

**IRIS HOUSE  
A CENTER FOR WOMEN LIVING WITH HIV, INC.**

**REPORT ON THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2012**

**(WITH COMPARATIVE TOTALS FOR 2011  
AND SUPPLEMENTARY INFORMATION)**

**IRIS HOUSE**  
**A CENTER FOR WOMEN LIVING WITH HIV, INC.**  
**YEAR ENDED JUNE 30, 2012**

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**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Iris House  
A Center for Women Living with HIV, Inc.  
2348 Adam Clayton Powell Jr. Blvd.  
New York, NY 10030

We have audited the accompanying statement of financial position of Iris House, A Center for Women Living with HIV, Inc. (Iris House) as of June 30, 2012, and the related statements of activities, functional expenses 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 statement. 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 Iris House, as of June 30, 2012, and the changes in its net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The statement of functional expenses presented on page 15 of this report, is presented for supplemental analysis and is not a required part of the basic financial statements. Such information has been subjected to the audit procedures applied in the audit of the basic financial statement. Based on our audit and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

*Jackson Friday CPA, LLC*

New York, New York  
October 29, 2012

IRIS HOUSE  
A CENTER FOR WOMEN LIVING WITH HIV, INC.  
STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2012  
(With comparative figures for 2011)

ASSETS	2012	2011
<i>Current assets:</i>		
Cash and cash equivalents	\$ 538,403	\$ 473,666
Security deposits	92,216	90,112
Prepaid expenses	66,212	58,947
Contract and grant receivable (Note 5)	875,980	934,340
Other receivable	87,189	72,038
<i>Total current assets</i>	1,660,000	1,629,103
<i>Fixed assets - Net: (Note 4)</i>		
Building	1,131,664	1,203,295
Building improvements	81,247	87,775
Vehicles	18,800	-
Furniture and equipment	35,204	33,637
<i>Total fixed assets</i>	1,266,915	1,324,707
<b>TOTAL ASSETS</b>	<b>\$ 2,926,915</b>	<b>\$ 2,953,810</b>

LIABILITIES AND NET ASSETS		
<i>Current liabilities:</i>		
Accounts payable and accrued expenses	\$ 98,031	\$ 127,085
Payroll taxes payable	19,278	21,066
Contract advances (Note 10)	33,596	73,900
Due to landlord - client	39,271	39,271
<i>Total current liabilities</i>	190,176	261,322
<i>Net assets:</i>		
Unrestricted	2,655,978	2,563,260
Temporarily restricted (Note 6)	80,761	129,228
<i>Total net assets</i>	2,736,739	2,692,488
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 2,926,915</b>	<b>\$ 2,953,810</b>

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

IRIS HOUSE  
A CENTER FOR WOMEN LIVING WITH HIV, INC.  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2012  
(With comparative totals for 2011)

SUPPORT AND REVENUE:	Unrestricted	Temporarily Restricted	Total	
			2012	2011
Corporations and foundations	\$ 76,427	\$ 190,000	\$ 266,427	\$ 247,433
Contract revenue (Note 7)	4,373,053		4,373,053	4,113,411
Other contributions	30,044		30,044	12,974
Donated services and supplies (Note 3)	73,428		73,428	86,022
Special events	42,590		42,590	84,484
Program fees	210,265		210,265	175,448
Interest income	65		65	47
Other income	17,115		17,115	31,506
<i>Net assets released from restrictions:</i>				
Satisfaction of program restrictions	238,467	(238,467)	-	-
<b>TOTAL SUPPORT AND REVENUE</b>	<b>5,061,454</b>	<b>(48,467)</b>	<b>5,012,987</b>	<b>4,751,325</b>
<b>EXPENSES:</b>				
<i>Program activities:</i>				
Ryan White Food and Nutrition Program	234,252		234,252	374,308
Scatter Site Housing Program	2,082,985		2,082,985	1,733,571
Women Support Services	185,789		185,789	188,148
HIV Prevention Services	1,807,088		1,807,088	1,555,907
Other Programs	42,495		42,495	314,492
<b>Total program expenses</b>	<b>4,352,609</b>	<b>-</b>	<b>4,352,609</b>	<b>4,166,426</b>
<i>Support services:</i>				
General and administration	460,481		460,481	377,047
Fund-raising	155,646		155,646	79,300
<b>TOTAL EXPENSES</b>	<b>4,968,736</b>	<b>-</b>	<b>4,968,736</b>	<b>4,622,773</b>
<i>Change in net assets</i>	<b>92,718</b>	<b>(48,467)</b>	<b>44,251</b>	<b>128,552</b>
Net assets at beginning of the year	2,563,260	129,228	2,692,488	2,563,936
<b>NET ASSETS AT END OF THE YEAR</b>	<b>\$ 2,655,978</b>	<b>\$ 80,761</b>	<b>\$ 2,736,739</b>	<b>\$ 2,692,488</b>

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

IRIS HOUSE  
A CENTER FOR WOMEN LIVING WITH HIV, INC.  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2012  
(With comparative figures for 2011)

CASH FLOWS FROM OPERATING ACTIVITIES	2012	2011
<i>Cash flows from operating activities:</i>		
<i>Change in net assets</i>	\$ 44,251	\$ 128,552
Items not requiring cash - Depreciation and amortization	97,381	91,841
Increases in security deposits	(2,104)	(15,138)
(Increase)/Decrease in prepaid expenses	(7,265)	(7,994)
Increases in contract and grant receivable	58,360	139,170
Increases in other receivable	(15,151)	23,667
Increase/(Decrease) in accounts payable and accruals	(29,054)	20,775
(Decrease)/Increases in contract advances	(40,304)	(51,252)
Increases in payroll taxes payable	(1,788)	12,545
Increase/(Decrease) in due to landlord - client	-	2,693
<b>Net cash provided by operations</b>	<b>104,326</b>	<b>344,859</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to furniture and equipment	(39,589)	(31,524)
<b>Net cash used by investment and financing activities</b>	<b>(39,589)</b>	<b>(31,524)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>-</b>
Change in cash and cash equivalents	64,737	313,335
Cash and cash equivalents at beginning of the year	473,666	160,331
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>\$ 538,403</b>	<b>\$ 473,666</b>

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

**IRIS HOUSE**  
**A CENTER FOR WOMEN LIVING WITH HIV, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2012**

**NOTE 1. ORGANIZATION AND OPERATIONS**

Iris House, A Center for Women Living with HIV, Inc. (Iris House) is a community based organization incorporated on September 28, 1992, under the laws of the State of New York and thereafter, exempt from taxes under Section 501 (c) (3) of the Internal Revenue Code. Its primary mission is to provide social services for women, men and their families infected and affected by HIV/AIDS in a supportive and respectful environment.

Iris House provides a holistic approach to social services for persons with HIV/AIDS by offering:

- Food and nutrition services including nutritional counseling, food pantry bags and meals
- Prevention education, prevention case management and behavioral interventions
- Intense and less-intense case management including client advocacy, escorts, referrals to care, legal assistance and child case management
- Housing through apartments in NYC with case management services
- Supportive services including psychological therapy, support groups and health education

These services are provided through four locations in East Harlem, Central Harlem, the Bronx and Central Jersey.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Iris House have been prepared on the accrual basis of accounting and conform to generally accepted accounting principles as applicable to nonprofit organizations. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

**Contributions**

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence or nature of any donor's restriction.

**IRIS HOUSE**  
**A CENTER FOR WOMEN LIVING WITH HIV, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2012**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)**

Iris House reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor 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.

Iris House reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support.

**Contributions Receivable**

Unconditional contributions receivable are recognized as revenues in the period the pledge is received. Contributions receivable represent amounts committed by donors that have not been received by the organization.

**Cash and Cash Equivalents**

Cash equivalents represent money market funds and short-term instruments with maturity at the date of purchase of three months or less and are carried at cost, which approximates market value.

**Contract Revenues**

Support received under contracts with government and private foundations is recorded as public support in the unrestricted fund when the related direct costs are incurred or purpose accomplished. Reimbursement of indirect costs relating to such contributions and contracts is recorded as public support in the current unrestricted funds. Grants and contracts receivable represent amounts due for expenditures incurred or purposes accomplished prior to year end.

**Functional Allocation of Expenses**

Expenses are charged to each program based on direct expenditures. However, certain indirect costs, primarily, administrative salaries and related general overhead expenses are allocated to various programs based on percentage of direct payroll hours.



**IRIS HOUSE  
A CENTER FOR WOMEN LIVING WITH HIV, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2012**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)**

**Liquidity Information**

In order to provide information about liquidity, assets have been sequenced according to their convertibility to cash and liabilities according to their estimated maturity.

**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 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.

**NOTE 3. DONATED GOODS AND SERVICES**

Volunteers from the community have donated a significant number of hours in assisting Iris House in achieving the goals of its various service programs. Some organizations have also donated software and food to Iris House. Both donated services and goods are recognized as revenues and expenses in the statement of activities at estimated fair value at the date the services and goods were donated. The value of certain professional time, software and food supplies contributed by organizations and foundations are reflected in the financial statements in 2012 and 2011, respectively as follows:

	<u>2012</u>	<u>2011</u>
Software	\$ -	\$ 10,068
Food and Program Supplies	<u>73,428</u>	<u>75,954</u>
Total	<u>\$ 73,428</u>	<u>\$ 86,022</u>

**NOTE 4. PROPERTY AND EQUIPMENT**

Property and equipment acquired by specific grants for use by Iris House are considered to be owned by Iris House while used in the program or in future authorized programs. Property, furniture, fixtures and equipment are stated at cost. The organization follows the policy of capitalizing property and equipment purchases with a cost of \$2,500 or greater.

**IRIS HOUSE**  
**A CENTER FOR WOMEN LIVING WITH HIV, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2012**

**NOTE 4. PROPERTY AND EQUIPMENT (CONT'D.)**

Depreciation is provided on a straight-line basis over the following estimated useful lives:

	<u>Years</u>
Buildings and Building Improvements	15-28
Vehicles, Furniture and Equipment	5

Fully depreciated assets are retained in the accounts until such assets are physically retired. Maintenance and repairs are charged to expenses as incurred.

**Buildings and Building Improvements**

Buildings and building improvements comprise of renovated building located at 2348 Adam Clayton Powell Jr. Boulevard, New York City that were acquired primarily through donation from the City of New York and currently occupied by Iris House. The property is recorded at full cost of renovation.

Below is the asset and depreciation cost summary:

	<u>Buildings</u>	<u>Building Improvements</u>	<u>Furniture &amp; Equipment</u>	<u>Vehicles</u>	<u>Total</u>
<b>Cost:</b>					
Balance, Beginning of Year	\$1,991,492	\$ 143,420	\$ 369,643	\$ 52,760	\$2,557,315
Additions	-	-	16,089	23,500	39,589
Total, End of Year	<u>1,991,492</u>	<u>143,420</u>	<u>385,732</u>	<u>76,260</u>	<u>2,596,904</u>
<b>Accumulated Depreciation:</b>					
Balance, Beginning of Year	788,197	55,645	336,006	52,760	1,232,608
Charge for the year	71,631	6,528	14,522	4,700	97,381
Total, End of Year	<u>859,828</u>	<u>62,173</u>	<u>350,528</u>	<u>57,460</u>	<u>1,329,989</u>
<b>Net Properties &amp; Equipment</b>	<u>\$1,131,664</u>	<u>\$ 81,247</u>	<u>\$ 35,204</u>	<u>\$ 18,800</u>	<u>\$1,266,915</u>

**IRIS HOUSE**  
**A CENTER FOR WOMEN LIVING WITH HIV, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2012**

**NOTE 5. CONTRACT AND GRANT RECEIVABLES**

Contract and grant receivables at June 30, 2012 and 2011 respectively, represent primarily, uncollected billings for contract and grant services and consist of the following:

	<u>2012</u>	<u>2011</u>
Harm Reduction Program	\$ 51,702	\$ 72,152
Emergency Food and Shelter Program	-	6,127
Condom Distribution Program	25,497	25,022
New York City Council	22,500	24,062
Legislative Grants	-	20,978
NYC-Scatter Site Housing Program	508,721	504,927
Center for Disease Control	-	47,477
Women Support Services Program	47,119	65,725
Community of Color	3,584	5,889
Capacity Building Initiative	9,017	22,809
Corporate and Foundation	45,000	4,050
Co-Factors of HIV Transmission Program	19,058	46,973
Black Leadership Program	40,000	40,000
SAMHSA Grant Program	62,429	26,114
Social Network Testing	8,156	-
Office of Women's Health	-	22,035
Women Seeking Women	33,198	-
Total	<u>\$ 875,980</u>	<u>\$ 934,340</u>

**NOTE 6. RESTRICTIONS ON NET ASSETS**

Temporarily restricted net assets consist of grant funds that are available for specific program purposes and are as follows:

	<u>2012</u>	<u>2011</u>
Community Prevention Programs	\$ 59,929	\$ 15,000
Food & Nutrition Program	20,832	111,614
Healthy Living Program	-	2,614
Total	<u>\$ 80,761</u>	<u>\$ 129,228</u>

**IRIS HOUSE  
A CENTER FOR WOMEN LIVING WITH HIV, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2012**

**NOTE 6. RESTRICTIONS ON NET ASSETS (CONT'D.)**

**Permanently Restricted Net Assets**

Permanently restricted net assets consist of grant and funds that must be preserved in perpetuity to provide income for a restricted purpose.

**Net Assets Released from Restrictions**

Net assets were released from restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors or by passage of time.

<b>Operating</b>	<b><u>2012</u></b>	<b><u>2011</u></b>
Net assets released from restrictions	<u>\$ 238,467</u>	<u>\$ 145,582</u>

**NOTE 7. CONTRACT REVENUE**

Contract revenue primarily from governmental agencies consists of the following at June 30, 2012 and 2011, respectively:

	<b><u>2012</u></b>	<b><u>2011</u></b>
Food and Nutrition Services Program	\$ -	\$ 280,522
Hunger Prevention and Nutrition Assistance	2,500	3,000
Condom Distribution Program	160,314	155,391
NYC-Scatter Site Housing Program	2,142,132	1,841,071
NYS AIDS Institute-Women Support Services Program	204,859	203,707
Harm Reduction Program	332,088	307,460
NYC-DOHMH-Community of Color Program	14,336	23,556
Legislative Grants	2,328	20,978
Co-Factors of HIV Transmission Program	105,991	165,088
Capacity Building Initiative	331,093	182,623
New York City Council	22,500	19,500
Black Leadership Grant Program	40,000	40,000
Center for Disease Control	335,748	315,836
SAMHSA Program	380,724	369,492
Office of Women's Health	143,386	185,187
Federal Emergency Food and Shelter Program	8,352	-
Social Network Testing	54,014	-
Women Seeking Women	92,688	-
Total	<u>\$4,373,053</u>	<u>\$4,113,411</u>

**IRIS HOUSE**  
**A CENTER FOR WOMEN LIVING WITH HIV, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2012**

**NOTE 8. PROGRAMS**

Iris House's principal programs and their acronyms comprise of and are captioned according to funding sources as follows:

**Department of Housing and Urban Development Housing Opportunities for Persons Living With AIDS**

Passed through New York City Department of Human Resources Administration via HIV/AIDS Services Administration (HASA)

- Scattered Site Housing Program: Provide comprehensive services for housing placement, case management, maintenance support, substance abuse services, educational counseling (housing-enhancement) and administrative support to eligible homeless individuals living with HIV/AIDS who are clients of HASA and their families with children, intensive case management services, referrals to employment programs for training and job placement, and assistance in applying and securing financial entitlements.

**Ryan White HIV/AIDS Treatment Extension Act of 2009  
via Public Health Solutions (PHS)**

- Food and Nutrition Services: Provide personal nutritional counseling with a registered dietician, daily cooking classes combined with nutrition education on how to purchase and cook nutritional food, classes for diabetes conducted in English and Spanish for individuals living with HIV/AIDS, and weekly pantry bags of healthy foods and fresh produce.

**Ryan White HIV/AIDS Treatment Extension Act of 2009**

- Harm Reduction, Recovery Readiness, and Relapse Prevention Services (HR/RR/RP): Provide rapid testing to high risk individuals, training workshops and linkages to treatment adherence education, skills building and support services, and information on drug use and issues facing the Alcohol and Other Drug Abuse population (AOD) and referrals to care.

**IRIS HOUSE  
A CENTER FOR WOMEN LIVING WITH HIV, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2012**

**NOTE 8. PROGRAMS (CONT'D.)**

**New York City Department of Health and Mental Hygiene (DOHMH)  
via Public Health Solutions (PHS)**

- **Co-Factors of HIV Transmission:** Provide for screening services, referrals and follow- up linkages for assessment and care for two co-factors, depression and substance misuse/abuse including alcohol abuse individuals whose screening results are positive for depression and/or substance abuse and referrals for testing for HIV.
- **Condom Distribution:** Provide condom distribution services on a weekly basis serving the target population of African American and Latino men, women and adolescents through business and outreach activities, HIV/AIDS and condom usage education.

**New York State Department of Health AIDS Institute (NYSDOH)**

- **Supportive Services for Women and Their Families:** Provide community-based case management and supportive services to women living with HIV/AIDS and their families.
- **Community of Color Initiative:** Provide prevention education services for the high risk population in the Central and East Harlem, workshops on the underlying risk factors contributing to HIV infection and strategies for adopting safe behavior for HIV infection prevention for families, prevention workshops for high-risk and HIV infected teens and young adults to educate the population on HIV risk factors, prevention techniques and resource availability.

**New York State and New York City Council Legislative Grants**

Grants of various sums that severally supplement other Iris House HIV/AIDS prevention and education programs.

**IRIS HOUSE**  
**A CENTER FOR WOMEN LIVING WITH HIV, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2012**

**NOTE 9. LEASE COMMITMENTS**

On December 28, 1993, Iris House entered into an initial two year non-cancelable lease agreement and is currently on month to month rental basis, for the ground floor space at 250-252- East 117<sup>th</sup> Street New York, NY 10034. The base monthly rental (excluding escalation) under this lease is \$2,983.

Effective 05/17/2011, Iris House signed a one year non-cancellable lease agreement for the ground floor space at 756 E. 175<sup>th</sup> Street, Bronx, New York, 10457 expiring 05/16/2012. The base monthly rental (excluding escalation) under the lease is \$1,005. The lease was renewed on 06/07/2012 for one year effective 05/17/2012 with a new expiration date of 05/16/2013.

Effective September 9, 2010, Iris House signed operating lease agreement for three copy machines with Superior Office Systems to replace the lease with Canon Business Solution.

In addition, under its Scatter Site Housing program providing residential shelter for its clients, Iris House entered into sixty six (66) apartment lease agreements and acquired an additional 20 units in the Bronx during the fiscal year with various terms of expiration and rental amounts.

The minimum annual rental commitments under each group of these leases are as follows:

<u>Year</u>	<u>SSH Leases</u>
2013	\$ 675,489
2014	<u>212,844</u>
Total	<u>\$ 888,333</u>

Rental expenses under rental lease obligations for the year ended June 30, 2012 and 2011 were \$1,045,360 and \$873,530, respectively.

**NOTE 10. CONTRACT ADVANCES**

Contract advances consist of unexpended grant awards for the following program activities:

	<u>2012</u>	<u>2011</u>
Harm Reduction Program	\$ 19,723	\$ 42,624
Condom Distribution Program	3,229	15,500
Co-Factors of HIV Transmission Program	3,454	15,776
Women Seeking Women	<u>7,189</u>	<u>-</u>
Total	<u>\$ 33,596</u>	<u>\$ 73,900</u>

**IRIS HOUSE**  
**A CENTER FOR WOMEN LIVING WITH HIV, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2012**

**NOTE 11. PENSION PLAN**

On July 1, 1993, Iris House adopted a noncontributory, trustee, and defined contribution pension plan which covers substantially all employees who become eligible after one-half year of service. Annual contribution is based on stipulated rate of 5% of actual compensation. Iris House did not make any contributions to the plan during the fiscal years ended June 30, 2012 and 2011.

**NOTE 12. CONCENTRATION OF CREDIT RISK**

Iris House maintains its cash in bank deposit accounts in a single financial institution which, at times, exceed federally insured limits. Although the amounts exceed the FDIC insured limit at June 30, 2012, Iris House regularly monitors the health of the institution and has not experienced any losses in such accounts.

**NOTE 13. BANK LINE OF CREDIT**

In November 2000, Iris House obtained a \$300,000 line of credit arrangement with the JP Morgan Chase to provide for seasonal working capital requirements. Amount borrowed on this line of credit bear interest at a fluctuating rate per annum equal to 2.00% above the Bank's Prime Rate and is secured by its business assets. No amount was borrowed and outstanding at the balance sheet date.

Interest expenses for the year ended June 30, 2012 aggregate \$-0-.

**NOTE 14. CONTRACT CONTINGENCIES**

In current year substantial portion of the organization's total revenue is derived pursuant to contracts with Federal, State and City government agencies. The ultimate determination of income recognizable and reimbursable under these contracts generally is based upon allowable costs as audited by the various agencies. Until such audits have been completed and final settlement reached, there exists a contingency to refund any amount claimed and received in excess of allowable costs. However, in management's opinion, such audits will not have material effect on the financial statements of the organization.



## **SUPPLEMENTARY SCHEDULE**

IRIS HOUSE  
A CENTER FOR WOMEN LIVING WITH HIV, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2012  
(With comparative totals for 2011)

EXPENSE ACCOUNTS:	Program Activities											Total				
	Ryan White Food & Nutrition Services			Scatter Site Housing		Women Support Services		HIV Prevention Services		Total Government Programs		Support Services General & Admin.		Fund Raising		
Salaries	\$ 100,279	\$ 600,726	\$ 120,800	\$ 1,146,339	\$ 1,968,144	\$ -	\$ -	\$ 1,968,144	\$ 191,354	\$ 121,632	\$ 2,281,130	\$ 2,281,130	\$ 2,157,692			
Fringe benefits	19,054	141,102	23,111	232,573	415,840	-	-	415,840	22,110	22,087	460,037	460,037	421,609			
Liability insurance	-	35,851	-	3,171	39,022	-	-	39,022	1,655	-	40,677	40,677	36,462			
Consultants	-	15,070	5,600	122,842	143,512	2,998	-	146,510	30,281	400	177,191	177,191	185,571			
Printing and duplication	-	6,008	1,703	8,176	15,887	5,168	-	21,055	1,274	141	22,470	22,470	26,314			
Telephone	-	27,074	3,550	10,975	41,599	-	-	41,599	6,581	-	48,180	48,180	61,081			
Program supplies	3,684	892	9,135	137,563	151,274	6,579	-	157,853	13,670	4,870	176,393	176,393	165,167			
Furnishings	-	24,835	-	-	24,835	-	-	24,835	-	-	24,835	24,835	19,025			
Food expenses	99,829	-	-	-	99,829	16,900	-	116,729	2,820	-	119,549	119,549	118,824			
Recreation and educational supplies	-	1,525	-	-	1,525	-	-	1,525	1,066	500	3,091	3,091	8,723			
Office supplies	258	11,502	2,551	6,780	21,091	2,654	-	23,745	1,878	797	26,420	26,420	52,112			
Payroll processing and bank charges	-	4,528	811	3,039	8,378	-	-	8,378	8,270	-	16,648	16,648	17,416			
Parking and gas	-	10,916	-	75	10,991	7	-	10,998	501	101	11,600	11,600	9,806			
Postage and messenger service	-	3,943	478	2,045	6,466	-	-	6,466	1,679	397	8,542	8,542	9,535			
Dues and subscriptions	255	5,028	-	95	5,378	-	-	5,378	4,505	965	10,848	10,848	11,006			
Client travel	3,222	4,342	9,428	38,054	55,046	437	-	55,483	6,901	-	62,384	62,384	65,299			
Staff training and development	57	2,520	150	12,096	14,823	139	-	14,962	2,454	85	17,501	17,501	17,932			
Rent office/storage	-	4,051	4,259	29,496	37,806	-	-	37,806	10,060	3,659	51,525	51,525	42,636			
Rent client apartment	-	21,238	-	39,848	61,086	7,352	-	68,438	6,501	-	74,939	74,939	91,986			
Utilities office	-	1,045,360	-	-	1,045,360	-	-	1,045,360	-	-	1,045,360	1,045,360	873,530			
Utilities client apartment	-	20,203	2,688	10,286	33,177	-	-	33,177	12,495	-	45,672	45,672	47,078			
Repairs, cleaning and maintenance	-	32,811	-	-	32,811	-	-	32,811	-	-	32,811	32,811	26,402			
Equipment rental and repair	1,487	12,803	-	-	14,290	-	-	14,290	1,588	-	15,878	15,878	36,810			
Advertising	-	3,892	-	377	4,269	261	-	4,530	1,381	-	5,911	5,911	3,423			
Professional fees	-	180	1,525	50	1,755	-	-	1,755	220	-	1,975	1,975	923			
Bad debts	-	31,044	-	3,208	34,252	-	-	34,252	13,112	-	47,364	47,364	47,024			
Depreciation and amortization	6,127	14,998	-	-	21,125	-	-	21,125	-	-	21,125	21,125	15,291			
Miscellaneous	-	-	-	-	-	-	-	-	97,381	-	97,381	97,381	91,841			
	-	543	-	-	543	-	-	543	20,744	12	21,299	21,299	12,255			
<b>TOTAL EXPENSES</b>	<b>\$ 234,252</b>	<b>\$ 2,082,985</b>	<b>\$ 185,789</b>	<b>\$ 1,807,088</b>	<b>\$ 4,310,114</b>	<b>\$ 42,495</b>	<b>\$ 4,352,609</b>	<b>\$ 460,481</b>	<b>\$ 155,646</b>	<b>\$ 4,968,736</b>	<b>\$ 4,622,773</b>	<b>\$ 4,968,736</b>	<b>\$ 4,622,773</b>			
Capitalized expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-			

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