

Providence House, Inc.

**Financial Statements
and
Auditor's Report**

Year Ended June 30, 2009

The Board of Directors
Providence House, Inc.
Brooklyn, New York

Independent Auditor's Report

We have audited the accompanying statement of financial position of Providence House, Inc. as of June 30, 2009 and the related statements of activities, of cash flows and of functional expenses for the year then ended. These financial statements are the responsibility of Providence House, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the organization's June 30, 2008 financial statements and, in our report dated December 17, 2008, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides 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 Providence House, Inc. as of June 30, 2009 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The current year's supplementary information included in Schedules 1 and 2 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit 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.

Lambrides, Lamos, Taylor LLP

November 10, 2009

Providence House, Inc.
Statement of Financial Position
June 30, 2009
With Comparative Figures at June 30, 2008

ASSETS	2009	2008
Cash and cash equivalents	\$ 332,748	\$ 255,283
Short-term investments	690,637	827,433
Program revenue receivable	658,759	460,856
Grants receivable	10,000	50,000
Interest receivable	4,444	3,144
Prepaid expenses and mortgage escrow	9,564	14,750
Land	747,265	747,265
Property, plant and equipment (net of accumulated depreciation)	<u>4,022,947</u>	<u>4,149,870</u>
Total assets	<u>\$6,476,364</u>	<u>\$6,508,601</u>
 LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	\$ 100,400	\$ 13,243
Interest payable	6,993	6,993
Accrued payroll and related expenses	83,288	100,427
Refundable program revenue received in advance		22,713
Loans and mortgages payable	1,005,476	952,685
Tenants' security deposits and prepaid rent	<u>500</u>	<u>500</u>
Total liabilities	<u>1,196,657</u>	<u>1,096,561</u>
 Net assets:		
Unrestricted:		
Net investment in property, plant and equipment	3,017,471	3,197,185
Current operations	1,681,743	1,870,331
Temporarily restricted	<u>580,493</u>	<u>344,524</u>
Total net assets	<u>5,279,707</u>	<u>5,412,040</u>
Total liabilities and net assets	<u>\$6,476,364</u>	<u>\$6,508,601</u>

See notes to financial statements.

Providence House, Inc.
Statement of Activities
For the Year Ended June 30, 2009
With Summarized Comparative Figures at June 30, 2008

	Unrestricted	Temporarily Restricted	2009 Total	2008 Total
Revenue and support:				
Donations	\$ 200,264		\$ 200,264	\$ 172,861
Miscellaneous grants	114,400	\$ 567,512	681,912	381,341
FEMA grants	48,967		48,967	22,794
CACFP food grant	21,474		21,474	22,557
NYC Homeless – DHS payments	1,228,351		1,228,351	1,208,918
NYC Housing HRA payments	39,777		39,777	33,825
NYS Parole Program payments				968
DSS Westchester payments	298,083		298,083	292,548
ESG Program		53,072	53,072	31,975
Rental income	109,324		109,324	114,682
Investment income (loss)	(35,448)		(35,448)	101
Donated services value	307,500	35,000	342,500	300,000
Fundraising events:				
Contributions	\$260,317			
Revenue	13,818			
Less: Costs of direct benefit to donors	<u>(32,868)</u>	241,267	241,267	209,570
Miscellaneous income	38,296		38,296	26,149
Net assets released from restrictions	<u>419,615</u>	<u>(419,615)</u>	<u> </u>	<u> </u>
 Total revenue, support and releases	 <u>3,031,870</u>	 <u>235,969</u>	 <u>3,267,839</u>	 <u>2,818,289</u>
Expenses:				
Temporary Shelter Program	3,254,984		3,254,984	3,166,760
Permanent Housing Program	37,030		37,030	35,779
Samaritan House	72,326		72,326	64,400
Central - Program support	<u>35,832</u>		<u>35,832</u>	<u>35,709</u>
 Total expenses	 <u>3,400,172</u>		 <u>3,400,172</u>	 <u>3,302,648</u>
 Change in net assets	 (368,302)	 235,969	 (132,333)	 (484,359)
 Net assets, beginning of year	 <u>5,067,516</u>	 <u>344,524</u>	 <u>5,412,040</u>	 <u>5,896,399</u>
 Net assets, end of year	 <u>\$4,699,214</u>	 <u>\$ 580,493</u>	 <u>\$5,279,707</u>	 <u>\$5,412,040</u>

See notes to financial statements.

Providence House, Inc.
Statement of Cash Flows
For the Year Ended June 30, 2009
With Comparative Figures at June 30, 2008

	2009	2008
Cash flows from operating activities:		
Change in net assets	\$ (132,333)	\$ (484,359)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	181,236	175,050
Realized (gain) loss on investments	(223)	143
Unrealized loss on investments	74,747	51,092
(Increase) decrease in:		
Program revenue receivable	(197,903)	(178,929)
Contributions receivable		5,000
Grants receivable	40,000	477,483
Interest receivable	(1,300)	
Prepaid expenses and mortgage escrow	5,186	(9,032)
Increase (decrease) in:		
Accounts payable and accrued expenses	87,157	(44,708)
Accrued payroll and related expenses	(17,139)	15,065
Refundable program revenue received in advance	<u>(22,713)</u>	<u>(27,920)</u>
Net cash provided (used) by operating activities	<u>16,715</u>	<u>(21,115)</u>
Cash flows from investing activities:		
Purchase of property, plant and equipment	(54,313)	(178,463)
Purchase of investments	(102,961)	(236,409)
Withdrawals from investments		150,000
Proceeds from sale of investments	<u>165,233</u>	<u>185,174</u>
Net cash provided (used) by investing activities	<u>7,959</u>	<u>(79,698)</u>
Cash flows from financing activities:		
Repayment of loan principal	(72,209)	(68,886)
Proceeds from loan payable	<u>125,000</u>	<u>5,750</u>
Net cash provided (used) by financing activities	<u>52,791</u>	<u>(63,136)</u>
Net increase (decrease) in cash	77,465	(163,949)
Cash and cash equivalents at beginning of year	<u>255,283</u>	<u>419,232</u>
Cash and cash equivalents at end of year	<u>\$ 332,748</u>	<u>\$ 255,283</u>
Supplemental disclosure of cash flow information:		
Cash paid for interest expense	<u>\$ 71,957</u>	<u>\$ 77,014</u>

See notes to financial statements.

Providence House, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2009
With Summarized Comparative Figures at June 30, 2008

		Management and General	Development and Public Relations	2009 Total	2008 Total
Program					
Salaries and wages	\$ 1,274,848	\$ 249,904	\$ 104,596	\$ 1,629,348	\$ 1,623,361
Payroll taxes	109,681	17,388	6,690	133,759	124,645
Employee benefits	226,152	35,856	13,786	275,794	242,402
Rent	113,429			113,429	88,164
Occupancy	181,902	4,726	1,816	188,444	168,934
Telephone	44,831	1,804	694	47,329	37,630
Professional fees	5,819	27,274	348	33,441	49,093
Food	64,782			64,782	66,730
Scholarships	8,000			8,000	6,500
Client assistance and gifts	5,079			5,079	6,644
Other program expenses	28,278	505	193	28,976	34,331
Travel	19,676	222	85	19,983	22,208
Seminars and training	1,999	170	65	2,234	3,473
Office, conference, newsletter	1,725			1,725	5,550
Dues and subscriptions	9,359	793	305	10,457	10,317
Insurance	39,636	781	301	40,718	46,646
Equipment repairs, rental and maintenance	80,906	961	369	82,236	109,066
Office expenses	35,574	3,463	1,332	40,369	20,509
Supplies	23,028	1,011	389	24,428	30,161
Printing	2,358	266	102	2,726	3,720
Postage and delivery	4,500	681	262	5,443	5,179
Interest expense	71,957			71,957	77,014
Depreciation	148,614	23,561	9,061	181,236	175,050
Other fundraising expenses			44,832	44,832	43,547
Miscellaneous	947			947	1,774
Donated services value	<u>300,000</u>	<u>42,500</u>	<u> </u>	<u>342,500</u>	<u>300,000</u>
 Total expenses	 <u>\$2,803,080</u>	 <u>\$ 411,866</u>	 <u>\$ 185,226</u>	 <u>\$3,400,172</u>	 <u>\$3,302,648</u>

See notes to financial statements.

Providence House, Inc.
Notes to Financial Statements
June 30, 2009

1. Organization and Purpose:

Providence House, Inc. (Providence) is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes. Providence is principally engaged in the housing and feeding of homeless women and their children, and women leaving prison. These services are provided in the City of New York, and Westchester County, New York. Providence's primary source of revenue consists of grants and contributions.

2. Summary of Significant Accounting Policies:

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

a. Accrual Basis Financial Statements

The accompanying financial statements have been prepared on the accrual basis and conform to accounting principles generally accepted in the United States of America and in accordance with the principles of not-for-profit accounting.

b. Net Assets

The net assets of Providence and changes therein are classified and reported as follows:

- Unrestricted net assets include all resources which are not subject to donor-imposed restrictions of a more specific nature than those which only obligate Providence to utilize funds in furtherance of its mission.
- Temporarily restricted net assets carry specific, donor-imposed restrictions on the expenditure or other use of contributed funds. Temporary restrictions may expire either because certain actions are taken by Providence which fulfill the restrictions or because of the passage of time. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

c. Contributions

Contributions are recorded as revenue upon receipt of cash or unconditional promises to give (pledges). Contributions are considered available for unrestricted use unless specifically restricted by the donor.

Contributions of property, buildings and equipment without donor stipulation concerning the use of such long-lived assets are reported as revenues of the unrestricted net assets. Contributions of cash or other assets to be used to acquire property, plant and equipment are reported as revenue of the temporarily restricted net assets; the restrictions are considered to be released at the time of acquisition of such long-lived assets.

d. Cash and Cash Equivalents

Cash and cash equivalents include all unrestricted cash on hand and in banks. Providence also considers all highly liquid unrestricted investments with a maturity of three months or less when purchased to be cash equivalents.

(Continued)

Providence House, Inc.
Notes to Financial Statements
June 30, 2009

2. Summary of Significant Accounting Policies: (Continued)

e. Property, Plant and Equipment

Property, plant and equipment are stated at cost, or, if donated, at the estimated fair market value at the date of donation. Depreciation is recorded using the straight-line method at various rates calculated to allocate the cost of the respective items over their estimated useful lives.

Estimated useful lives are:

Buildings and improvements	15 - 40 years
Leasehold improvements	Remaining life of the lease
Furniture, fixtures and equipment	5 - 10 years

f. Investments

Investments in equity securities with readily determinable fair market values and all investments in debt securities are reported at fair market value, with gains and losses included in the statement of activities. Donated investments are reflected as contributions at their fair market values at date of receipt.

g. Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by individuals with those skills, and would otherwise be purchased by Providence. These services are valued based on the estimated cost of services that would have otherwise had to have been purchased.

h. Overhead

Management allocates all Central expenses with the exception of depreciation among all sites and programs except for the Permanent Housing site. These costs are allocated on a percentage basis based on total costs of each site or program.

i. Expense Allocations

Directly identifiable expenses are charged to programs and supporting services. Development and public relations, as well as management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the organization.

j. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from their estimates.

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Providence House, Inc.
Notes to Financial Statements
June 30, 2009

2. Summary of Significant Accounting Policies: (Continued)

k. Prior Year Summarized Comparative Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with Providence House's financial statements for the year ended June 30, 2008, from which the summarized information was derived.

l. Adoption of New Accounting Standards

As of July 1, 2008, Providence House adopted Statement of Financial Accounting Standards No. 157 (SFAS 157), *Fair Value Measurement*. SFAS 157 clarifies the definition of fair value, establishes a framework for measuring fair value, and expands the disclosures for fair value measurements. The standard applies under accounting pronouncements that require or permit fair value measurements and does not require any new fair value measurements. The implementation of the provisions of SFAS 157 as of July 1, 2008 did not have a material impact on Providence House's financial statements. See Note 14 for related fair value disclosures.

3. Schedule of Cash and Cash Equivalents at June 30, 2009:

Payroll checking	\$ 27
Central account checking	175,729
Central account savings	1,700
Permanent housing checking	13,663
PH I – Checking	3,726
PH II – Checking	3,880
PH III – Checking	2,355
PH IV – Checking	5,288
PH V – Checking	3,304
PH VI – Checking	3,627
PH VII – Checking	4,349
329 Lincoln Road – Checking	97,450
Samaritan House Checking	9,220
Various petty cash accounts	<u>8,430</u>
 Total	 <u>\$332,748</u>

Providence House, Inc.
Notes to Financial Statements
June 30, 2009

4. Short-term Investments:

Short-term investments are reported at market value as of June 30, 2009 and consist of the following:

Mutual funds	\$258,093
Certificates of deposit	380,403
Money market funds	<u>52,141</u>
Total	<u>\$690,637</u>

5. Schedule of Program Revenue Receivable:

PH I – OCFS	\$ 2,322
PH I – DHS	21,166
PH II – DHS	44,308
PH III – DHS	24,073
PH V – ROBIN HOOD	225,000
PH VII – DHS	192,301
PH IV – Westchester DSS	66,404
PH IV – Westchester ESG	33,139
Central – ESG	25,563
Central – FEMA	<u>24,483</u>
Total	<u>\$658,759</u>

All revenue is expected to be received in the 2010 fiscal year.

6. Fixed Assets:

A summary of fixed assets follows:

Land	<u>\$ 747,265</u>
Property, plant and equipment:	
Buildings and improvements	5,083,963
Leasehold improvements	187,850
Furniture, fixtures and equipment	143,508
Construction in progress	<u>43,541</u>
	5,458,862
Less accumulated depreciation	<u>(1,435,915)</u>
Total property, plant and equipment	<u>4,022,947</u>
Total fixed assets	<u>\$4,770,212</u>

Providence House, Inc.
Notes to Financial Statements
June 30, 2009

7. Loans and Mortgages Payable:

Loans and mortgages payable at June 30, 2009 consisted of the following:

Mortgage payable secured by property, payable to a bank, with a variable rate of interest. The rate of interest as of June 30, 2009 is 8.00%. The loan is payable in monthly installments of \$1,021, which includes principal and interest and escrow of approximately \$140. The loan is due and payable in full as of July 2011. The balance of the loan as of June 30, 2009 is: \$ 19,944

Mortgage payable secured by property, payable to a bank with interest at a fixed rate of 7.78%, repayable in monthly installments of \$11,316. The loan is due and payable in full as of October 2017. The balance of the loan as of June 30, 2009 is: 842,282

Unsecured loans payable with interest at a fixed rate of 0.00%. The loans are intended to finance pre-development costs of new housing projects. The loans are payable in full if Providence House receives permanent financing. The combined balances of the loans as of June 30, 2009 are: 143,250
\$1,005,476

Estimated principal payments for the next five years and thereafter are as follows:

Year Ending June 30,	
2010	\$ 225,691
2011	90,949
2012	86,122
2013	93,067
2014	100,571
After 2014	<u>409,076</u>
Total	<u>\$1,005,476</u>

8. Investment Income (Loss):

Investment income (loss) is composed of the following:

Interest	\$ 22,380
Dividends	6,719
Short and long-term capital gain distributions	9,977
Realized gain on investment	223
Unrealized loss on investment	<u>(74,747)</u>
	<u>\$ (35,448)</u>

Providence House, Inc.
Notes to Financial Statements
June 30, 2009

9. Leases:

Providence rents properties from several churches in the Diocese of Brooklyn and Queens as follows:

Location	Lease Period	Monthly Rent
PH I	Through August 31, 2013	\$2,300
PH III	Through August 31, 2013	\$3,833
PH V	Through December 31, 2013	\$3,750
PH VI	Through September 30, 2013	\$2,083

The future estimated minimum lease payments for each of the five succeeding fiscal years are as follows:

Year Ending June 30,	
2010	\$143,600
2011	143,600
2012	143,600
2013	143,600
After 2014	<u>41,017</u>
	<u>\$615,417</u>

10. Retirement Plan:

Providence is a participant in the noncontributory lay pension plan established by the Diocese of Brooklyn, New York, covering employees who meet certain minimum service requirements. Pension expense charged to Providence was approximately \$50,516 in fiscal year 2009.

11. Donated Services:

Providence House received the following donated services during 2009:

- Legal services valued at \$7,500. These services were recorded as a contribution and expensed to donated services in the statement of activities.
- Computer Consulting services valued at \$35,000. These services were recorded as a contribution and expensed to donated services in the statement of activities.
- Various volunteer program services totaling \$300,000. Providence House has implemented a method of determining the value of these services donated by accumulating the number of hours worked at an assumed rate of \$14.50 per hour. These services were recorded as a contribution and expensed to donated services in the statement of activities.

Providence House, Inc.
Notes to Financial Statements
June 30, 2009

12. Temporarily Restricted Net Assets:

Temporarily restricted net assets are available for the following purposes:

Annual scholarships	\$ 5,500
NYS Homeless Housing <i>(Restricted use building)</i>	239,938
Pledges receivable	235,000
Mission effectiveness	49,008
Renovations, repairs and equipment	49,495
Nurse case manager	<u>1,552</u>
	<u>\$580,493</u>

13. Concentration of Risk:

Providence's cash accounts are located in two institutions. The amount on deposit in financial institutions on June 30, 2009 exceeded the federally insured limit by an aggregate amount of \$78,459.

14. Fair Value Measurements:

In determining fair value, Providence uses various valuation approaches within the FAS 157 fair value measurement framework. Fair value measurements are determined based on the assumptions that market participants would use in pricing an asset or liability.

FAS 157 established a fair value hierarchy for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The fair value hierarchy is as follows:

Level 1 inputs: In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that Providence has the ability to access.

Level 2 inputs: Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs: Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset or liability.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in the entirety are categorized based on the lowest level input that is significant to the valuation. Providence House's assessment of the significance of the particular inputs to these fair value measurements requires judgment and considers factors of each asset or liability.

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Providence House, Inc.
Notes to Financial Statements
June 30, 2009

14. Fair Value Measurements: (Continued)

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Short Term Investments	<u>\$ 690,637</u>	<u>\$ 690,637</u>	<u> </u>	<u> </u>
Total Assets at Fair Value	<u>\$ 690,637</u>	<u>\$ 690,637</u>	<u>\$ -</u>	<u>\$ -</u>

Providence House, Inc.
Temporary Shelter and Feeding Programs
Schedule of Activities – by Site
For the Year Ended June 30, 2009

	PH I	PH II	PH III	PH IV	PH V	PH VI	PH VII	Totals	Central Operations	Permanent Housing Program	Samaritan House	Grand Totals
Revenues and gains:												
Donations	\$ 55,150	\$ 41,730	\$ 2,040	\$ 370	\$ 22,140		\$ 16,765	\$ 138,195	\$ 62,069			\$ 200,264
Miscellaneous grants				7,988	350,000			357,988	323,924			681,912
FEMA grants	8,997	8,997	8,997	1,664	8,997	\$ 11,315		48,967				48,967
CACFP food grant	4,295	4,295	6,442	6,442				21,474				21,474
NYC Homeless – DHS payments	101,868	202,730	126,109				797,644	1,228,351				1,228,351
NYC Housing HRA payments	3,118		4,946		27,950	3,763		39,777				39,777
NYS Parole Program payments												-
DSS Westchester payments				298,083				298,083				298,083
ESG Program				53,072				53,072				53,072
Rental income			1,075		753	1,828		3,656	25,411	\$ 46,844	\$ 33,413	109,324
Investment income									(35,448)			(35,448)
Donated services value	60,000	60,000	60,000		60,000	60,000		300,000	42,500			342,500
Fundraising (net of expenses)									241,267			241,267
Miscellaneous income									38,296			38,296
Total unrestricted revenues	233,428	317,752	209,609	367,619	469,840	76,906	814,409	2,489,563	698,019	46,844	33,413	3,267,839

See auditor's report on supplementary information.

Schedule 1 (Continued)

Providence House, Inc.
Temporary Shelter and Feeding Programs
Schedule of Activities – by Site
For the Year Ended June 30, 2009

								P e r m a n e n t				
								C e n t r a l	H o u s i n g	S a m a r i t a n	G r a n d	
	P H I	P H II	P H III	P H IV	P H V	P H VI	P H VII	T o t a l s	O p e r a t i o n s	P r o g r a m	H o u s e	T o t a l s
Expenses and losses:												
Program support allocation	47,877	47,617	67,354	53,784	70,285	15,338	139,471	441,726	(451,541)		9,815	-
Salaries and stipends	145,425	140,021	197,137	200,001	230,746		532,367	1,445,697	183,651			1,629,348
Payroll taxes	11,373	9,820	16,190	18,461	20,347		45,131	121,322	12,437			133,759
Employee benefits	24,509	25,967	32,443	44,014	27,672	59	87,555	242,219	33,337	238		275,794
Rent	16,560		45,584		29,502	21,783		113,429				113,429
Occupancy	11,040	13,208	15,637	22,123	16,134	4,865	49,681	132,688	35,119	4,590	16,047	188,444
Telephone	4,359	4,908	4,688	4,086	7,815	490	7,107	33,453	13,876			47,329
Professional fees	40	40	80	79			224	463	32,978			33,441
Food expense	4,661	9,071	15,184	7,619	18,280	4,768	813	60,396	4,386			64,782
Scholarships									8,000			8,000
Client assistance and gifts			9	181	1,133	50	1,562	2,935	2,144			5,079
Other program expenses	2,093	4,306	3,688	4,017	3,216	2,398	5,330	25,048	3,878		50	28,976
Travel	729	825	4,746	1,633	8,988		1,292	18,213	1,770			19,983
Seminars and training	95	85	70		44		635	929	1,305			2,234
Office, conference, newsletter									1,725			1,725
Dues and subscriptions	471	859	123	490	323		1,039	3,305	6,102	950	100	10,457
Insurance	1,943	2,106	1,871	2,136	2,086	2,834	18,431	31,407	6,011	1,992	1,308	40,718
Equipment, purchase, rental and maintenance	3,985	7,427	6,227	13,752	6,715	439	22,164	60,709	7,392	12,120	2,015	82,236
Office expenses	864	919	1,832	1,391	1,025		3,534	9,565	30,535		269	40,369
Supplies	1,675	2,806	3,070	2,572	4,491		2,036	16,650	7,778			24,428
Printing	104	104	142		118		213	681	2,045			2,726
Postage and delivery	57	76	20		50			203	5,240			5,443
Interest expense				1,752			70,205	71,957				71,957
Depreciation	7,836	13,614	12,651	11,130	1,369		38,942	85,542	35,832	17,140	42,722	181,236
Fundraising expenses	7,100	7,100	7,100	7,100	7,100			35,500	9,332			44,832
Miscellaneous			470		477			947				947
Donated services value	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>		<u>60,000</u>	<u>60,000</u>		<u>300,000</u>	<u>42,500</u>			<u>342,500</u>
Total expenses	<u>352,796</u>	<u>350,879</u>	<u>496,316</u>	<u>396,321</u>	<u>517,916</u>	<u>113,024</u>	<u>1,027,732</u>	<u>3,254,984</u>	<u>35,832</u>	<u>37,030</u>	<u>72,326</u>	<u>3,400,172</u>
Net change	<u>\$(119,368)</u>	<u>\$(33,127)</u>	<u>\$(286,707)</u>	<u>\$(28,702)</u>	<u>\$(48,076)</u>	<u>\$(36,118)</u>	<u>\$(213,323)</u>	<u>\$(765,421)</u>	<u>\$662,187</u>	<u>\$9,814</u>	<u>\$(38,913)</u>	<u>\$(132,333)</u>

Schedule 1 (Concluded)

See auditor's report on supplementary information.

Providence House, Inc.
Providence House IV Compared to Approved Budget
For the Year Ended June 30, 2009

Revenues: *	Approved Budget 2008-2009	Actual 2008-2009
CACFP grant	\$ 6,762	\$ 6,442
Westchester DSS payments	<u>297,211</u>	<u>298,083</u>
 Total revenues	 <u>303,973</u>	 <u>304,525</u>
 Expenses:		
Program support allocation	15,000	53,784
Salary expense	177,790	200,001
Payroll taxes and employee benefits	42,335	62,475
Professional fees	2,000	79
Supplies		2,572
Telephone	3,000	4,086
Occupancy	14,031	22,123
Repairs and maintenance	21,265	13,752
Travel	1,000	1,633
Client assistance and gifts	4,000	181
Seminars and training		
Principal and interest expense	3,400	1,752
Depreciation		11,130
Food expense	3,090	7,619
Other program expenses		4,017
Office, conference, newsletter		
Dues and subscriptions		490
Insurance	10,300	2,136
Office expenses		1,391
Fundraising expenses		7,100
Miscellaneous	<u> </u>	<u> </u>
 Total expenses	 <u>297,211</u>	 <u>396,321</u>
 Net change		 <u><u>\$ (91,796)</u></u>

* Revenues include only CACFP & DSS of Westchester funds

See auditor's report on supplementary information.