

LONG ISLAND CARES, INC.
FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2004 AND 2003
TOGETHER WITH AUDITORS' REPORT

LONG ISLAND CARES, INC.
FINANCIAL STATEMENTS AND AUDITORS' REPORT
AS OF DECEMBER 31, 2004 AND 2003
INDEX

	Page
Independent Auditors' Report On Financial Statements And Supplementary Schedules	1
Statements Of Financial Position As Of December 31, 2004 And 2003	2
Statements Of Activities And Changes In Net Assets For The Years Ended December 31, 2004 And 2003	3
Statements Of Cash Flows (Indirect Method) For The Years Ended December 31, 2004 And 2003	4
Notes To Financial Statements	5
Supplementary Schedule Of Functional Revenues For The Year Ended December 31, 2004 (With Comparative Totals For 2003)	12
Supplementary Schedule Of Functional Expenses For The Year Ended December 31, 2004 (With Comparative Totals For 2003)	13



Callaghan Nawrocki LLP
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT ON
FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES**

To the Board of Directors of
Long Island Cares, Inc.:

We have audited the accompanying statements of financial position of Long Island Cares, Inc. as of December 31, 2004 and 2003, and the related statements of activities and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of Long Island Cares, Inc.'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 audits 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Long Island Cares, Inc. as of December 31, 2004 and 2003, and the results of its activities and changes in 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 made for the purpose of forming an opinion on the financial statements of Long Island Cares, Inc. The accompanying supplementary schedules are presented for purposes of additional analysis and are not a required part of the financial statements. The information in these schedules has been subjected to the procedures applied in the audits of the financial statements and, in our opinion, is fairly presented in all material respects, in relation to the financial statements taken as a whole.

Melville, New York
March 24, 2005

Callaghan Nawrocki

LONG ISLAND CARES, INC.
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2004 AND 2003

	2004	2003
<u>ASSETS</u>		
CASH	\$ 218,390	\$ 553,658
ACCOUNTS RECEIVABLE (net of allowance for doubtful accounts of \$4,191 and \$5,000 in 2004 and 2003, respectively)	528,712	443,342
DONATED PRODUCT	598,399	1,196,920
FIXED ASSETS (net of accumulated depreciation of \$480,787 and \$367,067 in 2004 and 2003, respectively)	2,541,240	2,522,814
OTHER ASSETS	25,021	71,981
	\$ 3,911,762	\$ 4,788,715
<u>LIABILITIES AND NET ASSETS</u>		
LOAN PAYABLE TO BANK	\$ 652,500	\$ 817,500
LOAN PAYABLE TO RELATED PARTY	-	250,000
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	355,815	368,431
DEFERRED INCOME	-	7,500
Total liabilities	1,008,315	1,443,431
NET ASSETS:		
Unrestricted:		
Designated for fixed assets	1,888,740	1,455,314
Designated for donated product	598,399	1,196,920
Undesignated	243,753	341,272
Total unrestricted net assets	2,730,892	2,993,506
Temporarily restricted	122,555	301,778
Permanently restricted	50,000	50,000
Total net assets	2,903,447	3,345,284
	\$ 3,911,762	\$ 4,788,715

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

LONG ISLAND CARES, INC.
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003

	<u>2004</u>	<u>2003</u>
CHANGE IN UNRESTRICTED NET ASSETS:		
Revenues	\$ 7,898,426	\$ 8,273,810
Expenses -		
Program services	7,179,091	7,171,539
Supporting services	422,276	660,483
Fundraising services	559,673	139,371
	<u>8,161,040</u>	<u>7,971,393</u>
Total expenses		
Increase (decrease) in unrestricted net assets	<u>(262,614)</u>	<u>302,417</u>
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS:		
Revenues	204,004	373,571
Net assets released from restrictions	<u>(383,227)</u>	<u>(171,310)</u>
	<u>(179,223)</u>	<u>202,261</u>
Increase (decrease) in temporarily restricted net assets		
CHANGE IN PERMANENTLY RESTRICTED NET ASSETS	<u>-</u>	<u>-</u>
CHANGE IN NET ASSETS	(441,837)	504,678
NET ASSETS, BEGINNING OF YEAR	<u>3,345,284</u>	<u>2,840,606</u>
NET ASSETS, END OF YEAR	<u>\$ 2,903,447</u>	<u>\$ 3,345,284</u>

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

LONG ISLAND CARES, INC.
STATEMENTS OF CASH FLOWS (INDIRECT METHOD)
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003

	<u>2004</u>	<u>2003</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (441,837)	\$ 504,678
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	113,721	107,914
Increase in accounts receivable	(84,561)	(141,026)
Increase (decrease) in allowance for doubtful accounts	(809)	61
(Increase) decrease in donated product	598,521	(160,987)
(Increase) decrease in other assets	46,960	(18,563)
Increase (decrease) in accounts payable and accrued liabilities	(12,616)	40,967
Increase (decrease) in deferred income	(7,500)	7,500
Net cash provided by operating activities	<u>211,879</u>	<u>340,544</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Increase in fixed assets	<u>(132,147)</u>	<u>(142,568)</u>
Net cash used by investing activities	<u>(132,147)</u>	<u>(142,568)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of loan payable to related party	(250,000)	-
Repayment of loan payable to bank	<u>(165,000)</u>	<u>(182,500)</u>
Net cash used by financing activities	<u>(415,000)</u>	<u>(182,500)</u>
NET INCREASE (DECREASE) IN CASH	(335,268)	15,476
CASH, BEGINNING OF YEAR	<u>553,658</u>	<u>538,182</u>
CASH, END OF YEAR	<u>\$ 218,390</u>	<u>\$ 553,658</u>
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid during the year for interest	<u>\$ 29,202</u>	<u>\$ 36,627</u>
Retirement of fully depreciated fixed assets	<u>\$ -</u>	<u>\$ 183,367</u>

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

LONG ISLAND CARES, INC.
NOTES TO FINANCIAL STATEMENTS

(1) Background and current operational considerations

Long Island Cares, Inc. (the "Organization") is a nonprofit, anti-hunger organization founded in 1980 by the late singer and activist, Harry Chapin. The Organization's aims are to promote the food welfare of the Long Island community; to raise the nutritional standards of community life; to bring into closer relation the resources and food needs of the community; and to sponsor and encourage equal rights in relation to food access, balanced nutrition and food self-reliance activities. The Organization has responded by providing immediate emergency food relief to hungry Long Islanders through The Harry Chapin Food Bank and by addressing the systemic causes of hunger through Community Outreach Programs. The Organization is a broad based, regionally responsive organization working in partnership with human service groups in Nassau and Suffolk Counties.

The Organization is an affiliate member of America's Second Harvest, a national network of food banks and food rescue organizations. Through this membership, it is able to access donated food through national and regional corporate sponsors. In concert with The Harry Chapin Food Bank, the Organization collects, warehouses and delivers government donated and surplus foods to food pantries, soup kitchens, shelters, group homes, day treatment facilities, senior citizen sites and day care centers.

The Organization operates the only designated food bank serving Nassau and Suffolk Counties, located at the Organization's Hauppauge, New York office and warehouse facility. It is the only contracted agency for the distribution of Federal commodities through The Emergency Food Assistance Program (TEFAP), administered by the New York State Office of General Service (OGS) under a continuous agreement effective May 1989.

In addition, the Organization, under a five-year contract renewed annually, is responsible for the support services of the Hunger Prevention and Nutrition Assistance Program (HPNAP) administered by the New York State Department of Health. The current annual contract is renewed through June 30, 2005. The supported service provides nutritional assistance to various high-risk groups of individuals, including the homeless at approved food and nutrition service sites.

The Organization addresses education as a continuing process through Community Outreach Programs - New Paths to Achievement, Job Training and Hunger Education.

The New Paths to Achievement Program focuses on assisting low-income and single head-of-household women in gaining self-esteem, job skills and employment experience in order to become self-sufficient and independent of the public welfare system.

The Job Training Program targets at-risk high school students and young adults and provides on-the-job training at Long Island Cares to assist the participants in gaining clerical, computer and warehousing skills.

Hunger 101, the hunger education program, is a role play and discussion activity designed to raise awareness about the problems of hunger and poverty on Long Island. It helps participants gain an understanding of the causes and consequences of hunger and develop strategies to address the problem. It is presented to students, churches, service and professional groups and many others.

Two other programs at Long Island Cares are designed to meet specific community needs: School Tools and Kids Café.

School Tools works in partnership with corporations and individuals to collect and distribute new school supplies to our member agencies serving school aged children so these economically disadvantaged children have the necessary tools to start the new school year.

The Kids Café is an after school program which provides safe and convenient environments for at-risk children to receive nutritious food, tutoring and mentoring, nutrition and food safety education, homework assistance and recreational activities.

(2) **Summary of significant accounting policies:**

The accompanying financial statements include the assets, liabilities, revenues and expenses of all the funds of the Organization which are reflected under the accrual basis of accounting. The following is a summary of significant accounting policies followed by the Organization:

Financial statement presentation –

The accompanying financial statements include the accounts of the Organization's program, administration and fundraising. The Organization presents its financial statements in accordance with Statement of Financial Accounting Standards ("SFAS") No. 117, Financial Statements of Not-For-Profit Organizations. SFAS No. 117 requires that the Organization's financial statements distinguish between unrestricted, temporarily restricted and permanently restricted net assets and changes in net assets. The Organization's net assets consist of the following:

Unrestricted – net assets of the Organization which have not been restricted by an outside donor or by law and are therefore available for use in carrying out the operations of the Organization.

Temporarily restricted – net assets of the Organization which have been limited by donor-imposed stipulations or by law that either expire with the passage of time or can be fulfilled and removed by the actions of the Organization pursuant to those stipulations.

Permanently restricted – net assets of the Organization which have been restricted by donors to be maintained in perpetuity by the Organization.

Revenue and expense recognition –

Contributions are recognized as income when received and are considered to be available for unrestricted use unless specifically restricted by the donor. Revenues under contracts for service are generally recognized as earned. Contract advances arise from payments received under contracts for service in advance of revenue recognition. Expenses are recognized when incurred. The Organization allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expense classification. Other expenses that are common to several functions are allocated by various rational bases.

In-kind contributions –

The Organization follows the provisions of Statement of Financial Accounting Standards No. 116, Accounting For Contributions Received And Contributions Made with respect to donated product including donated food, supplies and Federal commodities. Donated product received, distributed and on hand are accounted for at fair value. The fair value of donated product received and distributed during the year is reflected in the accompanying financial statements as in-kind contributions and in-kind expenses. Significant fluctuations in operating results may occur due to variances in quantity and valuation of donated product.

The Organization has received professional services on a pro-bono basis. The value of these services for the years ended December 31, 2004 and 2003 was \$25,350 and \$11,340, respectively. Such amounts are reflected in the accompanying financial statements as in-kind contributions and in-kind expenses.

Cash and cash equivalents –

All highly liquid investments purchased with a maturity of three months or less are considered to be cash equivalents, principally money market funds.

Donated product –

Donated product represents the fair value of donated food, supplies and Federal commodities on hand as of year-end.

Fixed assets –

Fixed assets are stated at cost or current fair value for donated items. Maintenance and repairs are expensed as incurred. Depreciation is provided using the straight-line method over the estimated useful lives of the assets (generally periods of three to forty years).

Income taxes –

The Organization qualifies as a tax-exempt nonprofit organization under Section 501(c)(3) of the Internal Revenue Code and applicable New York State tax laws. Accordingly, no provision for federal or state income taxes is required.

Impairment of long-lived assets and long-lived assets to be disposed of –

The Organization follows the provisions of Statement of Financial Accounting Standards No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets. This Statement requires that long-lived assets and certain identifiable intangibles be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. The provisions of this Statement did not have a material impact on the Organization's financial position, results of activities or liquidity during the year ended December 31, 2004.

Donated services –

A number of volunteers have donated significant amounts of their time in the Organization's program services, administration and fundraising campaigns. However, since these services do not meet the criteria for recognition under accounting principles generally accepted in the United States of America, they are not reflected in the accompanying financial statements.

The use of estimates in the preparation of financial statements –

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 revenues and expenses during the reported period. Estimates include accounts receivable, fixed assets and certain accrued expenses. Actual results may differ from those estimates.

(3) **Fixed assets**

Fixed assets as of December 31, 2004 and 2003 are comprised of the following:

	<u>2004</u>	<u>2003</u>
Land	\$ 885,500	\$ 885,500
Building	1,427,183	1,427,183
Building improvements	52,030	11,090
Office equipment	203,130	187,098
Vehicles	128,237	78,279
Warehouse equipment	<u>325,947</u>	<u>300,731</u>
	3,022,027	2,889,881
Less: accumulated depreciation	<u>480,787</u>	<u>367,067</u>
	<u>\$2,541,240</u>	<u>\$2,522,814</u>

(4) **Line of credit**

The Organization has a \$300,000 line of credit with a bank. The loan is secured by equipment and bears interest at the bank's prime rate (5.25% as of December 31, 2004) plus 2.5% per annum. The line is fully available as of December 31, 2004.

(5) **Loans payable:**

Loan payable to bank –

The Organization has a loan payable to a bank with an original amount of \$1,300,000, of which \$652,500 is outstanding at December 31, 2004. The loan is collateralized by the Organization's land and building. The loan is payable in twelve monthly installments of interest only, followed by sixty installments of principal and interest (equal to the one-month LIBOR plus 250 basis points per annum, 2.42% as of December 31, 2004) of \$7,640 and a final lump sum principal payment due on June 19, 2008.

Loan payable to related party –

The Organization had a loan payable to a related party in the amount of \$250,000. The loan was non-interest bearing and was paid in full in February 2004.

Maturities of loans payable –

At December 31, 2004, future principal payments on outstanding loans payable are as follows:

Year Ending December 31,

2005	\$ 46,648
2006	48,379
2007	50,175
2008	<u>507,298</u>
	<u>\$ 652,500</u>

Temporarily restricted net assets

Temporarily restricted net assets are available for or relate to the following purposes:

	<u>2004</u>	<u>2003</u>
Capital Campaign	\$ 54,105	\$ 245,439
OAG Produce Grant	38,707	-
TEFAP Handling Fees	15,320	40,475
Capital Campaign interest	8,419	7,791
New Paths to Achievement	3,750	-
Check Out Hunger Program	2,254	3,073
School Tools	<u>-</u>	<u>5,000</u>
	<u>\$ 122,555</u>	<u>\$ 301,778</u>

Permanently restricted net assets

Permanently restricted net assets relate to an endowment of \$50,000 to be maintained in perpetuity, the income from which is expendable to support general operations.

Employee benefit plan

The Organization has a 403(b) Tax Deferred Annuity Plan (the "Plan"). Eligible participants in the Plan may contribute up to 25% of compensation, but not in excess of the maximum allowed under the Internal Revenue Code. The Plan does not provide for matching contributions by the Organization.

(9) **Fair value of financial instruments**

Statement of Financial Accounting Standards No. 107, Disclosure about Fair Value of Financial Instruments, defines the fair value of a financial instrument as the amount at which the instrument could be exchanged in a current transaction between willing parties. The carrying value of all instruments classified as current assets or liabilities is deemed to approximate fair value because of their short-term nature.

(10) **Concentrations of credit risk**

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash. Cash exceeding federally insured limits totaled \$281,354 at December 31, 2004, based on actual bank account balances.

(11) **Fundraising activities**

<u>Fund Raisers</u>	<u>Gross Revenues</u>	<u>Direct Expenses</u>	<u>Fundraising Income, net</u>
<u>2004</u>			
Golf outing	\$ 240,380	\$ 183,528	\$ 56,852
Direct mailing	173,983	61,302	112,681
Awards Dinner	170,816	51,998	118,818
Check Out Hunger	88,224	5,820	82,404
Newsletter	26,911	2,949	23,962
Share-A-Meal	1,045	-	1,045
	<u>\$ 701,359</u>	<u>\$ 305,597</u>	<u>\$ 395,762</u>
<u>2003</u>			
Awards Dinner	\$ 191,594	\$ 52,474	\$ 139,120
Direct mailing	107,227	29,171	78,056
Check Out Hunger	91,220	6,927	84,293
Golf outing	75,830	27,424	48,406
Newsletter	32,819	2,484	30,335
Celebration from Heart	21,431	16,034	5,397
Share-A-Meal	6,772	4,599	2,173
Concert events	2,779	258	2,521
	<u>\$ 529,672</u>	<u>\$ 139,371</u>	<u>\$ 390,301</u>

LONG ISLAND CARES, INC.
SUPPLEMENTARY SCHEDULE OF FUNCTIONAL REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2004
(WITH COMPARATIVE TOTALS FOR 2003)

	Unrestricted	Temporarily Restricted	Permanently Restricted	2004 Totals	2003 Totals
Public Support And Fundraising:					
Contributions	\$ 315,045	\$ 158,666	\$ -	\$ 473,711	\$ 711,295
Fund raisers	701,359	-	-	701,359	529,672
Grants	160,881	44,711	-	205,592	88,748
Corporate support	88,563	-	-	88,563	83,558
Foundation support	40,750	-	-	40,750	44,250
	<u>1,306,598</u>	<u>203,377</u>	<u>-</u>	<u>1,509,975</u>	<u>1,457,523</u>
Government Support:					
HPNAP	1,090,380	-	-	1,090,380	1,300,968
Suffolk County	96,906	-	-	96,906	101,283
	<u>1,187,286</u>	<u>-</u>	<u>-</u>	<u>1,187,286</u>	<u>1,402,251</u>
Distribution Revenue And Handling Fees:					
Food Bank Agencies	334,307	-	-	334,307	211,000
TEFAP	150,217	-	-	150,217	139,349
HPNAP	142,299	-	-	142,299	139,506
Suffolk County	1,742	-	-	1,742	2,041
	<u>628,565</u>	<u>-</u>	<u>-</u>	<u>628,565</u>	<u>491,896</u>
Other Income:					
In-kind contributions	4,388,006	-	-	4,388,006	5,112,553
Miscellaneous	2,865	-	-	2,865	7,676
Interest income	1,879	627	-	2,506	4,172
	<u>4,392,750</u>	<u>627</u>	<u>-</u>	<u>4,393,377</u>	<u>5,124,401</u>
Subtotal	<u>7,515,199</u>	<u>204,004</u>	<u>-</u>	<u>7,719,203</u>	<u>8,476,071</u>
Net Assets Released From Restrictions:					
Food Bank	383,227	(383,227)	-	-	-
	<u>383,227</u>	<u>(383,227)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>\$ 7,898,426</u>	<u>\$ (179,223)</u>	<u>\$ -</u>	<u>\$ 7,719,203</u>	<u>\$ 8,476,071</u>

The accompanying notes to financial statements
should be read in conjunction with this schedule.

LONG ISLAND CARES, INC.
SUPPLEMENTARY SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2004
(WITH COMPARATIVE TOTALS FOR 2003)

	Food Bank Fund	Community Outreach Fund	Administration Fund Management & General	Administration Fund Development	2004 Totals	2003 Totals
In-kind expenses	\$4,946,081	\$ -	\$ 25,750	\$ 28,480	\$5,000,311	\$4,997,315
Salaries	503,153	62,928	265,459	131,132	962,672	919,656
HPNAP food purchases	610,242	-	-	-	610,242	694,833
Fundraising	-	-	-	305,597	305,597	139,371
Food Bank food purchases	196,395	-	-	-	196,395	42,885
Payroll taxes and benefits	122,980	11,627	32,418	21,793	188,818	188,159
Depreciation	91,030	4,869	11,150	6,672	113,721	107,914
HPNAP operational support	99,313	-	-	-	99,313	110,167
HPNAP capital equipment	79,284	-	-	-	79,284	159,232
Transportation	77,008	-	-	-	77,008	75,350
Utilities	58,079	1,434	3,520	2,150	65,183	58,467
Grants	50,000	500	-	-	50,500	50,414
Advertising	-	-	167	47,575	47,742	37,692
Suffolk County food purchases	42,815	-	-	-	42,815	46,391
Building maintenance and sanitation	36,961	912	2,240	1,371	41,484	28,767
Other food purchases	33,238	-	-	-	33,238	16,757
Interest	-	-	29,202	-	29,202	36,627
Insurance	19,245	1,267	1,744	1,267	23,523	22,793
Equipment rental and maintenance	17,392	848	2,845	2,225	23,310	19,073
Freight	23,025	-	-	-	23,025	19,627
Dues and membership fees	14,142	-	7,309	290	21,741	19,319
Travel	9,785	927	3,299	749	14,760	8,048
Telephone and internet	7,643	1,112	2,363	2,779	13,897	14,515
Postage	6,879	1,674	3,508	1,126	13,187	10,990
Supplies-office	6,161	825	4,153	2,036	13,175	11,035
Professional fees	-	-	12,000	-	12,000	12,000
Printing	4,186	1,882	3,879	191	10,138	9,709
Consultants	5,487	895	2,268	1,342	9,992	4,782
Supplies-warehouse	7,115	-	-	-	7,115	5,696
Bank and payroll fees	-	-	6,854	-	6,854	7,518
HPNAP sanitation/safety supplies	4,742	-	-	-	4,742	4,386
Conference fees	1,135	-	1,605	1,720	4,460	1,951
Education supplies	4,155	167	-	-	4,322	6,132
Workshop and education	1,960	314	-	-	2,274	748
Employment Ads/recruiting	1,487	-	-	607	2,094	-
Temporary personnel	2,040	-	-	-	2,040	7,606
Personnel training	518	-	499	545	1,562	-
Miscellaneous	1,004	-	-	-	1,004	-
Damage/shortage	967	-	-	-	967	225
Property taxes	576	14	35	21	646	49,983
Food acquisition handling fees	522	-	-	-	522	-
Permits and licenses	147	4	9	5	165	362
HPNAP seed grant	-	-	-	-	-	23,853
Bad debt	-	-	-	-	-	1,045
Total expenses	\$7,086,892	\$ 92,199	\$ 422,276	\$ 559,673	\$8,161,040	\$7,971,393

The accompanying notes to financial statements
should be read in conjunction with this schedule.