ■ ■ ■ 2001 finances



Corporation  
For Enterprise  
Development

	December 31 2001	December 31 2000 <i>(restated)</i>
<b>assets</b>		
<b>current assets</b>		
Cash and cash equivalents	\$ 4,480,126	\$ 7,693,616
Accounts receivables	1,395,517	1,863,993
Prepaid expenses	—	100
■ ■ ■ <b>Total current assets</b>	<b>5,875,643</b>	<b>9,557,709</b>
Property and equipment, net	130,899	107,667
Investments	3,702,489	1,956,778
Other assets		
Refundable deposits	2,242	2,242
■ ■ ■ <b>Total assets</b>	<b>\$ 9,711,273</b>	<b>\$11,624,396</b>
<b>liabilities and net assets</b>		
<b>current liabilities</b>		
Accounts payable and accrued expenses	\$ 360,134	\$ 859,641
Accrued commitments—ADD program	1,983,951	1,911,548
Deferred revenue	88,678	188,924
Deferred rent	17,356	7,995
■ ■ ■ <b>Total current liabilities</b>	<b>2,450,119</b>	<b>2,968,108</b>
Unrestricted net assets		
Undesignated	(11,082)	186,722
Designated	1,152,726	1,410,202
	<b>1,141,644</b>	<b>1,596,924</b>
Temporarily restricted net assets	4,119,510	5,059,364
Permanently restricted net assets	2,000,000	2,000,000
■ ■ ■ <b>Total net assets</b>	<b>7,261,154</b>	<b>8,656,288</b>
■ ■ ■ <b>Total liabilities and net assets</b>	<b>\$ 9,711,273</b>	<b>\$11,624,396</b>

*(Auditor's letter on back of next page)*

change in  
unrestricted net assets

## revenue, gains, and other support

	December 31 2001	December 31 2000 <i>(restated)</i>
Private contract and government grant revenue	\$ 1,256,862	\$ 954,092
Interest and dividends, including amounts earned on designated reserve of \$45,255 and \$88,412, respectively	164,127	262,614
Communications revenue	3,090	14,848
Contributions	605	3,000
Other	171,722	126,296

## net assets released from restrictions

Satisfaction of program restrictions	6,564,981	5,945,998
Satisfaction of time restrictions	341,964	—

## ■■■ Total revenue, gains, and other support

	8,503,351	7,306,848
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## expenses

## program services

Services	7,816,455	6,900,090
Communications	141,342	119,639
■■■ Total program services	7,957,797	7,019,729

## supporting services

Management and general	743,359	507,492
■■■ Total expenses	8,701,156	7,527,221

## ■■■ Decrease in unrestricted net assets from operations

	(197,805)	(220,373)
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## other gains (losses)

Realized gains on sale of investments	8,894	—
Unrealized (losses) on investments	(266,369)	(101,092)

## ■■■ Total other losses

	(257,475)	(101,092)
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## ■■■ Change in unrestricted net assets

	(455,280)	(321,465)
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Contributions	5,967,091	5,632,928
Net assets released from restrictions	(6,906,945)	(5,945,998)
■■■ Change in temporarily restricted net assets	(939,854)	(313,070)

Contributions	—	2,000,000
■■■ Change in permanently restricted net assets	—	2,000,000

## ■■■ Change in net assets

	\$ (1,395,134)	\$ 1,365,465
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■■■ Net assets, beginning of year, as restated in 2000	8,656,288	7,290,823
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■■■ Net assets, end of year, as restated in 2000	\$ 7,261,154	\$ 8,656,288
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groups & individuals providing more than \$10,000 in 2001



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**Independent Auditor's Report**

The Board of Directors  
**Corporation for Enterprise Development**  
Washington D.C.

We have audited the accompanying Statement of Financial Position of **Corporation for Enterprise Development** (the Corporation) as of December 31, 2001 and the related Statements of Activities and Changes in Unrestricted Net Assets, Functional Expenses and Cash Flows for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the Corporation as of and for the year ended December 31, 2000, were audited by other auditors whose report dated April 20, 2001, before restatement, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 2001 financial statements referred to above present fairly, in all material respects, the financial position of **Corporation for Enterprise Development** as of December 31, 2001, 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.

We also audited the adjustments described in Note 13 that were applied to restate the 2000 financial statements. In our opinion, such adjustments are appropriate and have been properly applied.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 15, 2002, on our consideration of **Corporation for Enterprise Development's** internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Rockville, Maryland  
July 15, 2002

CERTIFIED PUBLIC ACCOUNTANTS  
AND MANAGEMENT CONSULTANTS

