

INTERFAITH SENIOR PROGRAMS, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008
(With Summarized Totals for the Year Ended December 31, 2007)

INTERFAITH SENIOR PROGRAMS, INC.

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Independent Auditor's Report

Board of Directors
Interfaith Senior Programs, Inc.

We have audited the accompanying balance sheet of Interfaith Senior Programs, Inc. (a nonprofit organization) as of December 31, 2008, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of Interfaith Senior Programs, 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 2007 financial statements and, in our report dated April 22, 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 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 Interfaith Senior Programs, Inc. as of December 31, 2008, 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 performed for the purpose of forming an opinion on the basic financial statements of Interfaith Senior Programs, Inc. taken as a whole. The accompanying schedule of functional expenses 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.



RITZ HOLMAN LLP
Certified Public Accountants

Milwaukee, Wisconsin
May 5, 2009

Ritz Holman LLP
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INTERFAITH SENIOR PROGRAMS, INC.
BALANCE SHEET
DECEMBER 31, 2008
(With Summarized Totals for December 31, 2007)

ASSETS	2008	2007
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 326,295	\$ 299,925
Certificates of Deposit	---	43,064
Prepaid Expenses	5,915	8,258
Accounts Receivable	11,576	30,164
Net Pledges Receivable - Current	33,912	44,350
Other Current Assets	1,249	1,417
Total Current Assets	\$ 378,947	\$ 427,178
FIXED ASSETS		
Equipment	\$ 58,364	\$ 50,472
Less: Accumulated Depreciation	(32,916)	(22,607)
Net Fixed Assets	\$ 25,448	\$ 27,865
LONG-TERM ASSETS		
Net Pledges Receivable - Long-Term	\$ 3,555	\$ 31,136
Total Long-Term Assets	\$ 3,555	\$ 31,136
OTHER ASSETS		
Greater Milwaukee Foundation	\$ 35,749	\$ 46,661
Waukesha County Community Foundation	21,848	30,336
Total Other Assets	\$ 57,597	\$ 76,997
TOTAL ASSETS	\$ 465,547	\$ 563,176
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Deferred Revenue	\$ 1,124	\$ 1,416
Accounts Payable	6,540	27,339
Accrued Payroll	23,825	8,372
Total Current Liabilities	\$ 31,489	\$ 37,127
NET ASSETS		
Unrestricted	\$ 303,321	\$ 343,308
Temporarily Restricted	73,140	105,744
Permanently Restricted	57,597	76,997
Total Net Assets	\$ 434,058	\$ 526,049
TOTAL LIABILITIES AND NET ASSETS	\$ 465,547	\$ 563,176

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

INTERFAITH SENIOR PROGRAMS, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008
(With Summarized Totals for the Year Ended December 31, 2007)

	Unrestricted	Temporarily Restricted	Permanently Restricted	2008 Total	2007 Total
REVENUE					
State of Wisconsin, Department of Health and Family Services	\$ 12,660	\$ ---	\$ ---	\$ 12,660	\$ 12,660
Waukesha County Department of Senior Services	7,000	---	---	7,000	7,000
Waukesha County Community Human Services Department	---	---	---	---	18,718
Department of Senior Services	19,367	---	---	19,367	14,300
Community Development Block Grant	27,656	---	---	27,656	34,965
Corporation for National and Community Service	99,150	---	---	99,150	100,914
Emergency Shelter Grant	26,531	---	---	26,531	13,430
Healthier Wisconsin Program	---	---	---	---	10,402
Individual Contributions	96,461	---	---	96,461	104,659
Bequests	470	---	200	670	1,170
Corporate Contributions	15,013	---	---	15,013	7,632
Foundations	51,815	15,742	---	67,557	106,367
Special Events Income	104,639	---	---	104,639	119,687
Special Events Expense	(36,359)	---	---	(36,359)	(35,219)
In-Kind	120,761	---	---	120,761	62,220
United Way	109,577	474	---	110,051	91,573
State Faith in Action Conference Fees	1,130	---	---	1,130	1,835
Investment Income	3,439	---	(19,600)	(16,161)	14,016
State Faith in Action Membership Fee	1,575	---	---	1,575	975
Released From Restrictions	48,820	(48,820)	---	---	---
Total Revenue	<u>\$ 709,705</u>	<u>\$ (32,604)</u>	<u>\$ (19,400)</u>	<u>\$ 657,701</u>	<u>\$ 687,304</u>
EXPENSES					
Program Services	\$ 619,854	\$ ---	\$ ---	\$ 619,854	\$ 535,580
Administrative	64,140	---	---	64,140	73,170
Fund-Raising	65,698	---	---	65,698	50,706
Total Expenses	<u>\$ 749,692</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 749,692</u>	<u>\$ 659,456</u>
CHANGE IN NET ASSETS	<u>\$ (39,987)</u>	<u>\$ (32,604)</u>	<u>\$ (19,400)</u>	<u>\$ (91,991)</u>	<u>\$ 27,848</u>
Net Assets, Beginning of Year	<u>343,308</u>	<u>105,744</u>	<u>76,997</u>	<u>526,049</u>	<u>498,201</u>
NET ASSETS, END OF YEAR	<u>\$ 303,321</u>	<u>\$ 73,140</u>	<u>\$ 57,597</u>	<u>\$ 434,058</u>	<u>\$ 526,049</u>

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

INTERFAITH SENIOR PROGRAMS, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2008
(With Summarized Totals for the Year Ended December 31, 2007)

	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (91,991)	\$ 27,848
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities		
Depreciation	10,309	8,442
Unrealized Loss (Gain) on Investments	17,942	(553)
Realized Loss (Gain) on Investments	3,063	(1,805)
(Increase) Decrease in Certificates of Deposit	43,064	(27,587)
(Increase) Decrease in Prepaid Expenses	2,343	(5,159)
(Increase) Decrease in Accounts Receivable	18,588	4,164
(Increase) Decrease in Net Pledges Receivable	38,019	41,525
(Increase) Decrease in Other Current Assets	168	(484)
Increase (Decrease) in Deferred Revenue	(292)	(35,026)
Increase (Decrease) in Accounts Payable	(20,798)	4,705
Increase (Decrease) in Accrued Payroll	15,453	3,739
	\$ 35,868	\$ 19,809
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	\$ (7,893)	\$ (2,557)
Sale of Investments	618	625
Purchase of Investments	(2,223)	(5,044)
	\$ (9,498)	\$ (6,976)
Net Increase in Cash and Cash Equivalents	\$ 26,370	\$ 12,833
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	299,925	287,092
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 326,295	\$ 299,925

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

INTERFAITH SENIOR PROGRAMS, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008

INTERFAITH SENIOR PROGRAMS, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008

NOTE A - Summary of Significant Accounting Policies

Organization

Interfaith Senior Programs, Inc. is incorporated as a nonprofit corporation exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and is considered to be other than a private foundation. The Organization provides opportunities for persons of retirement age to volunteer their time and experience through not-for-profit organizations.

Accounting Method

The accompanying financial statements of Interfaith Senior Programs, Inc. have been prepared on the accrual basis of accounting.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents include all highly liquid debt instruments with original maturities of three months or less.

Fixed Assets

All acquisitions of property and equipment in excess of \$500 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized.

Fixed Assets are recorded at cost. Depreciation is provided over the estimated useful lives of the assets using the straight-line method.

Basis of Presentation

Financial Statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards SFAS No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Assets of the restricted classes are created only by donor-imposed restrictions.

At December 31, 2008, the Organization had \$37,467 of temporarily time-restricted net assets, \$35,673 of temporarily purpose-restricted assets and \$57,597 of permanently restricted net assets.

Contributions

Interfaith Senior Programs, Inc. accounts for contributions in accordance with the recommendations of the Financial Accounting Standards Board in SFAS No. 116, Accounting for Contributions Received and Contributions Made. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions.

**INTERFAITH SENIOR PROGRAMS, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008**

NOTE A - Summary of Significant Accounting Policies (continued)

Restricted and Unrestricted Revenue

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. 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 restrictions.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Allowance for Uncollectible Accounts

Management believes all receivables will be collected in accordance with the terms of the agreements. Thus, no allowance for uncollectible accounts is necessary at year end.

NOTE B - Comparative Financial Information

The financial information shown for 2007 in the accompanying financial statements is included to provide a basis of comparison with 2008 and presents summarized totals only.

NOTE C - Pledges Receivable

Pledges Receivable consisted of the following at December 31, 2008:

	<u>Year Due</u>	<u>Amount</u>
Gross Receivable	Overdue	\$ 400
	2009	34,400
	2010	1,900
	2011	1,750
	2012	<u>150</u>
		\$ 38,600
Less: Present Value Discount		<u>(1,133)</u>
Net Pledges Receivable		<u>\$ 37,467</u>

The discount rate used to determine the present value of Pledges Receivable was 2.65%.

**INTERFAITH SENIOR PROGRAMS, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008**

NOTE D - Permanently Restricted Net Assets/Agency Endowment Funds

Interfaith Senior Programs, Inc. has transferred certain funds to the Greater Milwaukee Foundation and the Waukesha County Community Foundation for investment purposes. Interfaith Senior Programs, Inc. has designated itself as the sole beneficiary of the income from the investments of these funds. The Board of Trustees of the foundations has the power to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to a specified organization if, in the sole judgment of the Board, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served. The total value of these investments as of December 31, 2008 amounted to \$57,597.

NOTE E - In-Kind Donations

During the year, donated rent, gift cards and other items with a fair value of \$120,761 was recorded as revenue and expense for the year ended December 31, 2008.

NOTE F - Rental Lease

The Organization leases office space in Waukesha, Wisconsin. The lease payments for the year ended December 31, 2008 totaled \$45,361, which included \$31,592 of donated rent.

Future minimum rental payments are as follows:

2009 Donated Rent	\$24,396
2009 Utility Payments	12,612

The term of the lease is on a month-to-month basis with a 90-day written notice of termination. The lease terms shall not extend beyond April 30, 2012.

INTERFAITH SENIOR PROGRAMS, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2008
(With Summarized Totals for the Year Ended December 31, 2007)

	<u>Program Services</u>	<u>Administrative</u>	<u>Fund-Raising</u>	<u>2008 Total</u>	<u>2007 Total</u>
EXPENSES					
Salaries and Wages	\$ 327,146	\$ 35,863	\$ 27,406	\$ 390,415	\$ 345,546
Payroll Taxes	25,766	2,550	2,181	30,497	29,852
Employee Benefits	18,578	517	2,177	21,272	17,331
Professional/Consulting Fees	1,849	8,600	---	10,449	9,270
Supplies	10,652	753	2,198	13,603	11,086
Telephone	5,666	528	406	6,600	8,107
Postage and Shipping	9,738	(138)	2,376	11,976	11,355
Occupancy	12,895	1,337	965	15,197	26,000
In-Kind	97,097	5,328	18,336	120,761	62,220
Equipment Rental and Maintenance	1,290	216	138	1,644	1,274
Printing and Publications	15,859	717	1,884	18,460	11,203
Travel	10,086	1,249	712	12,047	7,892
Conferences, Conventions and Meetings	4,880	392	1,042	6,314	4,713
Depreciation	8,088	1,352	869	10,309	8,442
Insurance	3,820	329	253	4,402	7,994
Membership Dues	1,542	1,440	450	3,432	1,692
Licenses and Permits	16	3	1	20	15
Technology	11,624	745	2,993	15,362	20,980
Program Expense	42,758	---	---	42,758	31,766
Volunteer Expense	8,119	---	---	8,119	7,282
Subscriptions	173	296	80	549	281
Organizational Development	2,212	2,063	237	4,512	34,244
Other Expenses	---	---	994	994	911
Total Expenses	<u>\$ 619,854</u>	<u>\$ 64,140</u>	<u>\$ 65,698</u>	<u>\$ 749,692</u>	<u>\$ 659,456</u>