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To the Finance Committee
Grand Chapter of California, Order of the Eastern Star
Yorba Linda, California

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying statements of financial position of the Grand Chapter of California, Order of the Eastern Star (the "Grand Chapter") as of September 30, 2011 and 2010, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Grand Chapter's management. 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 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 audits provide a reasonable basis for our opinion.

As discussed in Note (8) to the financial statements, the Grand Chapter had 178 and 182 active chapters as of September 30, 2011 and 2010, respectively, which are responsible for their own fundraising, revenues, and expenses. Those chapters are unaudited and excluded from the accompanying financial statements of the Grand Chapter. If those chapters had been audited and consolidated into the Grand Chapter, assets would have increased by approximately \$18,788,016 and \$17,530,881 as of September 30, 2011 and 2010 respectively, and revenues and expenses would have increased by approximately \$1,626,184 and \$1,317,758 and \$952,976 and \$1,173,314, respectively for the years then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Grand Chapter as of September 30, 2011 and 2010, and the changes in its net assets and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the combined financial statements taken as a whole of the Grand Chapter of California, Order of the Eastern Star as of and for the year ended September 30, 2011 and 2010, which are presented in the preceding section of this report. The combining information presented hereinafter is presented for purposes of additional analysis of the combined financial statements for the year ended September 30, 2011 rather than to present the financial position, changes in net assets and cash flows of the individual funds. The combining information has been subjected to auditing procedures applied in the audit of the combined financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the September 30, 2011 combined financial statements taken as a whole.

Mayer Hoffman McCann P.C.

Irvine, California
January 27, 2012