

**LONG ISLAND CARES, INC.**  
**FINANCIAL STATEMENTS**  
**AS OF DECEMBER 31, 2008 AND 2007**  
**TOGETHER WITH AUDITORS' REPORT**

**LONG ISLAND CARES, INC.**  
**FINANCIAL STATEMENTS AND AUDITORS' REPORT**  
**AS OF DECEMBER 31, 2008 AND 2007**

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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, 2008 and 2007, 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 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.

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, 2008 and 2007, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2009, on our consideration of Long Island Cares, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. 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 audits.

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

Melville, New York  
March 13, 2009

*Nawrocki Smith LLP*

**LONG ISLAND CARES, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2008 AND 2007**

<b><u>ASSETS</u></b>	<b><u>2008</u></b>	<b><u>2007</u></b>
CASH	\$ 1,351,717	\$ 793,795
ACCOUNTS RECEIVABLE (net of allowance for doubtful accounts of \$1,888 and \$2,000 in 2008 and 2007, respectively)	496,784	291,695
DONATED PRODUCT	1,000,615	1,011,648
INVESTMENTS	6,937	-
FIXED ASSETS (net of accumulated depreciation of \$592,493 and \$520,953 in 2008 and 2007, respectively)	2,374,916	2,351,424
OTHER ASSETS	47,058	41,125
	<b><u>\$ 5,278,027</u></b>	<b><u>\$ 4,489,687</u></b>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
LOAN PAYABLE TO INDIVIDUAL	\$ 113,200	\$ -
LOAN PAYABLE TO BANK	-	261,700
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	668,151	426,029
DEFERRED INCOME	3,750	-
Total liabilities	785,101	687,729
NET ASSETS:		
Unrestricted:		
Designated for fixed assets	2,261,716	2,089,724
Designated for donated product	1,000,615	1,011,648
Undesignated	1,096,602	593,092
Total unrestricted net assets	4,358,933	3,694,464
Temporarily restricted	83,993	57,494
Permanently restricted	50,000	50,000
Total net assets	4,492,926	3,801,958
	<b><u>\$ 5,278,027</u></b>	<b><u>\$ 4,489,687</u></b>

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, 2008 AND 2007**

	<u>2008</u>	<u>2007</u>
CHANGE IN UNRESTRICTED NET ASSETS:		
Revenues	\$ 10,368,572	\$ 9,552,084
Expenses -		
Program services	8,713,243	7,989,266
Supporting services	505,647	512,134
Fundraising	485,213	494,969
Total expenses	<u>9,704,103</u>	<u>8,996,369</u>
Increase in unrestricted net assets	<u>664,469</u>	<u>555,715</u>
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS:		
Revenues	51,259	47,543
Net assets released from restrictions	<u>(24,760)</u>	<u>(14,777)</u>
Increase in temporarily restricted net assets	<u>26,499</u>	<u>32,766</u>
CHANGE IN PERMANENTLY RESTRICTED NET ASSETS	<u>-</u>	<u>-</u>
CHANGE IN NET ASSETS	690,968	588,481
NET ASSETS, BEGINNING OF YEAR	<u>3,801,958</u>	<u>3,213,477</u>
NET ASSETS, END OF YEAR	<u>\$ 4,492,926</u>	<u>\$ 3,801,958</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, 2008 AND 2007**

	<u>2008</u>	<u>2007</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 690,968	\$ 588,481
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	88,330	97,273
Unrealized loss on investments	190	-
(Increase) decrease in accounts receivable	(204,977)	88,032
Decrease in allowance for doubtful accounts	(112)	(2,141)
(Increase) decrease in donated product	11,033	(316,239)
Increase in other assets	(5,933)	(22,297)
Increase in accounts payable and accrued liabilities	242,122	53,595
Increase in deferred income	3,750	-
	<u>825,371</u>	<u>486,704</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Increase in investments	(7,127)	-
Purchase of fixed assets	(111,822)	(49,172)
	<u>(118,949)</u>	<u>(49,172)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Repayment of loan payable to bank	(261,700)	(65,000)
Proceeds from borrowings	113,200	-
	<u>(148,500)</u>	<u>(65,000)</u>
<b>NET INCREASE IN CASH</b>	557,922	372,532
<b>CASH, BEGINNING OF YEAR</b>	<u>793,795</u>	<u>421,263</u>
<b>CASH, END OF YEAR</b>	<u>\$ 1,351,717</u>	<u>\$ 793,795</u>
<b>SUPPLEMENTAL CASH FLOW INFORMATION:</b>		
Cash paid during the year for interest	<u>\$ 7,351</u>	<u>\$ 23,434</u>
Retirement of fully depreciated fixed assets	<u>\$ 16,790</u>	<u>\$ 130,552</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 Feeding America, 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. Through 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 Harry Chapin Food Bank was the first food bank to serve Nassau and Suffolk Counties and is located at the Organization's Hauppauge, New York office and warehouse facility. It is a 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, 2010. 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, Inc. 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, Inc. 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 SFAS 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, 2008 and 2007 was \$23,250 and \$43,200, 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.

Investments –

Investments are stated at market value.

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 SFAS 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, 2008 and 2007.

Conditional asset retirement obligations –

The Financial Accounting Standards Board ("FASB") 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, 2008, 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, 2008 and 2007 are comprised of the following:

	<u>2008</u>	<u>2007</u>
Land	\$ 885,500	\$ 885,500
Building	1,427,183	1,427,183
Building improvements	154,931	88,006
Office equipment	133,512	132,167
Vehicles	86,296	66,748
Warehouse equipment	<u>279,987</u>	<u>272,773</u>
	2,967,409	2,872,377
Less: accumulated depreciation	<u>592,493</u>	<u>520,953</u>
	<u>\$2,374,916</u>	<u>\$2,351,424</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, 2008.

(5) **Loans payable:**

Loan payable to individual –

The Organization has a loan payable to an individual in the amount of \$113,200. This loan was used to assist the Organization in satisfying the loan payable to bank and will be repaid upon collection of outstanding capital campaign pledges. This loan is non-interest bearing and is expected to be repaid during the upcoming year.

Loan payable to bank –

The Organization had a loan payable to a bank with an original amount of \$1,300,000 which was fully repaid during the year ended December 31, 2008.

Maturities of loan payable –

At December 31, 2008, future principal payments on the outstanding loan payable is as follows:

Year Ending December 31,

2009

\$ 113,200

(6) **Temporarily restricted net assets**

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

	<u>2008</u>	<u>2007</u>
Bank of America – Check Out Hunger	\$ 53,489	\$ -
TEFAP Handling Fees	25,859	25,136
Donations for Purchasing Turkeys	4,645	7,597
Capital Campaign	-	15,686
Capital Campaign interest	-	9,075
	<u>\$ 83,993</u>	<u>\$ 57,494</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**

Generally accepted accounting principles defines the fair value of a financial instrument as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values for investments are determined by reference to quoted market prices and other relevant information generated by market transactions.

(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 \$921,701 at December 31, 2008, 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>2008</u>			
Direct Mailing Appeals	\$ 517,287	\$ 160,198	\$ 357,089
Golf Outing	112,070	48,285	63,785
Capital Campaign	91,161	-	91,161
Stop & Shop Food For Friends	85,500	-	85,500
Supermarkets Check Out Hunger	81,683	8,465	73,218
Grassroots Newsletter	25,125	4,802	20,323
Awards Dinner	9,922	3,251	6,671
Concert Events	5,549	52	5,497
Community Charity Events	<u>3,666</u>	<u>1,800</u>	<u>1,866</u>
	<u>\$ 931,963</u>	<u>\$ 226,853</u>	<u>\$ 705,110</u>
<u>2007</u>			
Direct Mailing Appeals	\$ 336,524	\$ 118,251	\$ 218,273
Awards Dinner	162,555	46,074	116,481
Supermarkets Check Out Hunger	146,901	6,561	140,340
Golf Outing	116,430	48,097	68,333
Stop & Shop Food For Friends	77,602	-	77,602
Capital Campaign	42,835	1,976	40,859
Grassroots Newsletter	24,058	4,591	19,467
Community Charity Event	7,116	6,638	478
Share-A-Meal	<u>2,842</u>	<u>-</u>	<u>2,842</u>
	<u>\$ 916,863</u>	<u>\$ 232,188</u>	<u>\$ 684,675</u>

**LONG ISLAND CARES, INC.**  
**SUPPLEMENTARY SCHEDULE OF REVENUES**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**  
**(WITH COMPARATIVE TOTALS FOR 2007)**

	Unrestricted	Temporarily Restricted	Permanently Restricted	2008 Totals	2007 Totals
<b>Public Support And</b>					
<b>Fundraising:</b>					
Fundraising	\$ 931,963	\$ -	\$ -	\$ 931,963	\$ 916,863
Contributions	403,371	-	-	403,371	371,027
Grants	538,075	51,259	-	589,334	133,695
Corporate support	230,182	-	-	230,182	57,502
Foundation support	70,800	-	-	70,800	100,800
	<u>2,174,391</u>	<u>51,259</u>	<u>-</u>	<u>2,225,650</u>	<u>1,579,887</u>
<b>Government Support:</b>					
HPNAP	1,488,699	-	-	1,488,699	896,197
Suffolk County	128,194	-	-	128,194	127,349
	<u>1,616,893</u>	<u>-</u>	<u>-</u>	<u>1,616,893</u>	<u>1,023,546</u>
<b>Distribution Revenue And</b>					
<b>Handling Fees:</b>					
Food Bank Agencies	225,142	-	-	225,142	223,804
HPNAP	430,451	-	-	430,451	354,019
TEFAP	129,133	-	-	129,133	141,509
Suffolk County	2,377	-	-	2,377	2,170
	<u>787,103</u>	<u>-</u>	<u>-</u>	<u>787,103</u>	<u>721,502</u>
<b>Other Income:</b>					
In-kind contributions	5,749,248	-	-	5,749,248	6,243,456
Miscellaneous	4,897	-	-	4,897	5,008
Interest income	11,280	-	-	11,280	11,451
	<u>5,765,425</u>	<u>-</u>	<u>-</u>	<u>5,765,425</u>	<u>6,259,915</u>
Subtotal	<u>10,343,812</u>	<u>51,259</u>	<u>-</u>	<u>10,395,071</u>	<u>9,584,850</u>
<b>Net Assets Released</b>					
<b>From Restrictions:</b>					
Food Bank	24,760	(24,760)	-	-	-
	<u>24,760</u>	<u>(24,760)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>\$ 10,368,572</u>	<u>\$ 26,499</u>	<u>\$ -</u>	<u>\$ 10,395,071</u>	<u>\$ 9,584,850</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, 2008**  
**(WITH COMPARATIVE TOTALS FOR 2007)**

	Food Bank Fund	Community Outreach Fund	Administration Fund		2008 Totals	2007 Totals
			Management & General	Development		
In-kind expenses	\$ 5,644,878	\$ -	\$ 24,400	\$ -	\$ 5,669,278	\$ 5,980,692
Salaries	658,959	43,161	332,734	162,869	1,197,723	1,118,449
HPNAP food purchases	826,687	-	-	-	826,687	338,199
Fundraising	-	-	-	226,853	226,853	230,212
Payroll taxes and benefits	137,062	10,402	48,232	29,590	225,286	212,355
Grants	219,509	-	-	-	219,509	64,050
HPNAP operational support	148,811	-	-	-	148,811	132,951
Food Bank food purchases	128,759	-	-	-	128,759	127,922
Transportation	125,585	-	-	-	125,585	116,102
HPNAP capital equipment	107,316	-	-	-	107,316	-
Freight	92,243	-	-	-	92,243	48,512
Utilities	82,029	2,025	4,971	3,038	92,063	84,979
Depreciation	75,583	2,956	6,134	3,657	88,330	97,272
Other food purchases	86,400	-	-	-	86,400	25,209
Suffolk County food purchases	57,379	-	-	-	57,379	56,459
Advertising	10,463	74	147	39,314	49,998	42,916
Building maintenance and sanitation	34,519	852	2,092	1,278	38,741	32,935
Dues and membership fees	26,041	-	6,969	295	33,305	27,293
Equipment rental and maintenance	20,584	699	8,079	1,919	31,281	25,345
Workshop and education	27,928	-	-	-	27,928	7,343
Insurance	20,416	1,302	1,810	1,302	24,830	23,607
Travel	12,979	2,581	4,183	2,595	22,338	14,571
Printing	7,178	3,972	8,359	1,284	20,793	13,466
Postage	8,876	2,246	8,060	1,570	20,752	19,163
Telephone and internet	9,381	1,364	2,932	3,411	17,088	13,429
Professional fees	-	-	16,500	-	16,500	15,000
Supplies-warehouse	15,545	-	-	-	15,545	6,540
Education supplies	14,864	-	-	-	14,864	15,000
Supplies-office	6,434	687	4,349	2,104	13,574	10,153
Food acquisition handling fees	11,009	-	-	-	11,009	1,731
Conference fees	1,055	-	8,577	1,275	10,907	4,240
HPNAP sanitation/safety supplies	10,015	-	-	-	10,015	4,993
Bank charges and miscellaneous fees	1,411	75	8,806	2,395	12,687	54,422
Interest	-	-	7,351	-	7,351	23,434
Damage/shortage	6,644	-	-	-	6,644	1,951
Consultants	1,295	259	648	389	2,591	4,176
Permits and licenses	1,335	33	81	49	1,498	315
Property taxes	715	18	43	26	802	508
Personnel training	650	-	-	-	650	475
Unrealized loss on investments	-	-	190	-	190	-
<b>Total expenses</b>	<b>\$ 8,640,537</b>	<b>\$ 72,706</b>	<b>\$ 505,647</b>	<b>\$ 485,213</b>	<b>\$ 9,704,103</b>	<b>\$ 8,996,369</b>

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