

**OPERATION BOOTSTRAP, INC.**

*Statements of Financial Position*

*June 30,*

|   | <u>2007</u>              | <u>2006</u>              |
|---|--------------------------|--------------------------|
| <b>Assets</b>                           |                          |                          |
| Cash and cash equivalents               | \$ 120,128               | \$ 112,704               |
| Investments                             | 118,648                  | 107,546                  |
| Accounts receivable                     | 14,104                   | 45,209                   |
| Prepaid expenses                        | 3,379                    | 3,140                    |
| Furniture and equipment, net            | 7,598                    | 11,997                   |
| Security deposits                       | 1,833                    | 1,833                    |
| <b>Total assets</b>                     | <b>\$ <u>265,690</u></b> | <b>\$ <u>282,429</u></b> |
| <b>Liabilities and Net assets</b>       |                          |                          |
| Liabilities:                            |                          |                          |
| Accounts payable                        | \$ 2,780                 | \$ 17,596                |
| Accrued expenses                        | 21,951                   | 15,510                   |
| Contract advance                        | 117,307                  | 115,824                  |
| <b>Total liabilities</b>                | <b><u>142,038</u></b>    | <b><u>148,930</u></b>    |
| Net assets:                             |                          |                          |
| Unrestricted                            | 53,571                   | 133,499                  |
| Temporarily restricted                  | 70,081                   | -                        |
| <b>Total net assets</b>                 | <b><u>123,652</u></b>    | <b><u>133,499</u></b>    |
| <b>Total liabilities and net assets</b> | <b>\$ <u>265,690</u></b> | <b>\$ <u>282,429</u></b> |

*The accompanying notes are an integral part of the financial statements.*