

**LONG ISLAND CARES, INC.**  
**FINANCIAL STATEMENTS**  
**AS OF DECEMBER 31, 2007 AND 2006**  
**TOGETHER WITH AUDITORS' REPORT**

**LONG ISLAND CARES, INC.**  
**FINANCIAL STATEMENTS AND AUDITORS' REPORT**  
**AS OF DECEMBER 31, 2007 AND 2006**  
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Nawrocki Smith 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, 2007 and 2006, 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 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 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, 2007 and 2006, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2008, on our consideration of Long Island Cares, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and is important for assessing the results of our audit.

Our audits were made for the purpose of forming an opinion on the financial statements of Long Island Cares, Inc. taken as a whole. The accompanying supplementary schedules are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audits of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Melville, New York  
March 21, 2008

*Nawrocki Smith LLP*

**LONG ISLAND CARES, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2007 AND 2006**

<u>ASSETS</u>	<u>2007</u>	<u>2006</u>
CASH	\$ 793,795	\$ 421,263
ACCOUNTS RECEIVABLE (net of allowance for doubtful accounts of \$2,000 and \$4,141 in 2007 and 2006, respectively)	291,695	377,586
DONATED PRODUCT	1,011,648	695,409
FIXED ASSETS (net of accumulated depreciation of \$520,953 and \$554,232 in 2007 and 2006, respectively)	2,351,424	2,399,525
OTHER ASSETS	41,125	18,828
	<u>\$ 4,489,687</u>	<u>\$ 3,912,611</u>
<u>LIABILITIES AND NET ASSETS</u>		
LOAN PAYABLE TO BANK	\$ 261,700	\$ 326,700
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	426,029	372,434
Total liabilities	687,729	699,134
NET ASSETS:		
Unrestricted:		
Designated for fixed assets	2,089,724	2,072,825
Designated for donated product	1,011,648	695,409
Undesignated	593,092	370,515
Total unrestricted net assets	3,694,464	3,138,749
Temporarily restricted	57,494	24,728
Permanently restricted	50,000	50,000
Total net assets	3,801,958	3,213,477
	<u>\$ 4,489,687</u>	<u>\$ 3,912,611</u>

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, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
CHANGE IN UNRESTRICTED NET ASSETS:		
Revenues	\$ 9,552,084	\$ 8,234,360
Expenses -		
Program services	7,989,266	7,154,061
Supporting services	512,134	424,008
Fundraising	494,969	435,067
	<u>8,996,369</u>	<u>8,013,136</u>
Total expenses		
Increase in unrestricted net assets	<u>555,715</u>	<u>221,224</u>
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS:		
Revenues	47,543	81,408
Net assets released from restrictions	<u>(14,777)</u>	<u>(110,254)</u>
Increase (decrease) in temporarily restricted net assets	<u>32,766</u>	<u>(28,846)</u>
CHANGE IN PERMANENTLY RESTRICTED NET ASSETS	<u>-</u>	<u>-</u>
CHANGE IN NET ASSETS	588,481	192,378
NET ASSETS, BEGINNING OF YEAR	<u>3,213,477</u>	<u>3,021,099</u>
NET ASSETS, END OF YEAR	<u>\$ 3,801,958</u>	<u>\$ 3,213,477</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, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 588,481	\$ 192,378
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	97,273	115,341
Decrease in accounts receivable	88,032	108,977
Increase (decrease) in allowance for doubtful accounts	(2,141)	415
Increase in donated product	(316,239)	(120,853)
(Increase) decrease in other assets	(22,297)	16,741
Increase (decrease) in accounts payable and accrued liabilities	<u>53,595</u>	<u>(42,879)</u>
Net cash provided by operating activities	<u>486,704</u>	<u>270,120</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets	<u>(49,172)</u>	<u>(38,753)</u>
Net cash used by investing activities	<u>(49,172)</u>	<u>(38,753)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Repayment of loan payable to bank	<u>(65,000)</u>	<u>(93,800)</u>
Net cash used by financing activities	<u>(65,000)</u>	<u>(93,800)</u>
<b>NET INCREASE IN CASH</b>	<b>372,532</b>	<b>137,567</b>
<b>CASH, BEGINNING OF YEAR</b>	<u>421,263</u>	<u>283,696</u>
<b>CASH, END OF YEAR</b>	<u>\$ 793,795</u>	<u>\$ 421,263</u>
<b>SUPPLEMENTAL CASH FLOW INFORMATION:</b>		
Cash paid during the year for interest	<u>\$ 23,434</u>	<u>\$ 29,061</u>
Retirement of fully depreciated fixed assets	<u>\$ 130,552</u>	<u>\$ 150,378</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, 2008. 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 programs, 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 supporting services. Expenses that can be identified with a specific program or supporting 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, 2007 and 2006 was \$43,200 and \$10,586, 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 years ended December 31, 2007 and 2006.

#### Conditional asset retirement obligations –

The Financial Accounting Standards Board ("FASB") recently issued FASB Interpretation No. 47, Accounting for Conditional Asset Retirement Obligations. This accounting pronouncement requires the Organization to recognize the fair value of its legal obligation to perform an asset retirement activity, even though uncertainty exists about the timing and/or method of settlement, if and when the fair value of the liability can be reasonably estimated. As of December 31, 2007, the Organization does not have sufficient information to reasonably estimate the fair value of any asset retirement obligations.

#### 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 the valuation allowance for accounts receivable, depreciation and certain accrued expenses. Actual results may differ from those estimates.

(3) **Fixed assets**

Fixed assets as of December 31, 2007 and 2006 are comprised of the following:

	<u>2007</u>	<u>2006</u>
Land	\$ 885,500	\$ 885,500
Building	1,427,183	1,427,183
Building improvements	88,006	88,006
Office equipment	132,167	161,437
Vehicles	66,748	66,748
Warehouse equipment	<u>272,773</u>	<u>324,883</u>
	2,872,377	2,953,757
Less: accumulated depreciation	<u>520,953</u>	<u>554,232</u>
	<u>\$2,351,424</u>	<u>\$2,399,525</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 a variable rate equal to the bank's prime rate plus 1% per annum. The line is fully available as of December 31, 2007.

(5) **Loan payable:**

Loan payable to bank –

The Organization has a loan payable to a bank with an original amount of \$1,300,000, of which \$261,700 and \$326,700 is outstanding at December 31, 2007 and 2006, respectively. 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, 5.25% as of December 31, 2007, plus 250 basis points per annum) of \$7,257 and a final lump sum principal payment due on June 19, 2008.

Maturities of loan payable –

At December 31, 2007, future principal payments on outstanding loans payable are as follows:

Year Ending December 31,

2008

\$ 261,700

(6) **Temporarily restricted net assets**

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

	<u>2007</u>	<u>2006</u>
TEFAP Handling Fees	\$ 25,136	\$ 12,830
Capital Campaign	15,686	-
Capital Campaign interest	9,075	9,022
Donations for Purchasing Turkeys	7,597	2,524
New Paths to Achievement	<u>-</u>	<u>352</u>
	<u>\$ 57,494</u>	<u>\$ 24,728</u>

(7) **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.

(8) **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 \$757,293 at December 31, 2007, 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>2007</u>			
Direct Mailing	\$ 336,524	\$ 118,251	\$ 218,273
Check Out Hunger	146,901	6,561	140,340
Awards Dinner	162,555	46,074	116,481
Golf Outing	116,430	48,097	68,333
Newsletter	24,058	4,591	19,467
Share-A-Meal	2,842	-	2,842
Community Charity Event	<u>7,116</u>	<u>6,638</u>	<u>478</u>
	<u>\$ 796,426</u>	<u>\$ 230,212</u>	<u>\$ 566,214</u>
<u>2006</u>			
Direct Mailing	\$ 241,141	\$ 83,876	\$ 157,265
Golf Outing	122,240	46,801	75,439
Check Out Hunger	71,688	6,069	65,619
Awards Dinner	61,250	24,123	37,127
Concert Events	26,300	11,520	14,780
Newsletter	13,712	4,182	9,530
Share-A-Meal	<u>2,343</u>	<u>-</u>	<u>2,343</u>
	<u>\$ 538,674</u>	<u>\$ 176,571</u>	<u>\$ 362,103</u>

**LONG ISLAND CARES, INC.**  
**SUPPLEMENTARY SCHEDULE OF REVENUES**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
**(WITH COMPARATIVE TOTALS FOR 2006)**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2007 Totals</u>	<u>2006 Totals</u>
<b>Public Support And Fundraising:</b>					
Fund raisers	\$ 796,426	\$ -	\$ -	\$ 796,426	\$ 538,674
Contributions	371,025	42,837	-	413,862	425,572
Grants	128,976	4,719	-	133,695	193,350
Corporate support	135,104	-	-	135,104	71,641
Foundation support	100,800	-	-	100,800	61,000
	<u>1,532,331</u>	<u>47,556</u>	<u>-</u>	<u>1,579,887</u>	<u>1,290,237</u>
<b>Government Support:</b>					
HPNAP	896,197	-	-	896,197	967,860
Suffolk County	127,349	-	-	127,349	114,719
	<u>1,023,546</u>	<u>-</u>	<u>-</u>	<u>1,023,546</u>	<u>1,082,579</u>
<b>Distribution Revenue And Handling Fees:</b>					
Food Bank Agencies	223,804	-	-	223,804	290,656
HPNAP	354,019	-	-	354,019	348,538
TEFAP	141,509	-	-	141,509	138,879
Suffolk County	2,170	-	-	2,170	1,791
	<u>721,502</u>	<u>-</u>	<u>-</u>	<u>721,502</u>	<u>779,864</u>
<b>Other Income:</b>					
In-kind contributions	6,243,456	-	-	6,243,456	5,046,704
Miscellaneous	5,008	-	-	5,008	2,888
Interest income	11,464	(13)	-	11,451	3,242
	<u>6,259,928</u>	<u>(13)</u>	<u>-</u>	<u>6,259,915</u>	<u>5,052,834</u>
Subtotal	<u>9,537,307</u>	<u>47,543</u>	<u>-</u>	<u>9,584,850</u>	<u>8,205,514</u>
<b>Net Assets Released From Restrictions:</b>					
Food Bank	14,777	(14,777)	-	-	-
	<u>14,777</u>	<u>(14,777)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>\$ 9,552,084</u>	<u>\$ 32,766</u>	<u>\$ -</u>	<u>\$ 9,584,850</u>	<u>\$ 8,205,514</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, 2007**  
**(WITH COMPARATIVE TOTALS FOR 2006)**

	Food Bank Fund	Community	Administration Fund		2007 Totals	2006 Totals
		Outreach Fund	Management & General	Development		
In-kind expenses	\$ 5,919,692	\$ -	\$ 43,400	\$ 17,600	\$ 5,980,692	\$ 4,928,794
Salaries	612,506	54,916	297,325	153,702	1,118,449	1,070,241
HPNAP food purchases	338,199	-	-	-	338,199	494,995
Fundraising	-	-	-	230,212	230,212	176,571
Payroll taxes and benefits	138,378	12,324	34,579	27,074	212,355	205,009
HPNAP operational support	132,951	-	-	-	132,951	104,996
Food Bank food purchases	127,922	-	-	-	127,922	164,733
Transportation	116,102	-	-	-	116,102	109,365
Depreciation	80,242	3,784	8,293	4,953	97,272	115,341
Utilities	75,716	1,870	4,589	2,804	84,979	80,538
Grants	64,050	-	-	-	64,050	50,000
Suffolk County food purchases	56,459	-	-	-	56,459	51,141
Freight	48,512	-	-	-	48,512	39,966
Recruiting	51	-	45,486	-	45,537	2,653
Advertising	-	-	-	42,916	42,916	43,533
Building maintenance and sanitation	29,345	725	1,778	1,087	32,935	33,508
Dues and membership fees	24,712	-	2,286	295	27,293	20,890
Equipment rental and maintenance	18,120	672	4,278	2,275	25,345	31,509
Other food purchases	25,209	-	-	-	25,209	31,994
Insurance	19,340	1,262	1,742	1,263	23,607	21,651
Interest	-	-	23,434	-	23,434	29,061
Postage	9,495	2,640	5,213	1,815	19,163	14,360
Education supplies	15,000	-	-	-	15,000	15,282
Professional fees	-	-	15,000	-	15,000	15,000
Travel	9,051	2,749	923	1,848	14,571	11,412
Printing	5,111	2,742	5,153	460	13,466	13,691
Telephone and internet	7,284	1,059	2,437	2,649	13,429	13,436
Supplies-office	4,611	388	2,976	2,178	10,153	10,573
Bank and payroll fees	-	-	8,885	-	8,885	7,198
Workshop and education	7,343	-	-	-	7,343	6,542
Supplies-warehouse	6,540	-	-	-	6,540	10,381
HPNAP sanitation/safety supplies	4,993	-	-	-	4,993	4,863
Conference fees	280	-	3,225	735	4,240	3,260
Consultants	2,088	400	1,088	600	4,176	12,350
Damage/shortage	1,951	-	-	-	1,951	236
Food acquisition handling fees	1,731	-	-	-	1,731	8,424
Property taxes	456	7	28	17	508	489
Personnel training	-	-	-	475	475	-
Permits and licenses	278	10	16	11	315	440
HPNAP capital equipment	-	-	-	-	-	58,626
Miscellaneous	-	-	-	-	-	84
<b>Total expenses</b>	<b>\$ 7,903,718</b>	<b>\$ 85,548</b>	<b>\$ 512,134</b>	<b>\$ 494,969</b>	<b>\$ 8,996,369</b>	<b>\$ 8,013,136</b>

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