



CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

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



**DI CICCO,
GULMAN &
COMPANY LLP**

CERTIFIED PUBLIC ACCOUNTANTS AND BUSINESS ADVISORS

Professional Excellence On A Personal LevelSM



CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

FINANCIAL STATEMENTS

JULY 31, 2009

Table of Contents

Independent Auditors' Report	1
Financial Statements:	
Statement of Financial Position	2
Statement of Activities	3
Statement of Cash Flows	4
Notes to Financial Statements	5 - 11
Independent Auditors' Report on Supplementary Information	12
Supplementary Information:	
Schedule of Changes in Unrestricted Undesignated Net Assets	13
Schedule of Educational Programs	14
Schedule of Educational Programs Expenses	15 - 17
Schedule of Auxiliary Programs	18
Schedule of Auxiliary Programs Expenses	19
Schedule of Activities and Changes in Net Assets	20



DI CICCICO, GULMAN & COMPANY LLP

CERTIFIED PUBLIC ACCOUNTANTS AND BUSINESS ADVISORS

Professional Excellence On A Personal LevelSM

Independent Auditors' Report

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

We have audited the accompanying statement of financial position of Cambridge Center for Adult Education, Inc. (a nonprofit organization) as of July 31, 2009, and the related statements of activities and cash flows for the year 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 audit.

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 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 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 Cambridge Center for Adult Education, Inc as of July 31, 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.

Di Cicco, Gulman & Company LLP

September 28, 2009

CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

STATEMENT OF FINANCIAL POSITION

JULY 31, 2009

ASSETS

Cash and cash equivalents	\$ 157,582
Accounts receivable	10,588
Pledges receivable	8,629
Prepaid expenses	37,558
Investments	143,453
Land, buildings, equipment, and improvements, net	1,276,702
Other assets, deposits	6,600
	<u>6,600</u>
	<u>\$ 1,641,112</u>

LIABILITIES AND NET ASSETS

Liabilities:

Accounts payable	\$ 97,959
Accrued expenses	111,471
Deferred tuition and fee income	66,795
	<u>66,795</u>
Total liabilities	<u>276,225</u>

Net assets:

Unrestricted:	
Undesignated	259,449
Designated by board for plant	1,095,763
Total unrestricted	<u>1,355,212</u>
Temporarily restricted	<u>9,675</u>
Total net assets	<u>1,364,887</u>
	<u>\$ 1,641,112</u>

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

CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JULY 31, 2009

Unrestricted net assets:

Revenue and support:

Educational tuition and fees, net	\$ 2,587,458
Contributions	123,639
Special events	61,328
Auxiliary programs	114,756
Interest income	136
Investment loss, net	(27,378)
Net assets released from restrictions	<u>26,611</u>

Total unrestricted revenue and support 2,886,550

Expenses:

Educational programs	2,709,207
Auxiliary programs	76,781
Depreciation	87,892
Fundraising	95,177
Executive director search, sabbatical, and retirement	112,114
Loss on disposal of equipment	<u>5,714</u>

Total expenses 3,086,885

Decrease in unrestricted net assets (200,335)

Temporarily restricted net assets:

Contributions	14,550
Government grants	15,600
Net assets released from restrictions	<u>(26,611)</u>

Increase in temporarily restricted net assets 3,539

Change in net assets (196,796)

Net assets, beginning of year 1,561,683

Net assets, end of year \$ 1,364,887

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

CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JULY 31, 2009

Cash flows from operating activities:	
Change in net assets	<u>\$ (196,796)</u>
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation	87,892
Loss on disposal of equipment	5,714
Noncash contributions of assets	(3,672)
Realized/unrealized loss on investments	32,749
Changes in assets and liabilities:	
Accounts receivable	7,772
Pledges receivable	(8,629)
Prepaid expenses	4,378
Accounts payable	(6,167)
Accrued expenses	37,583
Deferred tuition and fee income	(1,749)
Total adjustments	<u>155,871</u>
Net cash used in operating activities	<u>(40,925)</u>
Cash flows from investing activities:	
Purchase of equipment and improvements	(94,863)
Proceeds from sale of investments	3,650
Purchases of investments	(1,650)
Decrease in temporarily restricted cash	<u>6,136</u>
Net cash used in investing activities	<u>(86,727)</u>
Net decrease in cash and cash equivalents	(127,652)
Cash and cash equivalents, beginning of year	<u>285,234</u>
Cash and cash equivalents, end of year	<u><u>\$ 157,582</u></u>

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

Management has evaluated events and transactions subsequent to July 31, 2009 through September 28, 2009, the date which the financial statements were approved and authorized for issuance by management.

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 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, 2009, the Center considers its accounts and pledges receivable to be fully collectible. Accordingly, no allowance for doubtful accounts or pledges has been recorded.

Investments

Investments are composed primarily of publicly traded mutual funds and are carried at fair value.

Fair Value of Financial Instruments

The Center adopted Financial Accounting Standards Board (“FASB”) Statement No. 157 (“FASB No. 157”) effective July 1, 2008 for financial assets and liabilities measured on a recurring basis. FASB No. 157 applies to all financial assets and financial liabilities that are being measured and reported on a fair value basis. FASB No. 157 establishes a framework for measuring fair value and expands disclosure about fair value measurements. The statement requires fair value measurements to be classified and disclosed in one of the following three categories:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets and liabilities;

Level 2: Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability;

Level 3: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

There was no impact on net assets or the change in net assets as presented in the financial statements as a result of the adoption of FASB No. 157.

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.

CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

NOTES TO FINANCIAL STATEMENTS

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

Long-Lived Assets

Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used 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 year ended July 31, 2009, no impairment loss was recognized.

Support and Revenue

The Center recognizes educational tuition and fees, net of refunds or 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 income on the Statement 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, 2009, approximately \$2,500 of donated services meeting the criteria for recognition are included in contributions on the Statement 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 year ended July 31, 2009.

Income Taxes

The Center is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Center is not classified as a private foundation, therefore contributions made to the Center are deductible by donors as provided in Section 170 of the Internal Revenue Code.

CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

NOTES TO FINANCIAL STATEMENTS

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

Income Taxes (Continued)

In June 2006, the FASB issued FASB Interpretation No. 48 (“FIN 48”), *Accounting for Uncertainty in Income Taxes, an interpretation of FASB Statement No. 109*. FIN 48 prescribes a comprehensive model for how an organization should measure, recognize, present, and disclose in its financial statements uncertain tax positions that the organization has taken or expects to take on a tax return and also provides guidance on de-recognition, classification, interest and penalties, disclosure and transition. FIN 48 applies to all tax positions accounted for in the financial statements in accordance with SFAS No. 109, *Accounting for Income Taxes* including positions taken in a previously filed tax return or expected to be taken in a future return. Under FIN 48, the organization recognizes the tax benefits from uncertain tax positions only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such positions are then measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement.

On December 30, 2008, the FASB issued FASB Staff Position (“FSP”) FIN 48-3, *Effective Date of FASB Interpretation No. 48 for Certain Nonpublic Enterprises*. The FSP defers the effective date of FIN 48 for certain nonpublic enterprises to the enterprise’s annual financial statements for fiscal years beginning after December 15, 2008. The Center has elected to defer the application of FIN 48 until this time. It is the Center’s policy to currently recognize the effect of uncertain tax positions in its financial statements on an as-filed basis. Any changes in uncertain tax positions are recorded in the period when the ultimate outcome becomes known.

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, 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 Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

NOTES TO FINANCIAL STATEMENTS

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

Advertising

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

Note 2 - Investments and Fair Value Information

Investments by type of security and classification in the accompanying statement of financial position are as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
Unrestricted: Equity mutual funds	\$ 155,182	\$ 143,453	\$ 143,453

The following schedule summarizes the investment loss, net, and its classification in the statement of activities for the year ended July 31, 2009:

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

The following table sets forth by level, within the fair value framework, the Center's assets measured at fair value at July 31, 2009:

	<u>2009</u>	<u>Quoted Prices In Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Investments	<u>\$ 143,453</u>	<u>\$ 143,453</u>	<u>\$ -</u>	<u>\$ -</u>

CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

NOTES TO FINANCIAL STATEMENTS

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

Land, buildings, equipment, and improvements, net consist of the following at July 31, 2009:

Brattle House	\$ 26,029
Kate Elmer Roberts Wing	136,062
Blacksmith House	461,560
Blacksmith House addition	656,975
5 Story Street	299,008
Furniture and fixtures	154,538
Computer equipment	143,545
Building improvements	1,009,455
Registration system	124,711
Telephone system	28,156
Air conditioning equipment	<u>23,025</u>
	3,063,064
Less accumulated depreciation	<u>1,786,362</u>
Land, buildings, equipment, and improvements, net	<u>\$ 1,276,702</u>

Note 4 - Temporarily Restricted Net Assets

Temporarily restricted net assets as of July 31, 2009 consist of:

Time restricted	\$ 8,750
Writing workshop	<u>925</u>
	<u>\$ 9,675</u>

Note 5 - Net Assets Released from Restrictions

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

Enhancement of educational and cultural courses	\$ 15,600
Operation of the Studio School	800
Completion of the Wood Challenge	<u>10,211</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 are made in accordance with the Plan. The Center contributed \$45,334 to this plan during the year ended July 31, 2009.

CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

NOTES TO FINANCIAL STATEMENTS

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. Payments under the Agreement are subject to various limitation provisions. Due to these limitations, management estimates the liability under the Agreement to be approximately \$71,000 and has included this amount in accrued expenses on the Statement of Financial Position. The total potential liability of the Center under the Agreement is \$150,300.

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 2011. Rent expense relating to the lease was \$75,423 for the year ended July 31, 2009.

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

2010	\$	79,375
2011		<u>66,146</u>
	\$	<u>145,521</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.

SUPPLEMENTARY INFORMATION



DI CICCICO, GULMAN & COMPANY LLP

CERTIFIED PUBLIC ACCOUNTANTS AND BUSINESS ADVISORS

Professional Excellence On A Personal LevelSM

Independent Auditors' Report on Supplementary Information

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

Our report on our audit of the basic financial statements of Cambridge Center for Adult Education, Inc. (a nonprofit organization) for the year ended July 31, 2009 appears on page one. The audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information as of and for the year ended July 31, 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 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.

Di Cicco, Gulman & Company LLP

September 28, 2009

CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

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

FOR THE YEAR ENDED JULY 31, 2009

Revenues and support:

Educational tuition and fees:

Tuition and fees, net	\$ 2,542,643
Evening programs	33,709
Resale	65,894
Other	25,507
Total educational tuition and fees	<u>2,667,753</u>
Less scholarships	<u>(80,295)</u>
Educational tuition and fees, net	2,587,458

Contributions	123,639
Special events	61,328
Auxiliary programs	114,756
Interest income	136
Total revenues	<u>2,887,317</u>

Net assets released from restrictions:

Satisfaction of purpose restrictions	26,611
Total net assets released from restrictions	<u>26,611</u>

Total revenues and support	<u>2,913,928</u>
----------------------------	------------------

Expenses:

Educational programs:

Educational programs administration	2,329,052
Operation of Brattle House	120,636
Operation of Blacksmith House	106,929
Operation of 5 Story Street	48,662
Operation of Plympton Street	103,928
Total educational programs	<u>2,709,207</u>

Auxiliary programs	76,781
Fundraising	95,177
Executive director search, sabbatical, and retirement	112,114
	<u>112,114</u>

Total expenses	<u>2,993,279</u>
----------------	------------------

Net decrease in unrestricted undesignated net assets	<u><u>\$ (79,351)</u></u>
---	---------------------------

CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

SCHEDULE OF EDUCATIONAL PROGRAMS

FOR THE YEAR ENDED JULY 31, 2009

	<u>Amount</u>	<u>Per Student (A)</u>
Educational programs revenues and support:		
Tuition and fees:		
Tuition, net	\$ 2,379,055	\$ 144.88
Registration fees	83,293	5.07
Scholarships	80,295	4.89
Tuition and fees, net	<u>2,542,643</u>	<u>154.84</u>
Evening programs	33,709	2.05
Resale	65,894	4.01
Other	25,507	1.55
Other fees	<u>125,110</u>	<u>7.61</u>
Total educational tuition and fees	2,667,753	162.46
Less scholarships	(80,295)	(4.89)
Educational tuition and fees, net	<u>2,587,458</u>	<u>157.57</u>
Net assets released from restrictions:		
Satisfaction of purpose restrictions	<u>26,611</u>	<u>1.62</u>
Total net assets released from restrictions	<u>26,611</u>	<u>1.62</u>
Total educational programs revenues and support	<u>2,614,069</u>	<u>159.19</u>
Educational programs expenses:		
Educational programs administration	2,329,052	141.83
Operation of Brattle House	120,636	7.35
Operation of Blacksmith House	106,929	6.51
Operation of 5 Story Street	48,662	2.96
Operation of Plympton Street	103,928	6.33
Total educational programs expenses	<u>2,709,207</u>	<u>164.98</u>
Excess of expenses over revenues and support	<u>\$ (95,138)</u>	<u>\$ (5.79)</u>

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

CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

SCHEDULE OF EDUCATIONAL PROGRAMS EXPENSES

FOR THE YEAR ENDED JULY 31, 2009

	<u>Amount</u>	<u>Per Student (A)</u>
Educational programs administration		
Faculty fees	\$ 631,524	\$ 38.46
Credit card processing charges	63,323	3.86
Class supplies	73,147	4.45
Class equipment	4,764	0.29
Class rental	38,243	2.33
	<hr/>	<hr/>
Subtotal	811,001	49.39
	<hr/>	<hr/>
Staff salaries, payroll taxes, health insurance and pension expenses	885,253	53.91
Temporary salaries and payroll taxes	86,162	5.25
Administrative data processing	10,966	0.67
Booklets and catalogs	185,306	11.28
Mail service and booklet delivery	29,329	1.79
Postage	81,998	4.99
Advertising and publicity expense	17,528	1.07
Promotional expense	13,034	0.79
Office expense	43,323	2.64
Telephone	14,711	0.90
Transportation and conferences	23,800	1.45
Professional fees	39,245	2.39
Evening programs	19,449	1.18
Poetry	9,174	0.56
Resale	55,574	3.38
Other	3,199	0.19
	<hr/>	<hr/>
Subtotal	1,518,051	92.44
	<hr/>	<hr/>
Total	\$ 2,329,052	\$ 141.83
	<hr/> <hr/>	<hr/> <hr/>

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

CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

SCHEDULE OF EDUCATIONAL PROGRAMS EXPENSES (CONTINUED)

FOR THE YEAR ENDED JULY 31, 2009

	<u>Amount</u>	<u>Per Student (A)</u>
Operation of Brattle House		
Cleaning wages	\$ 26,952	\$ 1.64
Supplies	12,219	0.74
Equipment and furnishings maintenance	378	0.02
Utilities	<u>27,661</u>	<u>1.68</u>
Subtotal	<u>67,210</u>	<u>4.08</u>
Payments in lieu of real estate taxes	1,617	0.10
Insurance	16,360	1.00
Repairs	<u>35,449</u>	<u>2.16</u>
Subtotal	<u>53,426</u>	<u>3.26</u>
Total operation of Brattle House	<u>\$ 120,636</u>	<u>\$ 7.34</u>
Operation of Blacksmith House		
Cleaning wages	\$ 55,025	\$ 3.35
Supplies	8,822	0.54
Equipment and furnishings maintenance	2,354	0.14
Utilities	<u>12,473</u>	<u>0.76</u>
Subtotal	<u>78,674</u>	<u>4.79</u>
Insurance	7,279	0.44
Repairs	<u>20,976</u>	<u>1.28</u>
Subtotal	<u>28,255</u>	<u>1.72</u>
Total operation of Blacksmith House	<u>\$ 106,929</u>	<u>\$ 6.51</u>

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

CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

SCHEDULE OF EDUCATIONAL PROGRAMS EXPENSES (CONTINUED)

FOR THE YEAR ENDED JULY 31, 2009

	<u>Amount</u>	<u>Per Student (A)</u>
Operation of 5 Story Street		
Cleaning wages	\$ 19,292	\$ 1.17
Supplies	214	0.01
Utilities	9,411	0.57
Subtotal	<u>28,917</u>	<u>1.75</u>
Payments in lieu of real estate taxes	247	0.02
Insurance	3,635	0.22
Repairs	15,863	0.97
Subtotal	<u>19,745</u>	<u>1.21</u>
Total operation of 5 Story Street	<u>\$ 48,662</u>	<u>\$ 2.96</u>
Operation of Plympton Street		
Cleaning wages	\$ 21,860	\$ 1.33
Supplies	2,502	0.15
Equipment and furnishings maintenance	40	-
Utilities	3,765	0.23
Subtotal	<u>28,167</u>	<u>1.71</u>
Class rental	75,423	4.59
Repairs	338	0.02
Subtotal	<u>75,761</u>	<u>4.61</u>
Total operation of Plympton Street	<u>\$ 103,928</u>	<u>\$ 6.32</u>

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

CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

SCHEDULE OF AUXILIARY PROGRAMS

FOR THE YEAR ENDED JULY 31, 2009

Auxiliary programs revenue	
Blacksmith House café rent	\$ 51,000
Story Street rent	15,600
Other	48,156
Total auxiliary programs revenue	<u>114,756</u>
Auxiliary programs expenses	
Blacksmith House café	45,790
Story Street	15,648
Other	15,343
Total auxiliary program expenses	<u>76,781</u>
Excess of auxiliary programs revenue over expenses	<u><u>\$ 37,975</u></u>

CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

SCHEDULE OF AUXILIARY PROGRAMS EXPENSES

FOR THE YEAR ENDED JULY 31, 2009

Auxiliary programs expenses	
Blacksmith House Café	
Professional fees	\$ 1,587
Cleaning	4,643
Equipment and furnishings	612
Utilities	18,710
Rubbish disposal	4,776
Subtotal	<u>30,328</u>
Repairs and maintenance	4,664
Insurance	5,446
Real estate tax	5,352
Subtotal	<u>15,462</u>
Total Blacksmith House Café	<u>45,790</u>
Story Street:	
Professional fees	1,587
Utilities	5,442
Subtotal	<u>7,029</u>
Repairs and maintenance (building)	4,737
Payments in lieu of real estate taxes	247
Insurance	3,635
Subtotal	<u>8,619</u>
Total Story Street	<u>15,648</u>
Other	<u>15,343</u>
Total auxiliary programs expenses	<u>\$ 76,781</u>

CAMBRIDGE CENTER FOR ADULT EDUCATION, INC.

SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED JULY 31, 2009

	Undesignated	Board Designated	Temporarily Restricted	Total
Revenues and support:				
Educational tuition and fees:				
Tuition and fees, net	\$ 2,542,643	\$ -	\$ -	\$ 2,542,643
Evening programs	33,709	-	-	33,709
Resale	65,894	-	-	65,894
Other	25,507	-	-	25,507
Total educational tuition and fees	2,667,753	-	-	2,667,753
Less scholarships	(80,295)	-	-	(80,295)
Educational tuition and fees, net	2,587,458	-	-	2,587,458
Contributions	123,639	-	14,550	138,189
Government grants	-	-	15,600	15,600
Special events	61,328	-	-	61,328
Auxiliary programs	114,756	-	-	114,756
Interest income	136	-	-	136
Investment loss	-	(27,378)	-	(27,378)
Total revenues	2,887,317	(27,378)	30,150	2,890,089
Net assets released from restrictions:				
Satisfaction of purpose restrictions	26,611	-	(26,611)	-
Total net assets released from restrictions	26,611	-	(26,611)	-
Total revenues and support	2,913,928	(27,378)	3,539	2,890,089
Expenses:				
Educational programs:				
Educational programs administration	2,329,052	-	-	2,329,052
Operation of Brattle House	120,636	-	-	120,636
Operation of Blacksmith House	106,929	-	-	106,929
Operation of 5 Story Street	48,662	-	-	48,662
Operation of Plympton Street	103,928	-	-	103,928
Total educational programs	2,709,207	-	-	2,709,207
Auxiliary programs	76,781	-	-	76,781
Depreciation	-	87,892	-	87,892
Fundraising	95,177	-	-	95,177
Executive director search, sabbatical, and retirement	112,114	-	-	112,114
Loss on disposal of equipment	-	5,714	-	5,714
Total expenses	2,993,279	93,606	-	3,086,885
Change in net assets	(79,351)	(120,984)	3,539	(196,796)
Net assets, beginning of year	338,800	1,216,747	6,136	1,561,683
Net assets, end of year	\$ 259,449	\$ 1,095,763	\$ 9,675	\$ 1,364,887