

THE ASSOCIATION OF
COMMUNITY EMPLOYMENT PROGRAMS
FOR THE HOMELESS AND ITS AFFILIATES
THE SOHO AND TRIBECA PARTNERSHIPS
FINANCIAL STATEMENTS
DECEMBER 31, 2009

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INDEPENDENT AUDITOR'S REPORT

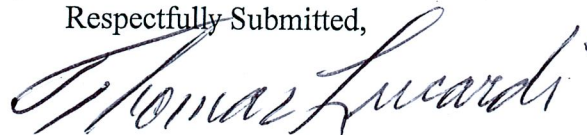
To The Board Of Directors
Association Of Community Employment Programs
For the Homeless, Inc. (A.C.E.) and its Affiliates,
The SoHo and Tribeca Partnerships.

I have audited the accompanying Statement of financial position of Association Of Community employment Programs For the Homeless, Inc. (A.C.E.) and The Soho and Tribeca Partnerships, a group of not-for-profit organizations, as of December 31, 2009 and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of Association Of Community Employment Programs For the Homeless, Inc. (A.C.E.) and the Soho and Tribeca Partnerships. My responsibility is to express an opinion on these financial statements based on an audit.

The audit is conducted in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurances about whether the financial statements are free from material misstatements. 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. I believe the audit provides a reasonable basis for an opinion.

In my opinion, the financial statements referred to above, present fairly, in all material respects, the financial position of Association Of Community Employment Programs For the Homeless, Inc. (A.C.E.) and The Soho and Tribeca Partnerships, a group of not-for-profit organizations at December 31, 2009, and the results of its activities and its cash flow for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Respectfully Submitted,



CERTIFIED PUBLIC ACCOUNTANT

Bardonia, New York
June 9, 2010

THE ASSOCIATION OF COMMUNITY EMPLOYMENT PROGRAMS FOR THE
HOMELESS AND ITS AFFILIATES, THE SOHO AND TRIBECA PARTNERSHIPS
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2009

ASSETS

Cash in bank	\$ 101,954
Prepaid expenses - insurance	7,697
Receivable	40,537
Deposits - Security	84,251
Leasehold improvements (net of depreciation of \$3041)	80,903
Other assets	<u>3,895</u>
 TOTAL ASSETS	 \$ <u>319,237</u>

LIABILITIES AND NET ASSETS

Liabilities:

Accounts and accrued expenses payable	\$ <u>62,481</u>
 Total liabilities	 <u>62,481</u>

Net assets:

Unrestricted	<u>256,756</u>
 TOTAL LIABILITIES AND NET ASSETS	 \$ <u>319,237</u>

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

THE ASSOCIATION OF COMMUNITY EMPLOYMENT PROGRAMS FOR THE
HOMELESS AND ITS AFFILIATES, THE SOHO AND TRIBECA PARTNERSHIPS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2009

CHANGES IN UNRESTRICTED NET ASSETS:

Unrestricted Revenue and support:

Contributions	\$	622,944
Publication Income		64,427
Special Events (net of direct costs of \$ 184,497)		343,044
Foundations		29,444
Grants		91,000
Administrative Income		2,960
Use Your Head Income (Store)		63,472
Program Income		18,480
Interest Income		<u>48,622</u>
TOTAL UNRESTRICTED REVENUE AND SUPPORT	\$	<u>1,284,393</u>
Expenses:		
Program Services		1,370,996
Management and General		319,325
Fundraising		<u>537,990</u>
TOTAL EXPENSES		<u>2,228,311</u>
DECREASE IN UNRESTRICTED NET ASSETS		(943,918)
Unrestricted Net Assets - January 1, 2009		<u>1,200,674</u>
Unrestricted Net Assets - December 31, 2009	\$	<u>\$256,756</u>

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

THE ASSOCIATION OF COMMUNITY EMPLOYMENT PROGRAMS FOR THE HOMELESS AND ITS AFFILIATES, THE SOHO AND TRIBECA PARTNERSHIPS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2009

Cash flows from operating activities:	
Changes in Net Assets	\$ (943,918)
Adjustments to reconcile changes in net assets to net cash provided by operating activities	
Depreciation	\$ 3,041
Increase in prepaid expenses	(3,502)
Increase in receivable	(5,341)
Increase in Other Assets	0
Decrease in accrued expenses	(1,363)
Increase in fixed assets	(81,828)
Increase in Deposits	<u>(58,840)</u>
Net adjustments	(147,833)
Net cash provided by operating activities	<u>(1,091,751)</u>
Net increase in cash and cash equivalents	(1,091,751)
Cash and cash equivalents - January 1, 2009	<u>1,193,705</u>
Cash and cash equivalents - December 31, 2009	<u>\$ 101,954</u>

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THE ASSOCIATION OF COMMUNITY EMPLOYMENT PROGRAMS FOR THE
HOMELESS AND ITS AFFILIATES, THE SOHO AND TRIBECA PARTNERSHIPS
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Total</u>	<u>Program</u>	<u>Fundraising</u>	<u>Management and General</u>
Compensation and benefits	\$ 1,206,726	\$ 652,522	\$ 380,468	\$ 173,736
Professional fees	96,177	29,256	33,576	33,345
Insurance	28,998	12,647	0	16,351
Office expense	117,604	86,744	17,796	13,064
Payments to program Participants	338,217	338,217	0	0
Rent	155,235	80,118	37,257	37,860
Telephone and Utilities	43,213	22,592	6,163	14,458
Supplies and Uniforms	81,003	74,829	3,399	2,775
Promotional and advertising	58,245	0	45,745	12,500
Travel and entertainment	8,974	6,423	1,306	1,245
Depreciation	3,041	0	0	3,041
Other expenses	<u>90,878</u>	<u>67,648</u>	<u>12,280</u>	<u>10,950</u>
 Total expenses reported by function on the statement of activities	 <u>\$ 2,228,311</u>	 <u>\$ 1,370,996</u>	 <u>\$ 537,990</u>	 <u>\$ 319,325</u>

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

THE ASSOCIATION OF COMMUNITY EMPLOYMENT
PROGRAMS FOR THE HOMELESS AND ITS AFFILIATES,
THE SOHO AND TRIBECA PARTNERSHIPS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

NOTE 1. ORGANIZATIONS AND PURPOSE:

Association of Community Employment Programs For The Homeless and its Affiliates, The Soho and Tribeca Partnerships, is a New York not-for-profit organization which began operations in July 1996. The organization and its Affiliates are dedicated to offering job training, job placement, and job retention services to recovering homeless individuals.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES:

The financial statements are presented on the accrual basis of accounting. They follow SFAS-117, Financial Statement of Not-for-Profit Organizations.

Cash and cash equivalents include money market funds, which invest in United States Treasury Securities that have a value of \$1 per share held

Contributions are recognized as revenue when they are irrevocably offered. Sales of donated property made during special events are recognized as program income equal to the amount received.

NOTE 3. INCOME TAXES:

Association of Community Employment Programs For The Homeless and its Affiliates, The Soho and Tribeca Partnerships qualifies as a not -for -profit organization under Internal Revenue Code Section 501© (3). As such, they are not subject to federal income taxes.

NOTE 4. RECEIVABLE FROM AFILIATES:

There are no receivables from affiliates as of December 31, 2009.

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NOTE 5. CHARITABLE CONTRIBUTIONS :

ACE Programs For The Homeless contributes a portion of funds raised to the TriBeca and SoHo Partnerships. These affiliated organizations work with ACE to fulfill their mission of job placement for the homeless.

NOTE 6. NON-MONETARY TRANSACTIONS:

A number of unpaid volunteers have made contributions of their time to develop the organization and it's programs. The value of such contributed time is not reflected in these statements since it did not create or enhance non-financial assets or require specialized skills

NOTE 7. COMMITMENTS AND CONTINGENCIES:

The organization is committed to one office lease. There is a cancelable lease that expires December 31, 2019 for the location at 598 Broadway, New York City. The future minimum rental commitments before escalations are as follows:

<u>Year Ending</u>	<u>Amount</u>	<u>Year Ending</u>	<u>Amount</u>
December 31, 2010	\$180,000	2015	\$195,104.00
December 31, 2011	180,000	2016	202,908.16
December 31, 2012	187,200	2017	202,908.16
December 31, 2013	187,200	2018	211,124.48
December 31, 2014	195,104	2019	<u>211,124.48</u>

TOTAL \$1,952,673.28

Included in the lease agreement are rent escalations and additional charges (i.e. utility and real estate taxes). As of December 31, 2009 there is a security deposit of \$45,000 which is reflected in the statement of financial position. The lease is also guaranteed by the founding member of this organization.

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Note 8. LOSS FROM THEFT:

The organization uncovered a theft of assets of \$41,476 in 2008. The theft was uncovered when the organization implemented stronger internal controls. There is an ongoing process to prosecute the person responsible within the organization and have the losses returned.

Note 9. FUND RAISING ACTIVITIES :

In July of 2009 the organization opened a Second Hand store. It is located at 262 Mott Street, New York City, NY 10012. The store is open six days a week from 11AM to 7PM. The store sells pre-owned designer and high end donated clothes. The store is rented from INA Design for \$5264 per month, and there is a \$12,450 rental deposit.