



**CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.**

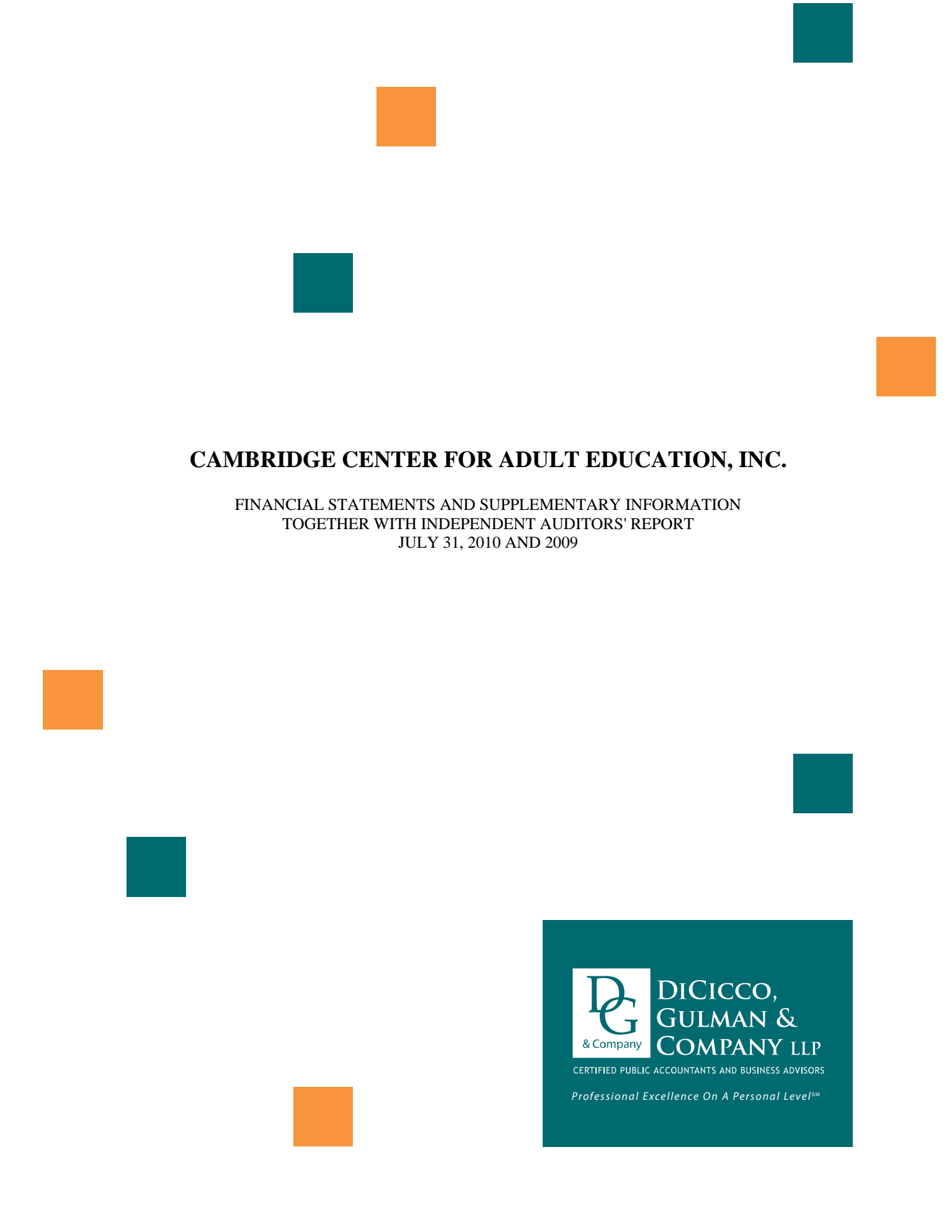
FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION  
TOGETHER WITH INDEPENDENT AUDITORS' REPORT  
JULY 31, 2010 AND 2009



**DI CICCO,  
GULMAN &  
COMPANY LLP**

CERTIFIED PUBLIC ACCOUNTANTS AND BUSINESS ADVISORS

*Professional Excellence On A Personal Level<sup>SM</sup>*



**CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.**

**FINANCIAL STATEMENTS**

**JULY 31, 2010 AND 2009**

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## Independent Auditors' Report

To the Board of Directors  
**Cambridge Center for Adult Education, Inc.**

We have audited the accompanying statements of financial position of Cambridge Center for Adult Education, Inc. (a nonprofit organization) as of July 31, 2010 and 2009, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the 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 Cambridge Center for Adult Education, Inc. as of July 31, 2010 and 2009, 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.

*Di Cicco, Gulman & Company LLP*

November 22, 2010

**CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.**

**STATEMENTS OF FINANCIAL POSITION**

<b>July 31,</b>	<b>2010</b>	<b>2009</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 519,487	\$ 157,582
Accounts receivable	6,070	10,588
Pledges receivable	15,025	8,629
Prepaid expenses	51,184	37,558
Investments	-	143,453
Land, buildings, equipment, and improvements, net	1,268,775	1,276,702
Other assets, deposits	6,600	6,600
	<u>\$ 1,867,141</u>	<u>\$ 1,641,112</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities:</b>		
Accounts payable	\$ 121,714	\$ 97,959
Accrued expenses	141,135	111,471
Deferred tuition and fee income	93,241	66,795
	<u>356,090</u>	<u>276,225</u>
<b>Net assets:</b>		
Unrestricted:		
Undesignated	421,706	259,449
Designated by board for plant	1,011,855	1,095,763
Total unrestricted	<u>1,433,561</u>	<u>1,355,212</u>
Temporarily restricted	77,490	9,675
	<u>1,511,051</u>	<u>1,364,887</u>
	<u>\$ 1,867,141</u>	<u>\$ 1,641,112</u>

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

**CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.**

**STATEMENTS OF ACTIVITIES**

<b>For the years ended July 31,</b>	<b>2010</b>	<b>2009</b>
<b>Unrestricted net assets:</b>		
Revenue and support:		
Educational tuition and fees, net	\$ 2,431,611	\$ 2,587,458
Contributions	118,305	123,639
Special events	54,532	61,328
Auxiliary programs	98,044	114,756
Interest income	133	136
Investment income (loss), net	22,799	(27,378)
Net assets released from restrictions	<u>106,416</u>	<u>26,611</u>
 Total unrestricted revenue and support	 <u>2,831,840</u>	 <u>2,886,550</u>
 Expenses:		
Educational programs	2,399,767	2,709,207
Auxiliary programs	108,721	76,781
Depreciation	101,826	87,892
Fundraising	59,046	95,177
Executive director search, sabbatical, and retirement	79,250	112,114
Loss on disposal of equipment	<u>4,881</u>	<u>5,714</u>
 Total expenses	 <u>2,753,491</u>	 <u>3,086,885</u>
 <b>Increase (decrease) in unrestricted net assets</b>	 <u><b>78,349</b></u>	 <u><b>(200,335)</b></u>
 <b>Temporarily restricted net assets:</b>		
Contributions	158,131	14,550
Government grants	16,100	15,600
Net assets released from restrictions	<u>(106,416)</u>	<u>(26,611)</u>
 <b>Increase in temporarily restricted net assets</b>	 <u><b>67,815</b></u>	 <u><b>3,539</b></u>
 <b>Change in net assets</b>	 <b>146,164</b>	 <b>(196,796)</b>
 <b>Net assets, beginning of year</b>	 <u><b>1,364,887</b></u>	 <u><b>1,561,683</b></u>
 <b>Net assets, end of year</b>	 <u><u><b>\$ 1,511,051</b></u></u>	 <u><u><b>\$ 1,364,887</b></u></u>

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

**CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.**

**STATEMENTS OF CASH FLOWS**

<b>For the years ended July 31,</b>	<b>2010</b>	<b>2009</b>
<b>Cash flows from operating activities:</b>		
Change in net assets	<b>\$ 146,164</b>	<b>\$ (196,796)</b>
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	<b>101,826</b>	87,892
Loss on disposal of equipment	<b>4,881</b>	5,714
Noncash contributions of assets	<b>-</b>	(3,672)
Realized/unrealized (gain) loss on investments	<b>(21,498)</b>	32,749
Changes in assets and liabilities:		
Accounts receivable	<b>4,518</b>	7,772
Pledges receivable	<b>(6,396)</b>	(8,629)
Prepaid expenses	<b>(13,626)</b>	4,378
Accounts payable	<b>18,305</b>	(6,167)
Accrued expenses	<b>29,664</b>	37,583
Deferred tuition and fee income	<b>26,446</b>	(1,749)
Total adjustments	<b>144,120</b>	155,871
<b>Net cash provided by (used in) operating activities</b>	<b>290,284</b>	<b>(40,925)</b>
<b>Cash flows from investing activities:</b>		
Purchase of equipment and improvements	<b>(93,330)</b>	(94,863)
Proceeds from sale of investments	<b>164,951</b>	3,650
Purchases of investments	<b>-</b>	(1,650)
Decrease in temporarily restricted cash	<b>-</b>	6,136
<b>Net cash provided by (used in) investing activities</b>	<b>71,621</b>	<b>(86,727)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>361,905</b>	<b>(127,652)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>157,582</b>	<b>285,234</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 519,487</b>	<b>\$ 157,582</b>

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

# CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

## NOTES TO FINANCIAL STATEMENTS

### Note 1 - Nature of Activities and Summary of Significant Accounting Policies

#### **Nature of Activities**

Cambridge Center for Adult Education, Inc. (the "Center"), a nonprofit organization, was formed on March 21, 1876, under the laws of the Commonwealth of Massachusetts. The Center was created to promote moral, intellectual and social improvement, and the maintenance of premises to be used for a reading room, library, and place for social meetings in the City of Cambridge, Massachusetts. The Center is self-supporting, dependent on tuition income, and is governed by a Board of Directors.

The Center's activities are designed to preserve and manage effectively, for the public benefit, the Center's property, real and personal, and administrative programs for the preservation of these historic properties located at 42 and 56 Brattle Street, Cambridge, Massachusetts.

#### **Basis of Presentation**

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with the accounting principles generally accepted in the United States of America.

#### **Use of Estimates**

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 reported amounts and disclosures. Actual results could differ from these estimates.

#### **Subsequent Events**

The Center has evaluated subsequent events through November 22, 2010, the date the financial statements were approved and authorized for issuance by management, and determined that there have been no subsequent events that would require recognition in, or disclosure in the notes to, the financial statements.

#### **Cash and Cash Equivalents**

The Center considers all unrestricted highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Center maintains its cash and cash equivalents at various financial institutions, which at times may exceed federally insured limits. The Center has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risks on its cash and cash equivalent accounts.

#### **Accounts and Pledges Receivable**

The Center carries its accounts receivables at the amount invoiced less an allowance for doubtful accounts, when required. On a periodic basis, the Center evaluates its accounts receivable for collectability by assessing various factors and, if necessary, establishes an allowance for doubtful accounts based on past experience and current credit conditions. The Center does not charge interest or require collateral on its accounts receivable.

# CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

## NOTES TO FINANCIAL STATEMENTS

### Note 1 - Nature of Activities and Summary of Significant Accounting Policies (Continued)

#### Accounts and Pledges Receivable (Continued)

Unconditional promises to give are included in the financial statements as pledges receivable and support of the appropriate net asset category subject to a discount, if applicable, when a donor makes a promise that is, in substance, unconditional. The Center evaluates its pledges receivable for collectability on a periodic basis and establishes an allowance based on prior experience and an analysis of specific promises made.

At July 31, 2010, the Center considers its accounts and pledges receivable to be fully collectible. Accordingly, no allowance for collectability has been recorded.

#### Fair Value of Financial Instruments

The Center uses a valuation hierarchy for disclosure of the inputs to valuation used to measure fair value of investments in marketable securities. This hierarchy prioritizes the inputs into three broad levels as follows. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument. Level 3 inputs are unobservable inputs based on assumptions used to measure assets and liabilities at fair value. A financial asset's or liability's classification within the hierarchy is determined based on the lowest level of input that is significant to the fair value measurement.

#### Investments

Investments are composed primarily of publicly traded mutual funds and are carried at fair value (Level 1).

#### Land, Buildings, Equipment, and Improvements

Land, buildings, equipment, and improvements are recorded at cost, if purchased or at estimated fair value at the date of gift, if donated. Major additions and improvements are capitalized, while maintenance and repairs, which do not extend the lives of the respective assets, are expensed in the year incurred. Depreciation is computed using the straight-line method over the estimated useful life of the related asset.

Land, buildings, equipment, and improvements, to be held and used by the Center, are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses are recognized based on the excess of the asset's carrying amount over the fair value of the asset, while long-lived assets to be disposed of are reported at the lower of the carrying amount or fair value less cost to sell. For the years ended July 31, 2010 and 2009, no impairment losses were recognized.



# CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

## NOTES TO FINANCIAL STATEMENTS

### Note 1 - Nature of Activities and Summary of Significant Accounting Policies (Continued)

#### Support and Revenue

The Center recognizes educational tuition and fees, net of refunds or scholarship awards, in the period in which the related educational instruction is performed. Accordingly, educational tuition and fees received for the next school term are deferred until instruction commences and are reported as deferred tuition and fee income on the Statements of Financial Position.

Unrestricted contributions are recorded as support when received or unconditionally pledged. All contributions are available for unrestricted use unless specifically restricted by the donor. Donor restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restriction. Transfers are made to unrestricted net assets as costs are incurred or time restrictions have lapsed.

Contributions of donated noncash assets are recorded at fair value in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided as a donation, are recorded at fair values in the period received. For the year ended July 31, 2010 there were no donated services meeting the criteria. For the year ended July 31, 2009, approximately \$2,500 of donated services meeting the criteria for recognition is included in contributions on the Statements of Activities. The Center also received donated services from a variety of volunteers assisting the Center which do not meet the criteria for recognition of donated services. Management estimates the amount at greater than 1,000 hours for the years ended July 31, 2010 and 2009.

#### Income Taxes

The Center is exempt from income taxes under Internal Revenue Code (“IRC”) Section 501(c)(3), therefore contributions made to the Center are deductible by donors as provided in IRC Section 170.

Accounting standards prescribed the threshold a tax position is required to meet before being recognized in the financial statements. For purposes of this standard, the tax-exempt status of the Center is considered a tax position. An additional liability for uncertain tax positions (“UTPs”) is recognized and recorded as a component of current income tax expense for differences between financial and income tax reporting positions which do not meet this threshold. Any interest and penalties related to UTPs are recorded as a component of income tax expense.

The Center has reviewed its income tax filings that remain subject to examination by tax authorities and has not identified any material UTPs and thus has not recorded any additional liability at July 31, 2010. Consequently, the implementation of this new standard did not have a material impact on the Center’s financial position, cash flows, or change in net assets.

The Center files tax returns in federal and state jurisdictions. The Center is no longer subject to examinations by tax authorities for years prior to 2006. Currently, there are no income tax audits in process.

# CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

## NOTES TO FINANCIAL STATEMENTS

### Note 1 - Nature of Activities and Summary of Significant Accounting Policies (Continued)

#### Net Assets

##### Unrestricted

Unrestricted net assets are resources over which the Board of Directors has discretionary control.

##### Temporarily Restricted

The Center receives grants and contributions which are designated by donors for specific purposes or for specified time periods. These contributions are recorded as temporarily restricted net assets until they are expended for their designated purposes or the time restriction lapses. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

##### Permanently Restricted

Permanently restricted net assets are those resources subject to donor-imposed restrictions that they be maintained permanently by the Center. As of July 31, 2010 and 2009, there were no net assets in this category.

#### Expense Allocation

The costs of providing various programs and supporting services have been summarized on a functional basis in the Statements of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

#### Advertising

The Center expenses advertising costs as they are incurred. Advertising costs were approximately \$19,300 and \$17,500 for the years ended July 31, 2010 and 2009, respectively, and are included in educational programs expense on the Statements of Activities.

### Note 2 - Investments

The following schedule summarizes the investment gain, net, and its classification in the statement of activities for the year ended July 31:

	<u>2010</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Interest and dividends	\$ 1,301	\$ -	\$ 1,301
Realized gains	<u>21,498</u>	<u>-</u>	<u>21,498</u>
Total investment return	<u>\$ 22,799</u>	<u>\$ -</u>	<u>\$ 22,799</u>

**CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**Note 2 - Investments (Continued)**

	2009		
	Unrestricted	Temporarily Restricted	Total
Interest and dividends	\$ 5,371	\$ -	\$ 5,371
Realized losses	(23)	-	(23)
Unrealized losses	(32,726)	-	(32,726)
Total investment return	\$ (27,378)	\$ -	\$ (27,378)

**Note 3 - Land, Buildings, Equipment, and Improvements, Net**

At July 31, land, buildings, equipment, and improvements, net consist of the following:

	2010	2009
Brattle House	\$ 26,029	\$ 26,029
Kate Elmer Roberts Wing	136,062	136,062
Blacksmith House	461,560	461,560
Blacksmith House addition	656,975	656,975
5 Story Street	299,008	299,008
Furniture and fixtures	153,978	154,538
Computer equipment	148,599	143,545
Building improvements	1,069,501	1,009,455
Registration system	128,998	124,711
Telephone system	28,156	28,156
Air conditioning equipment	23,025	23,025
	3,131,891	3,063,064
Less accumulated depreciation	1,863,116	1,786,362
	\$ 1,268,775	\$ 1,276,702

**Note 4 - Temporarily Restricted Net Assets**

At July 31, temporarily restricted net assets consist of funds held for:

	2010	2009
Roof Improvements	\$ 76,565	\$ -
Writing workshop	925	925
Time restrictions	-	8,750
	\$ 77,490	\$ 9,675

# CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

## NOTES TO FINANCIAL STATEMENTS

### Note 5 - Net Assets Released from Restrictions

Temporarily restricted net assets were released from donor restrictions during the years ended July 31, 2010 and 2009 by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors as follows:

	<u>2010</u>	<u>2009</u>
Enhancement of educational and cultural courses	\$ 16,100	\$ 15,600
Operation of the Studio School	1,500	800
Completion of the Wood Challenge	-	10,211
Expiration of time restriction	<u>88,816</u>	<u>-</u>
	<u>\$ 106,416</u>	<u>\$ 26,611</u>

### Note 6 - Retirement Plan

The Center sponsors a qualified defined contribution retirement plan (the "Plan") for the benefit of all eligible employees. The Plan allows employees to contribute, on a pre-tax basis, eligible compensation subject to the maximum amount allowable by the Internal Revenue Service, as defined by the Plan. Employer contributions, made in accordance with the Plan, were \$45,334 for the year ended July 31, 2009. No contributions were made to the plan for the year ended July 31, 2010.

### Note 7 - Transition and Retirement Agreement

During 2009, the Center entered into a Transition and Retirement Agreement (the "Agreement") with the former executive director. The Agreement calls for monthly payments of approximately \$4,200 commencing September 2009 and ending August 2012. The maximum potential liability under the Agreement is \$150,300. Payments under the Agreement are subject to various limitation provisions. Due to these limitations, management estimated the liability under the Agreement to be approximately \$71,000 and included this amount in accrued expenses on the Statements of Financial Position at July 31, 2009. Management reevaluated the liability under the Agreement at July 31, 2010 and determined that the maximum potential liability will be paid. Accrued expenses on the Statements of Financial Position at July 31, 2010 includes approximately \$104,000 to recognize the Center's remaining liability under the agreement.

### Note 8 - Commitment and Contingency

#### Operating Lease

The Center leases property located at 12 Plympton Street in Cambridge, Massachusetts under a noncancelable operating lease through May 2014. Rent expense relating to the lease was \$79,375 and \$75,423 for the years ended July 31, 2010 and 2009.

**CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**Note 8 - Commitment and Contingency (Continued)**

**Operating Lease (Continued)**

Future minimum lease payments for the years ending July 31 are as follows:

2011	\$	79,639
2012		81,232
2013		82,856
2014		<u>70,195</u>
	\$	<u>313,922</u>

**Unemployment Liability**

The Center has elected under Massachusetts law to forgo contributing to the state unemployment insurance fund and to pay potential unemployment claims under the "reimbursable method" (the "Method"). Under the Method, the Center is required to "reimburse" the Commonwealth of Massachusetts for any approved unemployment claims. No amount has been accrued for this contingent liability as the amount is not reasonably estimatable.

**Note 9 - Cash Flow Information**

An accrual for land, buildings, equipment, and improvements of \$5,450 was included in accounts payable at July 31, 2010.

During 2010, equipment with a cost basis of \$29,952 and accumulated depreciation of \$25,701 were disposed of and written off.

## SUPPLEMENTARY INFORMATION



**DI CICCICO, GULMAN & COMPANY LLP**

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*Professional Excellence On A Personal Level<sup>SM</sup>*

Independent Auditors' Report on Supplementary Information

To the Board of Directors  
**Cambridge Center for Adult Education, Inc.**

Our report on our audits of the basic financial statements of Cambridge Center for Adult Education, Inc. (a Massachusetts nonprofit organization) for the years ended July 31, 2010 and 2009 appears on page one. These audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplementary information as of and for the years ended July 31, 2010 and 2009 contained on pages 13 - 20, is presented for the purposes of additional analysis and is not required as part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the basic financial statements and, accordingly, we express no opinion on it.

*Di Cicco, Gulman & Company LLP*

November 22, 2010

**CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.**

**SCHEDULES OF CHANGES IN UNRESTRICTED  
UNDESIGNATED NET ASSETS**

<b>For the years ended July 31,</b>	<b>2010</b>	<b>2009</b>
<b>Revenues and support:</b>		
Educational tuition and fees:		
Tuition and fees, net	\$ 2,418,200	\$ 2,542,643
Evening programs	25,870	33,709
Resale	59,684	65,894
Other	23,358	25,507
Total educational tuition and fees	<u>2,527,112</u>	<u>2,667,753</u>
Less scholarships	<u>(95,501)</u>	<u>(80,295)</u>
Educational tuition and fees, net	2,431,611	2,587,458
Contributions	118,305	123,639
Special events	54,532	61,328
Auxiliary programs	98,044	114,756
Interest income	133	136
Total revenues	<u>2,702,625</u>	<u>2,887,317</u>
<b>Net assets released from restrictions:</b>		
Satisfaction of purpose restrictions	<u>106,416</u>	<u>26,611</u>
Total net assets released from restrictions	<u>106,416</u>	<u>26,611</u>
Total revenues and support	<u>2,809,041</u>	<u>2,913,928</u>
<b>Expenses:</b>		
Educational programs:		
Educational programs administration	2,067,175	2,329,052
Operation of Brattle House	100,662	120,636
Operation of Blacksmith House	90,631	106,929
Operation of 5 Story Street	39,840	48,662
Operation of Plympton Street	101,459	103,928
Total educational programs	<u>2,399,767</u>	<u>2,709,207</u>
Auxiliary programs	108,721	76,781
Fundraising	59,046	95,177
Executive director search, sabbatical, and retirement	79,250	112,114
Total expenses	<u>2,646,784</u>	<u>2,993,279</u>
<b>Net increase (decrease) in unrestricted     undesignated net assets</b>	<u><u>\$ 162,257</u></u>	<u><u>\$ (79,351)</u></u>



**CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.**

**SCHEDULES OF EDUCATIONAL PROGRAMS**

<b>For the years ended July 31,</b>	<b>2010</b>		<b>2009</b>	
	<b>Amount</b>	<b>Per Student (A)</b>	<b>Amount</b>	<b>Per Student (B)</b>
<b>Educational programs revenues and support:</b>				
Tuition and fees:				
Tuition, net	\$ 2,245,195	\$ 151.50	\$2,379,055	\$ 144.88
Registration fees	77,504	5.23	83,293	5.07
Scholarships	95,501	6.44	80,295	4.89
Tuition and fees, net	<u>2,418,200</u>	<u>163.17</u>	<u>2,542,643</u>	<u>154.84</u>
Evening programs	25,870	1.75	33,709	2.05
Resale	59,684	4.03	65,894	4.01
Other	23,358	1.58	25,507	1.55
Other fees	<u>108,912</u>	<u>7.36</u>	<u>125,110</u>	<u>7.61</u>
Total educational tuition and fees	2,527,112	170.52	2,667,753	162.46
Less scholarships	<u>(95,501)</u>	<u>(6.44)</u>	<u>(80,295)</u>	<u>(4.89)</u>
Educational tuition and fees, net	<u>2,431,611</u>	<u>164.08</u>	<u>2,587,458</u>	<u>157.57</u>
<b>Net assets released from restrictions:</b>				
Satisfaction of purpose restrictions	<u>106,416</u>	<u>7.18</u>	<u>26,611</u>	<u>1.62</u>
Total net assets released from restrictions	<u>106,416</u>	<u>7.18</u>	<u>26,611</u>	<u>1.62</u>
Total educational programs revenues and support	<u>2,538,027</u>	<u>171.26</u>	<u>2,614,069</u>	<u>159.19</u>
<b>Educational programs expenses:</b>				
Educational programs administration	2,067,175	139.49	2,329,052	141.83
Operation of Brattle House	100,662	6.79	120,636	7.35
Operation of Blacksmith House	90,631	6.12	106,929	6.51
Operation of 5 Story Street	39,840	2.69	48,662	2.96
Operation of Plympton Street	101,459	6.85	103,928	6.33
Total educational programs expenses	<u>2,399,767</u>	<u>161.94</u>	<u>2,709,207</u>	<u>164.98</u>
<b>Excess of revenue (expenses) over revenues and support</b>	<u>\$ 138,260</u>	<u>\$ 9.32</u>	<u>\$ (95,138)</u>	<u>\$ (5.79)</u>

(A) Per student based on 14,820 registrations during the year

(B) Per student based on 16,421 registrations during the year

**CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.**

**SCHEDULES OF EDUCATIONAL PROGRAMS EXPENSES**

<b>For the years ended July 31,</b>	<b>2010</b>		<b>2009</b>	
	<b>Amount</b>	<b>Per Student (A)</b>	<b>Amount</b>	<b>Per Student (B)</b>
Educational programs administration				
Faculty fees	\$ 587,321	\$ 39.63	\$ 631,524	\$ 38.46
Credit card processing charges	59,276	4.00	63,323	3.86
Class supplies	63,541	4.29	73,147	4.45
Class equipment	6,276	0.42	4,764	0.29
Class rental	19,743	1.33	38,243	2.33
Subtotal	<u>736,157</u>	<u>49.67</u>	<u>811,001</u>	<u>49.39</u>
Staff salaries, payroll taxes, health insurance and pension expenses	817,811	55.18	885,253	53.91
Temporary salaries and payroll taxes	42,530	2.87	86,162	5.25
Administrative data processing	11,213	0.76	10,966	0.67
Booklets and catalogs	121,790	8.22	185,306	11.28
Mail service and booklet delivery	27,493	1.86	29,329	1.79
Postage	82,259	5.55	81,998	4.99
Advertising and publicity expense	19,343	1.31	17,528	1.07
Promotional expense	8,954	0.60	13,034	0.79
Office expense	42,375	2.86	43,323	2.64
Telephone	14,451	0.98	14,711	0.90
Transportation and conferences	22,725	1.53	23,800	1.45
Professional fees	39,395	2.66	39,245	2.39
Evening programs	15,179	1.02	19,449	1.18
Poetry	8,736	0.59	9,174	0.56
Resale	54,560	3.68	55,574	3.38
Other	2,204	0.15	3,199	0.19
Subtotal	<u>1,331,018</u>	<u>89.82</u>	<u>1,518,051</u>	<u>92.44</u>
Total	<u>\$ 2,067,175</u>	<u>\$ 139.49</u>	<u>\$ 2,329,052</u>	<u>\$ 141.83</u>

(A) Per student based on 14,820 registrations during the year

(B) Per student based on 16,421 registrations during the year

**CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.**

**SCHEDULES OF EDUCATIONAL PROGRAMS EXPENSES (CONTINUED)**

For the years ended July 31,	2010		2009	
	Amount	Per Student (A)	Amount	Per Student (B)
Operation of Brattle House				
Cleaning wages	\$ 21,203	\$ 1.43	\$ 26,952	\$ 1.64
Supplies	10,214	0.69	12,219	0.74
Equipment and furnishings maintenance	1,053	0.07	378	0.03
Utilities	20,276	1.37	27,661	1.68
Subtotal	<u>52,746</u>	<u>3.56</u>	<u>67,210</u>	<u>4.09</u>
Payments in lieu of real estate taxes	1,687	0.11	1,617	0.10
Insurance	16,825	1.14	16,360	1.00
Repairs	29,404	1.98	35,449	2.16
Subtotal	<u>47,916</u>	<u>3.23</u>	<u>53,426</u>	<u>3.26</u>
Total operation of Brattle House	<u>\$ 100,662</u>	<u>\$ 6.79</u>	<u>\$ 120,636</u>	<u>\$ 7.35</u>
Operation of Blacksmith House				
Cleaning wages	\$ 48,439	\$ 3.27	\$ 55,025	\$ 3.35
Supplies	7,182	0.49	8,822	0.54
Equipment and furnishings maintenance	207	0.01	2,354	0.14
Utilities	11,135	0.75	12,473	0.76
Subtotal	<u>66,963</u>	<u>4.52</u>	<u>78,674</u>	<u>4.79</u>
Payments in lieu of real estate taxes	516	0.03	-	-
Insurance	7,449	0.51	7,279	0.44
Repairs	15,703	1.06	20,976	1.28
Subtotal	<u>23,668</u>	<u>1.60</u>	<u>28,255</u>	<u>1.72</u>
Total operation of Blacksmith House	<u>\$ 90,631</u>	<u>\$ 6.12</u>	<u>\$ 106,929</u>	<u>\$ 6.51</u>

(A) Per student based on 14,820 registrations during the year

(B) Per student based on 16,421 registrations during the year

**CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.**

**SCHEDULES OF EDUCATIONAL PROGRAMS EXPENSES (CONTINUED)**

<b>For the years ended July 31,</b>	<b>2010</b>		<b>2009</b>	
	<b>Amount</b>	<b>Per Student (A)</b>	<b>Amount</b>	<b>Per Student (B)</b>
<b>Operation of 5 Story Street</b>				
Cleaning wages	\$ 19,148	\$ 1.29	\$ 19,292	\$ 1.17
Supplies	140	0.01	214	0.01
Utilities	8,406	0.57	9,411	0.57
Subtotal	<u>27,694</u>	<u>1.87</u>	<u>28,917</u>	<u>1.75</u>
Payments in lieu of real estate taxes	-	-	247	0.02
Insurance	3,739	0.25	3,635	0.22
Repairs	8,407	0.57	15,863	0.97
Subtotal	<u>12,146</u>	<u>0.82</u>	<u>19,745</u>	<u>1.21</u>
<b>Total operation of 5 Story Street</b>	<u><b>\$ 39,840</b></u>	<u><b>\$ 2.69</b></u>	<u><b>\$ 48,662</b></u>	<u><b>\$ 2.96</b></u>
<b>Operation of Plympton Street</b>				
Cleaning wages	\$ 16,222	\$ 1.09	\$ 21,860	\$ 1.33
Supplies	1,941	0.13	2,502	0.15
Equipment and furnishings maintenance	-	-	40	-
Utilities	3,284	0.22	3,765	0.23
Subtotal	<u>21,447</u>	<u>1.44</u>	<u>28,167</u>	<u>1.71</u>
Class rental	79,375	5.36	75,423	4.59
Repairs	637	0.05	338	0.03
Subtotal	<u>80,012</u>	<u>5.41</u>	<u>75,761</u>	<u>4.62</u>
<b>Total operation of Plympton Street</b>	<u><b>\$ 101,459</b></u>	<u><b>\$ 6.85</b></u>	<u><b>\$ 103,928</b></u>	<u><b>\$ 6.33</b></u>

(A) Per student based on 14,820 registrations during the year

(B) Per student based on 16,421 registrations during the year

**CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.**

**SCHEDULES OF AUXILIARY PROGRAMS**

<b><u>For the years ended July 31,</u></b>	<b><u>2010</u></b>	<b><u>2009</u></b>
Auxiliary programs revenue		
Blacksmith House café rent	\$ 51,000	\$ 51,000
Story Street rent	15,600	15,600
Other	31,444	48,156
Total auxiliary programs revenue	<u>98,044</u>	<u>114,756</u>
 Auxiliary programs expenses		
Blacksmith House café	46,594	45,790
Story Street	12,369	15,648
Other	49,758	15,343
Total auxiliary program expenses	<u>108,721</u>	<u>76,781</u>
 Excess of auxiliary programs revenue over expenses	<u>\$ (10,677)</u>	<u>\$ 37,975</u>

**CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.**

**SCHEDULES OF AUXILIARY PROGRAMS EXPENSES**

<b>For the years ended July 31,</b>	<b>2010</b>	<b>2009</b>
Auxiliary programs expenses		
Blacksmith House Café		
Professional fees	\$ 871	\$ 1,587
Cleaning	4,674	4,643
Equipment and furnishings	-	612
Utilities	16,800	18,710
Rubbish disposal	3,768	4,776
Subtotal	<u>26,113</u>	<u>30,328</u>
Repairs and maintenance	8,865	4,664
Insurance	5,637	5,446
Real estate tax	5,979	5,352
Subtotal	<u>20,481</u>	<u>15,462</u>
Total Blacksmith House Café	<u>46,594</u>	<u>45,790</u>
Story Street:		
Professional fees	871	1,587
Utilities	5,220	5,442
Subtotal	<u>6,091</u>	<u>7,029</u>
Repairs and maintenance (building)	2,539	4,737
Payments in lieu of real estate taxes	-	247
Insurance	3,739	3,635
Subtotal	<u>6,278</u>	<u>8,619</u>
Total Story Street	<u>12,369</u>	<u>15,648</u>
Other	<u>49,758</u>	<u>15,343</u>
Total auxiliary programs expenses	<u><u>\$ 108,721</u></u>	<u><u>\$ 76,781</u></u>

**CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.**

**SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS**

**FOR THE YEAR ENDED JULY 31, 2010**

	Undesignated	Board Designated	Temporarily Restricted	Total
<b>Revenues and support:</b>				
Educational tuition and fees:				
Tuition and fees, net	\$ 2,418,200	\$ -	\$ -	\$ 2,418,200
Evening programs	25,870	-	-	25,870
Resale	59,684	-	-	59,684
Other	23,358	-	-	23,358
Total educational tuition and fees	2,527,112	-	-	2,527,112
Less scholarships	(95,501)	-	-	(95,501)
Educational tuition and fees, net	2,431,611	-	-	2,431,611
Contributions	118,305	-	158,131	276,436
Government grants	-	-	16,100	16,100
Special events	54,532	-	-	54,532
Auxiliary programs	98,044	-	-	98,044
Interest income	133	-	-	133
Investment income	-	22,799	-	22,799
Total revenues	2,702,625	22,799	174,231	2,899,655
<b>Net assets released from restrictions:</b>				
Satisfaction of purpose restrictions	106,416	-	(106,416)	-
Total net assets released from restrictions	106,416	-	(106,416)	-
Total revenues and support	2,809,041	22,799	67,815	2,899,655
<b>Expenses:</b>				
Educational programs:				
Educational programs administration	2,067,175	-	-	2,067,175
Operation of Brattle House	100,662	-	-	100,662
Operation of Blacksmith House	90,631	-	-	90,631
Operation of 5 Story Street	39,840	-	-	39,840
Operation of Plympton Street	101,459	-	-	101,459
Total educational programs	2,399,767	-	-	2,399,767
Auxiliary programs	108,721	-	-	108,721
Depreciation	-	101,826	-	101,826
Fundraising	59,046	-	-	59,046
Sabbatical and retirement	79,250	-	-	79,250
Loss on disposal of equipment	-	4,881	-	4,881
Total expenses	2,646,784	106,707	-	2,753,491
<b>Change in net assets</b>	162,257	(83,908)	67,815	146,164
<b>Net assets, beginning of year</b>	259,449	1,095,763	9,675	1,364,887
<b>Net assets, end of year</b>	\$ 421,706	\$ 1,011,855	\$ 77,490	\$ 1,511,051