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Part V Other Information (Note the statement requirements in the instrs for Part V.)

	Yes	No
33 Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity		X
34 Were any changes made to the organizing or governing documents? If 'Yes,' attach a conformed copy of the changes		X
35 If the organization had income from business activities, such as those reported on lines 2, 6a, and 7a (among others), but not reported on Form 990-T, attach a statement explaining why the organization did not report the income on Form 990-T.		
a Did the organization have unrelated business gross income of \$1,000 or more or was it subject to section 6033(e) notice, reporting, and proxy tax requirements?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		
36 Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If 'Yes,' complete applicable parts of Schedule N		X
37 a Enter amount of political expenditures, direct or indirect, as described in the instructions ▶ <u>37 a</u> _____ 0.		
b Did the organization file Form 1120-POL for this year?		X
38 a Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still outstanding at the end of the period covered by this return?		X
b If 'Yes,' complete Schedule L, Part II and enter the total amount involved	38 b	
39 Section 501(c)(7) organizations. Enter:		
a Initiation fees and capital contributions included on line 9	39 a	
b Gross receipts, included on line 9, for public use of club facilities	39 b	
40 a Section 501(c)(3) organizations Enter amount of tax imposed on the organization during the year under: section 4911 ▶ _____ ; section 4912 ▶ _____ ; section 4955 ▶ _____		
b Section 501(c)(3) and 501(c)(4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or is it aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If 'Yes,' complete Schedule L, Part I	40 b	X
c Section 501(c)(3) and 501(c)(4) organizations. Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ _____		
d Section 501(c)(3) and 501(c)(4) organizations. Enter amount of tax on line 40c reimbursed by the organization ▶ _____		
e All organizations At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If 'Yes,' complete Form 8886-T	40 e	X
41 List the states with which a copy of this return is filed ▶ _____		

42 a The organization's books are in care of **▶** President Telephone no **▶** (818) 321-8501
 Located at **▶** 25876 The Old Road #294 Stevenson Ranch CA ZIP + 4 ▶ 91381

	Yes	No
42 b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If 'Yes,' enter the name of the foreign country: ▶ _____		X
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of a Foreign Bank and Financial Accounts.		
42 c At any time during the calendar year, did the organization maintain an office outside of the U.S.? If 'Yes,' enter the name of the foreign country: ▶ _____		X

43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of **Form 1041** — Check here and enter the amount of tax-exempt interest received or accrued during the tax year **▶** **43** | _____

	Yes	No
44 Did the organization maintain any donor advised funds? If 'Yes,' Form 990 must be completed instead of Form 990-EZ		X
45 Is any related organization a controlled entity of the organization within the meaning of section 512(b)(13)? If 'Yes,' Form 990 must be completed instead of Form 990-EZ		X

Part VI Section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts only. All section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts must answer questions 46-49b and complete the tables for lines 50 and 51.

	Yes	No
46 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I		X
47 Did the organization engage in lobbying activities? If 'Yes,' complete Schedule C, Part II		X
48 Is the organization a school as described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E		X
49a Did the organization make any transfers to an exempt non-charitable related organization?		X
b If 'Yes,' was the related organization a section 527 organization?		

50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter 'None.'

(a) Name and address of each employee paid more than \$100,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
Robert Elias 25876 The Old Road Stevenson Ranch CA 91381	Pres/Exec Dir 40.00	110,000.	0.	

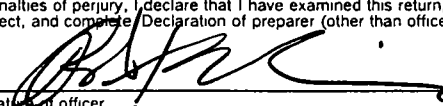
f Total number of other employees paid over \$100,000 ▶ _____

51 Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter 'None.'

(a) Name and address of each independent contractor paid more than \$100,000	(b) Type of service	(c) Compensation
None		

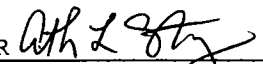
d Total number of other independent contractors each receiving over \$100,000 ▶ _____

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

▶  Date 7/14/11

▶ ROBERT ELIAS
Type or print name and title

Paid Preparer's Use Only

Preparer's signature	▶ ARTHUR L. STEIGER 	Date	▶ 7/14/11	Check if self employed	▶ <input type="checkbox"/>	Preparer's Identifying Number (See instructions)	▶ 900409390
Firm's name (or yours if self-employed), address, and ZIP + 4	▶ CUPERSMITH WILENSKY STEIGER STEPLER & CO LLP		EIN	▶ 20-5724521			
	▶ 10 GROVE ST		Phone no	▶ (856) 661-1610			
	▶ CHERRY HILL NJ 08002						

May the IRS discuss this return with the preparer shown above? See instructions ▶ Yes No

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization: **THE OREL FOUNDATION** Employer identification number: **20-5656498**

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches or association of churches described in **section 170(b)(1)(A)(i).**
- 2 A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
- 3 A hospital or cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)** Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33-1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions – subject to certain exceptions, and (2) no more than 33-1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I
 - b Type II
 - c Type III – Functionally integrated
 - d Type III – Other
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 - (i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
 - (ii) a family member of a person described in (i) above?
 - (iii) a 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11 g (i)		
11 g (ii)		
11 g (iii)		

h Provide the following information about the supported organizations.

(i) Name of Supported Organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U.S.?		(vii) Amount of Support
			Yes	No	Yes	No	Yes	No	
Total									

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions and membership fees received (Do not include 'unusual grants')		100,000.	258,000.	275,000.	181,100.	814,100.
2 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf						
3 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge						
4 Total. Add lines 1-through 3		100,000.	258,000.	275,000.	181,100.	814,100.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						814,000.
6 Public support. Subtract line 5 from line 4						100.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4		100,000.	258,000.	275,000.	181,100.	814,100.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources		1,128.	1,616.	489.	10.	3,243.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support. Add lines 7 through 10						817,343.
12 Gross receipts from related activities, etc (see instructions)					12	

13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2008 Schedule A, Part II, line 14	15	%

16a 33-1/3 support test – 2009. If the organization did not check the box on line 13, and the line 14 is 33-1/3 % or more, check this box and stop here. The organization qualifies as a publicly supported organization

b 33-1/3 support test – 2008. If the organization did not check a box on line 13, or 16a, and line 15 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization.

17a 10%-facts-and-circumstances test – 2009 If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization

b 10%-facts-and-circumstances test – 2008. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization.

18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I)

Section A. Public Support

Calendar year (or fiscal yr beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions and membership fees received. (Do not include 'unusual grants'.)						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in a activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal yr beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 Total support. (add lns 9, 10c, 11, and 12)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

15 Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2008 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18	%

19a 33-1/3 support tests – 2009. If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization

b 33-1/3 support tests – 2008. If the organization did not check a box on line 14 or 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Name as Shown on Return
THE OREL FOUNDATION

Employer Identification No
20-5656498

Line 24 - Other Assets:	Beginning of Year	End of Year
Prepaid expenses	2,163.	2,905.
Totals to Form 990-EZ, Part II, line 24	2,163.	2,905.

Line 26 - Total Liabilities:	Beginning of Year	End of Year
Accounts payable and accrued expenses	12,368.	22,917.
Totals to Form 990-EZ, Part II, line 26	12,368.	22,917.

Form 990-EZ, Part I, Line 16

Other Expenses Statement

Other expenses (describe)	
Film production	9,062.
Conferences	26,397.
Insurance	7,487.
Meals and entertainment	235.
Office expenses and supplies	4,937.
Registration fees	522.
Research	13,926.
Travel	7,110.
Website	417.
Total	<u>70,093.</u>

THE OREL FOUNDATION
**REVIEWED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**
FOR THE YEAR ENDED AUGUST 31, 2010

THE OREL FOUNDATION

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FOR THE YEAR ENDED AUGUST 31, 2010

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*Cupersmith, Wilensky,
Steiger, Stempler
& Company, LLP*

CERTIFIED PUBLIC ACCOUNTANTS

Neal A Cupersmith, CPA (PA, NJ)
Martin B Wilensky, CPA (PA, NJ, FL)
Arthur L Steiger, CPA (PA)
Stephen J Stempler, CPA (PA, NJ)

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Directors
The Orel Foundation
25876 The Old Road #294
Stevenson Ranch, CA 91381

We have reviewed the accompanying statement of financial position of THE OREL FOUNDATION, as of August 31, 2010, and the related statements of activities and changes in net assets and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Our review was made for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The information included in the accompanying Schedule I is presented only for purposes of additional analysis and has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we are not aware of any material modifications that should be made thereto.

Cupersmith, Wilensky, Steiger, Stempler & Company, LLP

CUPERSMITH, WILENSKY, STEIGER, STEMPLER AND COMPANY, LLP
Certified Public Accountants

June 7, 2011

THE OREL FOUNDATION
STATEMENT OF FINANCIAL POSITION
SEE INDEPENDENT ACCOUNTANT'S REVIEW REPORT
AUGUST 31, 2010

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$	4,219
Prepaid expenses		<u>2,905</u>

TOTAL CURRENT ASSETS	\$	<u>7,124</u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued expenses	\$	22,917
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NET ASSETS

Unrestricted		<u>(15,793)</u>
	\$	<u>7,124</u>

See notes to financial statements.

THE OREL FOUNDATION
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
SEE INDEPENDENT ACCOUNTANT'S REVIEW REPORT
FOR THE YEAR ENDED AUGUST 31, 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
REVENUE				
Contributions	\$ 181,100	\$ -	\$ -	\$ 181,100
Interest income	10	-	-	10
TOTAL SUPPORT	<u>181,110</u>	<u>-</u>	<u>-</u>	<u>181,110</u>
EXPENSES				
Program	178,328	-	-	178,328
Management and general	48,948	-	-	48,948
Fundraising	14,460	-	-	14,460
TOTAL EXPENSES	<u>241,736</u>	<u>-</u>	<u>-</u>	<u>241,736</u>
CHANGE IN NET ASSETS	(60,626)	-	-	(60,626)
BEGINNING NET ASSETS	<u>44,833</u>	<u>-</u>	<u>-</u>	<u>44,833</u>
ENDING NET ASSETS	<u>(\$ 15,793)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(\$ 15,793)</u>

See notes to financial statements.

THE OREL FOUNDATION
STATEMENT OF CASH FLOWS
SEE INDEPENDENT ACCOUNTANT'S REVIEW REPORT
FOR THE YEAR ENDED AUGUST 31, 2010

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	(\$ 60,626)
Adjustments to reconcile change in net assets to net cash used by operating activities:	
(Increase) decrease in:	
Prepaid expenses	(742)
Increase (decrease) in:	
Accounts payable and accrued expenses	10,549
Total adjustments	<u>9,807</u>
 Net cash used by operating activities	 <u>(50,819)</u>

NET DECREASE IN CASH AND CASH EQUIVALENTS (50,819)

CASH AND CASH EQUIVALENTS - Beginning 55,038

CASH AND CASH EQUIVALENTS - Ending \$ 4,219

Supplemental Disclosures of Cash Flow Information:

Cash paid during the year for:	
Interest	<u>\$ -</u>
Income taxes	<u><u>\$ -</u></u>

See notes to financial statements.

THE OREL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
SEE INDEPENDENT ACCOUNTANT'S REVIEW REPORT
AUGUST 31, 2010

NOTE A. Organization and Funding

Organization

The Orel Foundation (Foundation) is a nonprofit corporation incorporated in the State of Delaware. The Foundation was organized to promote and develop the musical arts by raising awareness and supporting research regarding composers whose careers were destroyed or stymied during World War II.

Funding

The operations of the Foundation are funded principally through individual contributions.

NOTE B. Summary of Significant Accounting Policies

Cash and Cash Equivalents

The Foundation considers all highly liquid investments with a maturity date of three months or less from the date of purchase to be cash equivalents.

Public Support and Revenue

Contributions are recorded as unrestricted, temporarily restricted or permanently restricted net assets depending on the existence or nature of any donor restrictions.

Unconditional promises to give are recorded as revenue. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reflected as long-term promises to give and are recorded at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are received to discount the amounts.

Grants and other contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities and Changes in Net Assets as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as unrestricted contributions.

THE OREL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
SEE INDEPENDENT ACCOUNTANT'S REVIEW REPORT
AUGUST 31, 2010

NOTE B. Summary of Significant Accounting Policies (continued)

Public Support and Revenue (continued)

Endowment contributions and investments are permanently restricted by the donor. Investment earnings available for distribution are recorded in unrestricted net assets. Investment earnings with donor restrictions are recorded in temporarily or permanently restricted net assets based on the nature of the restrictions.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial 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.

Income Tax Status

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and, accordingly, no income taxes are provided in the accompanying financial statements.

Use of Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Concentration of Credit Risk

The Foundation maintains its cash balance in a money market mutual fund which is not federally insured. The Foundation has not experienced any losses in such account and believes it is not exposed to any significant credit risk on its cash and cash equivalents.

Date of Management's Review

Management has evaluated subsequent events through June 7, 2011, the date on which the financial statements were available to be issued.

**THE OREL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
SEE INDEPENDENT ACCOUNTANT'S REVIEW REPORT
AUGUST 31, 2010**

NOTE C. Donated Services

The Foundation receives donated services from unpaid volunteers who provide a variety of services. No amounts have been recognized in the Statement of Activities and Changes in Net Assets because the criteria for recognition under generally accepted accounting principles have not been met.

NOTE D. Functional Allocation of Expenses

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

NOTE E. Economic Dependence

To date, the Foundation has derived its support primarily from one individual, who has since withdrawn his support of the Organization. In the future, the Organization must establish a self-sustaining support system.

NOTE F. Income Taxes

In accordance with accounting pronouncements, the Foundation has adopted the recognition requirements for uncertain income tax positions. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return only when it is determined that the income tax position will more likely than not be sustained upon examination by taxing authorities. The Foundation has analyzed tax positions taken for filing with federal and state jurisdictions where it operates. The Foundation believes that the income tax filing positions will be sustained upon examination and does not anticipate any material adjustments that would result in a material effect on the Foundation's financial statements. Accordingly, the Foundation has not recorded any reserves or related accruals for interest and penalties for uncertain income tax positions at August 31, 2010. The federal and state income tax returns of the Foundation are subject to examination by federal and state taxing authorities, generally three years for federal and varying periods for states. The Foundation's policy is to record income tax related interest and penalties, if any, in operating expenses.

SUPPLEMENTARY INFORMATION

THE OREL FOUNDATION
SCHEDULE I - SCHEDULE OF FUNCTIONAL EXPENSES
SEE INDEPENDENT ACCOUNTANT'S REVIEW REPORT
FOR THE YEAR ENDED AUGUST 31, 2010

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Film production	\$ 9,062	\$ -	\$ -	\$ 9,062
Conferences	26,397	-	-	26,397
Insurance	5,990	1,123	374	7,487
Meals and entertainment	189	23	23	235
Office expenses and supplies	350	4,587	-	4,937
Payroll and related taxes and benefits	124,782	24,379	13,367	162,528
Professional fees	-	9,115	-	9,115
Registration fees	-	522	-	522
Research	11,141	2,089	696	13,926
Travel	-	7,110	-	7,110
Website expenses	417	-	-	417
	<u>\$ 178,328</u>	<u>\$ 48,948</u>	<u>\$ 14,460</u>	<u>\$ 241,736</u>

See notes to financial statements.