

LONG ISLAND CARES, INC.
FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2011 AND 2010
TOGETHER WITH AUDITOR'S REPORT

LONG ISLAND CARES, INC.
FINANCIAL STATEMENTS AND AUDITOR'S REPORT
AS OF DECEMBER 31, 2011 AND 2010

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Nawrocki Smith LLP
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S 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. (a nonprofit organization, the "Organization") as of December 31, 2011 and 2010, 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, 2011 and 2010, 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 9, 2012, on our consideration of the Organization's internal control over financial reporting and 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 should be considered in assessing the results of our audit.

Our audits were conducted for the purpose of forming an opinion on the 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 financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the financial statements taken as a whole.

Melville, New York
March 9, 2012

Nawrocki Smith LLP

LONG ISLAND CARES, INC.
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2011 AND 2010

<u>ASSETS</u>	<u>2011</u>	<u>2010</u>
CASH	\$ 2,304,860	\$ 2,358,954
RESTRICTED CASH	97,460	50,000
ACCOUNTS RECEIVABLE (net of allowance for doubtful accounts of \$1,589 for 2011 and 2010)	698,196	634,943
DONATED PRODUCT	1,308,072	1,663,719
INVESTMENTS	13,164	12,626
FIXED ASSETS (net of accumulated depreciation of \$840,757 and \$727,341 in 2011 and 2010, respectively)	2,433,338	2,462,665
OTHER ASSETS	94,038	36,336
	<u>\$ 6,949,128</u>	<u>\$ 7,219,243</u>
 <u>LIABILITIES AND NET ASSETS</u>		
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	\$ 519,378	\$ 532,923
Total liabilities	<u>519,378</u>	<u>532,923</u>
NET ASSETS:		
Unrestricted:		
Designated for fixed assets	2,433,338	2,462,665
Designated for donated product	1,308,072	1,663,719
Undesignated	2,506,029	2,303,886
Total unrestricted net assets	6,247,439	6,430,270
Temporarily restricted	84,851	206,050
Permanently restricted	97,460	50,000
Total net assets	<u>6,429,750</u>	<u>6,686,320</u>
	<u>\$ 6,949,128</u>	<u>\$ 7,219,243</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, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
CHANGE IN UNRESTRICTED NET ASSETS:		
Revenues	\$ 12,269,061	\$ 12,642,364
Expenses -		
Program services	11,089,593	10,189,875
Supporting services	576,665	529,975
Fundraising	785,634	675,515
Total expenses	<u>12,451,892</u>	<u>11,395,365</u>
Increase (decrease) in unrestricted net assets	<u>(182,831)</u>	<u>1,246,999</u>
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS:		
Revenues	65,184	189,139
Net assets released from restrictions	<u>(186,383)</u>	<u>(132,541)</u>
Increase (decrease) in temporarily restricted net assets	<u>(121,199)</u>	<u>56,598</u>
CHANGE IN PERMANENTLY RESTRICTED NET ASSETS:		
Revenues	<u>47,460</u>	<u>-</u>
Increase in permanently restricted net assets	<u>47,460</u>	<u>-</u>
CHANGE IN NET ASSETS	(256,570)	1,303,597
NET ASSETS, BEGINNING OF YEAR	<u>6,686,320</u>	<u>5,382,723</u>
NET ASSETS, END OF YEAR	<u>\$ 6,429,750</u>	<u>\$ 6,686,320</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, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (256,570)	\$ 1,303,597
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	124,544	113,022
Increase in restricted cash	(47,460)	-
Unrealized gain on investments	(538)	(383)
(Increase) decrease in accounts receivable	(63,253)	158,955
Increase in allowance for doubtful accounts	-	589
(Increase) decrease in donated product	355,647	(776,349)
Increase in other assets	(57,702)	(25,234)
Decrease in accounts payable and accrued liabilities	<u>(13,545)</u>	<u>(84,695)</u>
Net cash provided by operating activities	<u>41,123</u>	<u>689,502</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of fixed assets	(95,217)	(157,652)
Increase in investments	<u>-</u>	<u>(1,973)</u>
Net cash used by investing activities	<u>(95,217)</u>	<u>(159,625)</u>
NET INCREASE (DECREASE) IN CASH	(54,094)	529,877
CASH, BEGINNING OF YEAR	<u>2,358,954</u>	<u>1,829,077</u>
CASH, END OF YEAR	<u>\$ 2,304,860</u>	<u>\$ 2,358,954</u>
SUPPLEMENTAL CASH FLOW INFORMATION:		
Retirement of fully depreciated fixed assets	<u>\$ 11,128</u>	<u>\$ -</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, 2012. 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 the following Community Outreach Programs:

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.

Other programs at Long Island Cares, Inc. are designed to meet specific community needs:

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.

The First Stop Food Pantry serves as a triage pantry that provides individuals and families in need with up to ten days worth of food, along with information about critical community resources such as food stamps, Child Health Plus, The Women, Infants and Children Program, heating and utility assistance, employment resources and mortgage assistance.

The Mobile Outreach Resource Enterprise ("MORE") van travels throughout Nassau and Suffolk Counties providing information, referral assistance and emergency food to people in user friendly locations such as libraries, parks and shopping centers. The "Hope for the Homeless" MORE van focuses on the specific needs of the homeless by providing housing information, housing referrals, ready-to-eat emergency food and personal hygiene items.

The Nassau Service Center located in Freeport, New York provides a broad array of community services for Long Islanders experiencing hunger in an accessible storefront location. In addition to a large food pantry, the Center offers job development services as well as entitlement and referral services. It is also utilized for mandated training by member agencies located in Nassau County as well as a training center for a new "Students Fighting Hunger" volunteer corporation.

(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 U.S. generally accepted accounting principles which require 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.

The Organization follows U.S. generally accepted accounting principles regarding Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") and Enhanced Disclosures for All Endowment Funds which require a portion of a donor-restricted endowment fund that is not classified as permanently restricted net assets to be classified as temporarily restricted net assets until appropriated for expenditure.

The Organization also presents a statement of cash flows in accordance with U.S. generally accepted accounting principles.

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 U.S. generally accepted accounting principles regarding 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, 2011 and 2010 was \$11,605 and \$76,912, 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 recorded at fair value. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Organization follows U.S. generally accepted accounting principles regarding fair value measurements which establish a fair value hierarchy requiring an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reported entity has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

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).

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

The Organization follows the provisions of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification on accounting for the impairment or disposal of long-lived assets which require 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. These provisions did not have a material impact on the Organization’s financial position, results of activities or liquidity during the years ended December 31, 2011 and 2010.

Conditional asset retirement obligations –

The FASB Accounting Standards Codification on asset retirement and environmental obligations requires the Organization to recognize a liability for 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, 2011, management believes the Organization has met the provisions of and is in compliance with these requirements.

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.

Uncertainty in income taxes –

The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. Periods ending December 31, 2008 and subsequent remain subject to examination by the applicable taxing authorities.

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 U.S. generally accepted accounting principles, 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 U.S. generally accepted accounting principles 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) Investments

The following table represents the Organization's fair value hierarchy for investments as of December 31, 2011:

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Money market fund	\$ 1,005	\$ 1,005	\$ -	\$ -
Stocks	<u>12,159</u>	<u>12,159</u>	<u>-</u>	<u>-</u>
Total investments	<u>\$ 13,164</u>	<u>\$ 13,164</u>	<u>\$ -</u>	<u>\$ -</u>

The following table represents the Organization's fair value hierarchy for investments as of December 31, 2010:

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Money market fund	\$ 660	\$ 660	\$ -	\$ -
Stocks	<u>11,966</u>	<u>11,966</u>	<u>-</u>	<u>-</u>
Total investments	<u>\$ 12,626</u>	<u>\$ 12,626</u>	<u>\$ -</u>	<u>\$ -</u>

As of December 31, 2011 and 2010, the Organization did not possess any level 2 or 3 type of investments.

(4) Fixed assets

Fixed assets as of December 31, 2011 and 2010 are comprised of the following:

	<u>2011</u>	<u>2010</u>
Land	\$ 885,500	\$ 885,500
Building	1,427,183	1,427,183
Building improvements	401,062	311,401
Office equipment	161,947	167,185
Vehicles	169,091	169,091
Warehouse equipment	<u>229,312</u>	<u>229,646</u>
	3,274,095	3,190,006
Less: accumulated depreciation	<u>840,757</u>	<u>727,341</u>
	<u>\$ 2,433,338</u>	<u>\$ 2,462,665</u>

(5) 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 1.25% per annum. The line is fully available as of December 31, 2011.

(6) Temporarily restricted net assets

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

	<u>2011</u>	<u>2010</u>
TEFAP Handling Fees	\$ 19,667	\$ 37,483
Silvian Foundation Grant	18,000	12,490
Gift Cards and Certificates	9,508	-
Atwa and Rainone Fund	9,000	-
Townwide Fund	5,670	-
Manhasset Community Fund	3,943	-
Donations for Purchasing Turkeys	3,940	-
Target	3,600	-
TJX Foundation Grant	2,925	-
Citizens Bank Grant	2,793	15,000
Macy's District Grant	2,250	-
Judy A. Jorge	2,115	-
Judith C. White Foundation Grant	1,440	-
Vitagrants	-	109,761
Walmart Grant	-	26,315
Capital One Grant	<u>-</u>	<u>5,001</u>
	<u>\$ 84,851</u>	<u>\$ 206,050</u>

(7) Permanently restricted net assets (endowment funds)

Permanently restricted net assets relate to an endowment of \$97,460 to be maintained in perpetuity, the income from which is expendable to support general operations.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or applicable law requires the Organization to retain as a fund of perpetual duration. There were no such deficiencies as of December 31, 2011 and 2010.

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to protect the original value of the gift.

The Uniform Prudent Management of Institutional Funds Act (“UPMIFA”) requires the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Net assets associated with endowment funds are classified and reported based on the existence or absence of donor imposed restrictions.

Changes in endowment net assets for the years ended December 31, 2011 and 2010 are as follows:

	<u>2011</u>	<u>2010</u>
Endowment net assets, beginning of year	\$ 50,000	\$ 50,000
Investment income (loss)	508	750
Released to operations	(508)	(750)
Endowment contributions	<u>47,460</u>	<u>-</u>
Endowment net assets, end of year	<u>\$ 97,460</u>	<u>\$ 50,000</u>

(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. In 2011, the Organization matched employee contributions to the Plan up to a maximum of 3% of the employee’s annual salary.

(9) 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, however, during the current year, the Organization opened several new accounts with various banks to mitigate concentrations of credit risk.

(10) Fundraising activities

<u>Fund Raisers</u>	<u>Gross Revenues</u>	<u>Direct Expenses</u>	<u>Fundraising Income, net</u>
<u>2011</u>			
Direct Mailing Appeals	\$ 898,164	\$ 279,949	\$ 618,215
Golf Outing	104,175	47,244	56,931
Awards Dinner	49,527	18,582	30,945
Capital/Endowment	23,908	922	22,986
Macy's Come Together	13,154	-	13,154
Supermarkets Check Out Hunger	15,582	4,486	11,096
Concert Events	20,797	15,050	5,747
Grassroots Newsletter	23,555	20,150	3,405
	<u>\$ 1,148,862</u>	<u>\$ 386,383</u>	<u>\$ 762,479</u>
<u>2010</u>			
Direct Mailing Appeals	\$ 790,226	\$ 223,026	\$ 567,200
Stop & Shop Food For Friends	66,558	-	66,558
Golf Outing	102,575	46,279	56,296
Supermarkets Check Out Hunger	59,027	5,223	53,804
Awards Dinner	61,720	19,052	42,668
Grassroots Newsletter	31,879	21,492	10,387
Concert Events	2,195	-	2,195
Capital/Endowment	15,546	14,246	1,300
Whole Foods Key Fob	760	-	760
	<u>\$ 1,130,486</u>	<u>\$ 329,318</u>	<u>\$ 801,168</u>

(11) Subsequent events

The Organization has evaluated subsequent events through March 9, 2012 which is the date these financial statements were available to be issued.

LONG ISLAND CARES, INC.
SUPPLEMENTARY SCHEDULE OF REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2011
(WITH COMPARATIVE TOTALS FOR 2010)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2011 Totals</u>	<u>2010 Totals</u>
Public Support And Fundraising:					
Fundraising	\$ 1,148,862	\$ -	\$ -	\$ 1,148,862	\$ 1,130,486
Contributions	798,914	13,448	47,460	859,822	497,526
Grants	308,940	51,736	-	360,676	652,091
Corporate support	145,695	-	-	145,695	257,016
Foundation support	138,275	-	-	138,275	170,250
	<u>2,540,686</u>	<u>65,184</u>	<u>47,460</u>	<u>2,653,330</u>	<u>2,707,369</u>
Government Support:					
HPNAP	1,682,418	-	-	1,682,418	1,327,745
Suffolk County	221,725	-	-	221,725	217,218
Other grants	40,857	-	-	40,857	1,365
	<u>1,945,000</u>	<u>-</u>	<u>-</u>	<u>1,945,000</u>	<u>1,546,328</u>
Distribution Revenue And Handling Fees:					
Food Bank Agencies	154,950	-	-	154,950	143,621
HPNAP	226,539	-	-	226,539	203,452
TEFAP	189,882	-	-	189,882	238,580
Suffolk County	12,598	-	-	12,598	9,075
	<u>583,969</u>	<u>-</u>	<u>-</u>	<u>583,969</u>	<u>594,728</u>
Other Income:					
In-kind contributions	6,975,482	-	-	6,975,482	7,825,826
Miscellaneous	21,168	-	-	21,168	5,805
Unrealized gain on investments	538	-	-	538	383
Interest income	15,835	-	-	15,835	18,523
	<u>7,013,023</u>	<u>-</u>	<u>-</u>	<u>7,013,023</u>	<u>7,850,537</u>
Subtotal	<u>12,082,678</u>	<u>65,184</u>	<u>47,460</u>	<u>12,195,322</u>	<u>12,698,962</u>
Net Assets Released From Restrictions:					
Food Bank	186,383	(186,383)	-	-	-
	<u>186,383</u>	<u>(186,383)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>\$ 12,269,061</u>	<u>\$ (121,199)</u>	<u>\$ 47,460</u>	<u>\$ 12,195,322</u>	<u>\$ 12,698,962</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, 2011
(WITH COMPARATIVE TOTALS FOR 2010)

	Administration Fund				2011 Totals	2010 Totals
	Food Bank Fund	Community Outreach Fund	Management & General	Development		
In-kind expenses	\$ 7,222,439	\$ 350	\$ 2,870	\$ 65,687	\$ 7,291,346	\$ 7,110,671
Salaries	734,562	278,604	374,771	173,115	1,561,052	1,459,744
HPNAP food purchases	995,276	-	-	-	995,276	648,598
Fundraising	-	-	-	386,383	386,383	329,318
Payroll taxes and benefits	175,112	67,834	71,419	39,809	354,174	273,239
Grant food purchases	346,551	-	-	-	346,551	264,156
Transportation	178,335	-	-	-	178,335	116,555
HPNAP capital equipment	154,829	-	-	-	154,829	-
Suffolk County food purchases	145,673	-	-	-	145,673	143,861
Depreciation	106,976	4,120	8,427	5,021	124,544	113,022
HPNAP operational support	91,393	-	-	-	91,393	127,254
Utilities	71,891	7,703	3,423	2,568	85,585	94,076
Advertising	288	287	1,338	82,818	84,731	35,770
Grants to agencies	70,000	-	-	-	70,000	92,058
Building maintenance and sanitation	43,706	6,243	2,775	2,081	54,805	61,950
Educational supplies	50,607	500	-	-	51,107	62,567
Equipment rental and maintenance	27,213	6,374	6,215	4,653	44,455	35,920
Food Bank food purchases	42,719	-	-	-	42,719	50,252
Printing	14,950	7,967	12,627	-	35,544	32,785
Travel	17,695	7,366	3,155	2,987	31,203	28,796
Insurance	23,117	3,395	2,080	1,817	30,409	30,245
Workshop and education	27,877	1,602	-	-	29,479	46,513
Telephone and internet	10,919	10,194	3,089	3,985	28,187	22,387
Bank charges and miscellaneous fees	1,249	2,109	23,803	337	27,498	25,210
Dues and membership fees	8,300	880	14,153	380	23,713	30,845
Supplies-office	10,664	6,596	4,565	1,536	23,361	16,663
Promotional items	4,630	5,070	8,149	3,620	21,469	12,911
Consultants	7,128	3,888	6,840	1,944	19,800	22,924
Postage	9,151	4,558	4,125	1,587	19,421	20,912
Professional fees	-	-	16,500	-	16,500	16,500
Facility rent	13,776	1,476	656	492	16,400	-
Conference fees	891	1,490	5,627	4,770	12,778	19,161
Supplies-warehouse	11,947	-	-	-	11,947	10,475
HPNAP sanitation/safety supplies	9,806	-	-	-	9,806	5,096
Freight	9,402	-	-	-	9,402	17,204
Damage/shortage	7,382	-	-	-	7,382	981
Temporary personnel	6,394	458	-	-	6,852	1,626
Food acquisition handling fees	6,337	-	-	-	6,337	13,339
Permits and licenses	698	75	33	25	831	1,201
Property taxes	516	55	25	19	615	580
Total expenses	\$ 10,660,399	\$ 429,194	\$ 576,665	\$ 785,634	\$ 12,451,892	\$ 11,395,365

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