

**HIGHFIELDS, INC.**  
**REPORT ON FINANCIAL STATEMENTS**  
**(with additional information)**  
**YEARS ENDED APRIL 30, 2009 AND 2008**

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Highfields, Inc.

We have audited the accompanying statements of financial position of the Highfields, Inc. (the "Organization") as of April 30, 2009 and 2008, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Highfields, Inc. as of April 30, 2009 and 2008, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 8, 2009 on our consideration of Highfields, Inc.'s internal control over financial reporting, and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide opinions on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

*Maner Costerisan PC*

September 8, 2009

**HIGHFIELDS, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**APRIL 30, 2009 AND 2008**

	2009	2008
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 141,335	\$ 71,508
Receivables:		
Programs	678,173	675,083
Contributions receivable	78,584	87,529
Investments	210,691	307,036
Prepaid expenses and other current assets	59,036	69,590
<b>TOTAL CURRENT ASSETS</b>	1,167,819	1,210,746
INVESTMENTS, long-term	442,222	142,222
CONTRIBUTIONS RECEIVABLE, less current portion	92,151	180,991
PROPERTY AND EQUIPMENT, net of accumulated depreciation	1,442,982	1,587,893
<b>TOTAL ASSETS</b>	<b>\$ 3,145,174</b>	<b>\$ 3,121,852</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 94,161	\$ 66,294
Bank line of credit	425,359	996,877
Current portion of long-term debt	12,119	-
Accrued liabilities	344,733	357,581
<b>TOTAL CURRENT LIABILITIES</b>	876,372	1,420,752
LONG-TERM DEBT, net of current portion	1,024,835	290,620
<b>TOTAL LIABILITIES</b>	1,901,207	1,711,372
<b>NET ASSETS:</b>		
Unrestricted	613,099	954,988
Unrestricted - designated Founders fund	-	18,294
Temporarily restricted	188,646	294,976
Permanently restricted	442,222	142,222
<b>TOTAL NET ASSETS</b>	1,243,967	1,410,480
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 3,145,174</b>	<b>\$ 3,121,852</b>

See notes to financial statements.

**HIGHFIELDS, INC.**  
**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED APRIL 30, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>UNRESTRICTED NET ASSETS:</b>		
Revenue and support:		
Program services revenue	\$ 6,115,848	\$ 5,072,587
Contributions and grants	230,165	186,085
Net assets released from restrictions	134,117	148,432
Net realized and unrealized losses on investments	(108,634)	(65,624)
Interest income	13,667	19,333
Miscellaneous income	10,315	13,481
	<u>6,395,478</u>	<u>5,374,294</u>
<b>EXPENSES:</b>		
Youth opportunities	3,281,861	2,906,416
Breakthrough	140,608	236,615
21st Century	334,100	186,053
Family opportunities and other programs	2,717,636	2,488,422
Development	281,456	162,308
	<u>6,755,661</u>	<u>5,979,814</u>
Total expenses		
	<u>(360,183)</u>	<u>(605,520)</u>
<b>CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:</b>		
Contributions	27,787	219,165
Net assets released from restrictions	(134,117)	(148,432)
	<u>(106,330)</u>	<u>70,733</u>
<b>CHANGES IN PERMANENTLY RESTRICTED NET ASSETS:</b>		
Contributions	<u>300,000</u>	<u>-</u>
<b>CHANGE IN NET ASSETS</b>	(166,513)	(534,787)
<b>NET ASSETS, beginning of year</b>	<u>1,410,480</u>	<u>1,945,267</u>
<b>NET ASSETS, end of year</b>	<u><u>\$ 1,243,967</u></u>	<u><u>\$ 1,410,480</u></u>

See notes to financial statements.

**HIGHFIELDS, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED APRIL 30, 2009 AND 2008**

	2009	2008
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS:		
Cash flows from operating activities:		
Change in net assets	\$ (166,513)	\$ (534,787)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	152,461	167,021
Change in net unrealized gains and losses on investments	31,504	121,114
Realized loss (gain) on investments	27,851	(71,252)
Loss on sale of property and equipment	150	406
Changes in operating assets and liabilities which provided (used) cash:		
Accounts receivable	94,695	(206,927)
Prepaid expenses and other	10,554	(23,181)
Accounts payable	27,867	(2,375)
Accrued liabilities	(12,848)	(22,742)
Net cash provided (used) by operating activities	165,721	(572,723)
Cash flows from investing activities:		
Purchase of property and equipment	(8,700)	(10,943)
Proceeds from disposition of property and equipment	1,000	850
Purchase of investments	(435,923)	-
Proceeds from sales and maturities of investments	172,913	259,656
Net cash provided (used) by investing activities	(270,710)	249,563
Cash flows from financing activities:		
Proceeds from revolving payment facilities	215,000	806,079
Payments on revolving payment facilities	(35,000)	(460,000)
Payments on debt	(5,184)	(1,885)
Net cash provided by financing activities	174,816	344,194
NET INCREASE IN CASH	69,827	21,034
CASH AND CASH EQUIVALENTS, beginning of year	71,508	50,474
CASH AND CASH EQUIVALENTS, end of year	\$ 141,335	\$ 71,508

See notes to financial statements.

**HIGHFIELDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of organization** - Highfields, Inc. (the "Organization") provides family counseling, youth counseling, and educational counseling to youths, families, and communities throughout mid-Michigan through the following programs:

Family opportunities:

- Health insurances
- Outreach counseling
- Mental health
- Family reunification program
- Alternatives
- Families together building solutions
- Wraparound
- Family preservation services

Youth opportunities:

- Phoenix
- Stabilization
- C-BIS
- Juvenile diversion program

Learning opportunities:

- PROpS (pride and respect opportunity school)
- Breakthrough
- Skills of success
- Malcolm Williams School
- Challenge and adventure camp
- Before and after school program

The Organization's revenue and receivables are from a variety of purchasers, including the Michigan Department of Human Services (MDHS), Lenawee County Mental Health Authority, 11 County DHS offices, and Ingham County Family Court. In addition, a significant portion of the Organization's pledges is receivable primarily from citizens residing in Michigan.

**Cash and cash equivalents** - The Organization considers all highly liquid investments purchased with a maturity of three months or less to be cash and cash equivalents. Amounts recorded as money market funds on deposit for investment purposes are not considered cash equivalents.

**Accounts receivable** - Accounts receivable are stated at invoice amounts. An allowance for doubtful accounts is established on an aggregate basis and is based on loss history. At April 30, 2009 and 2008, all accounts receivable were considered collectible; therefore, no allowance was recorded.

**HIGHFIELDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Investments** - Debt and equity securities maintained by the Organization are stated at fair value as determined by quoted market prices.

**Property and equipment** - Property and equipment acquired by purchase are stated at cost. Property and equipment acquired by donation are valued at the estimated fair market value at the time of donation. Depreciation has been charged to operations using the straight-line method over the estimated useful lives of the assets. Costs of maintenance and repairs are charged to expense when incurred.

**Promises to give** - Contributions of cash and other assets, including unconditional promises to give in the future, are reported as revenue when received, measured at fair value. Donor promises to give in the future are recorded at the present value of estimated future cash flows. Contributions with donor-imposed time or purpose restrictions are reported as restricted support. Contributions without donor-imposed restrictions and contributions with donor-imposed time or purpose restrictions that are met in the same period as the gift are both reported as unrestricted support. At April 30, 2009 and 2008, these pledges were considered collectible; therefore, no allowance was recorded.

**Classification of net assets** - Net assets of the Organization are classified as unrestricted, temporarily restricted, or permanently restricted depending on the presence and characteristics of donor-imposed restrictions limiting the Organization's ability to use or dispose of contributed assets or the economic benefits embodied in those assets. Donor-imposed restrictions that expire with the passage of time or can be removed by meeting certain requirements result in temporarily restricted net assets. Permanently restricted net assets result from donor-imposed restrictions that limit the use of net assets in perpetuity. Earnings, gains, and losses on restricted net assets are classified as unrestricted unless specifically restricted by the donor or by applicable state law.

**Founders fund** - The Founders Fund represents contributions directed by donors to be maintained in the Founders Fund. The Founders Fund was created in 1984 to ensure the Organization's capacity to continue helping children, young people, and families in need. The trustees of the Fund are appointed by the Organization's board of directors. Principal and interest on board-designated assets may be used for purposes determined by the trustees of the fund, principal upon a two-thirds vote of the trustees, and income upon a majority vote of the trustees.

**Permanently restricted net assets** - A split-interest agreement existed for which the terms of the contract required the Organization to invest amounts received and distribute a set amount to the designated beneficiary. Upon the death of the beneficiary, the principal remaining under the contract was permanently restricted to the funding of scholarships through the establishment of the John Hough Aldinger, Jr. Scholarship Fund. The Organization also received a gift from the Carl and Rhea Bradford Trust to establish a permanently restricted endowment fund to be used for the elementary school attendance advocacy program.

**HIGHFIELDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)**

**Functional allocation of expenses** - The costs of providing program and support services have been reported on a functional basis in the statement of activities. Indirect costs have been allocated between the various programs and support services based on estimates, as determined by management. Although the methods of allocation used are considered reasonable, other methods could be used that would produce different amounts.

**Tax status** - The Organization is a nonprofit organization under Section 501(c)(3) of the Internal Revenue Code; accordingly, no tax provision is reflected in the financial statements.

**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 in the financial statements. Actual results could differ from those estimates.

**NOTE 2 - INVESTMENTS**

Investments consist of the following at April 30:

	<u>2009</u>	<u>2008</u>
Certificates of deposit	\$ 300,000	\$ -
Money market funds	44,854	25,548
Marketable equity securities	136,278	248,669
Corporate bonds	94,486	108,020
Government bonds	<u>77,295</u>	<u>67,021</u>
Total investments	<u>\$ 652,913</u>	<u>\$ 449,258</u>

**HIGHFIELDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 3 - FAIR VALUE REPORTING**

The following are major categories of assets and liabilities measured at fair value on a recurring basis during the year ended April 30, 2009, using quoted prices in active markets for identical assets (Level 1); significant other observable inputs (Level 2); and significant unobservable inputs (Level 3).

Description	Level 1: Quoted prices in active markets for identical assets	Level 2: Significant other observable inputs	Level 3: Significant unobservable inputs	Total April 30, 2009
Corporate bonds	\$ -	\$ 94,486	\$ -	\$ 94,486
Government bonds	-	77,295	-	77,295
Marketable equity securities	136,278	-	-	136,278
Total	\$ 136,278	\$ 171,781	\$ -	\$ 308,059

**NOTE 4 - PROMISES TO GIVE**

Included in "Contributions Receivable" are the following unconditional promises to give:

	2009	2008
Unconditional promises to give before unamortized discounts and allowance for uncollectibles:	\$ 183,591	\$ 279,689
Less: Unamortized discount	(12,856)	(11,169)
Subtotal	170,735	268,520
Less: Allowance for uncollectibles	-	-
Net unconditional promises to give	170,735	268,520
Less current portion	(78,584)	(87,529)
	\$ 92,151	\$ 180,991
Amounts due in:		
Less than one year		\$ 78,584
One to five years		92,151
More than five years		-
Total		\$ 170,735

Discount rate was 4% in 2009 and 2008.

**HIGHFIELDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 5 - PROPERTY AND EQUIPMENT**

Property and equipment consist of the following at April 30:

	<u>2009</u>	<u>2008</u>
Land	\$ 16,200	\$ 16,200
Land improvements	394,492	394,492
Buildings and improvements	2,824,445	2,821,396
Machinery and other equipment	1,279,009	1,273,358
Transportation equipment	<u>92,879</u>	<u>110,879</u>
Total cost	4,607,025	4,616,325
Less accumulated depreciation	<u>(3,164,043)</u>	<u>(3,028,432)</u>
Net carrying amount	<u>\$ 1,442,982</u>	<u>\$ 1,587,893</u>

Depreciation expense for the years ended April 30, 2009 and 2008 was \$152,461 and \$167,021, respectively.

**NOTE 6 - BANK LINE OF CREDIT**

The Organization entered into a revolving line of credit payable to a bank, collateralized by substantially all assets including the real estate of the Organization, and bearing interest at a variable rate based on prime. At April 30, 2009, the Organization has available a line of credit of \$500,000. The balance of the line of credit was \$425,359 with an interest rate of 5.25% with a maturity of October 1, 2009. At April 30, 2008, the Organization had available a line of credit of \$1,150,000. The balance of the line of credit was \$996,877 at April 30, 2008 with an interest rate of 9.0%. It is the intent of management to extend the due date of the line of credit.

**HIGHFIELDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 - LONG-TERM DEBT**

Long-term debt at April 30 is as follows:

	2009	2008
Note payable to bank, collateralized by the real estate of the Organization, bearing interest at a fixed rate of 5.50%, beginning in March of 2006 and continuing interest-only payments are due monthly. The note matures on January 15, 2013, at which time the outstanding balance is payable in full.	\$ -	\$ 290,620
Note payable to bank, collateralized by the real estate of the Organization, bearing interest at a fixed rate of 7.0%, payments are due monthly. The note matures on September 3, 2012, at which time the outstanding balance is payable in full.	1,036,954	
Less current portion	(12,119)	-
Long-term portion	\$ 1,024,835	\$ 290,620

Subsequent to year end the Organization refinanced its note payable to a bank to the terms listed above.

Both the interest expense and amounts paid for interest totaled \$89,117 for 2009 and \$104,421 for 2008.

Note maturities in are summarized as follows:

Years ending April 30	Amount
2010	\$ 12,119
2011	17,343
2012	18,596
2013	988,896
Total	\$ 1,036,954

**HIGHFIELDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 8 - OPERATING LEASES**

The Organization leases office space under operating leases expiring in various years through March 31, 2011.

A schedule of future minimum payments due under operating leases is as follows:

Year ended April 30,	
2010	\$ 94,932
2011	<u>42,039</u>
	<u>\$ 136,971</u>

Lease expense was \$93,452 and \$90,964 for the years ended April 30, 2009 and 2008, respectively.

**NOTE 9 - PENSION PLAN**

The Organization sponsors a defined contribution pension plan covering all regular, full- and part-time employees. The Organization's contribution to the plan is discretionary. There was no contribution for the year ended April 30, 2009. The contribution to the plan is equal to 3 percent of the compensation for each participant for the year ended April 30, 2008. The contribution is reduced by any forfeitures incurred during the plan year. The total pension contribution for the years ended April 30, 2009 and 2008, was \$0 and \$32,633, respectively.

**NOTE 10 - LETTER OF CREDIT**

At April 30, 2009 and 2008, Highfields, Inc. had an outstanding letter of credit totaling \$157,875 and \$147,750, respectively, to satisfy requirements of the State of Michigan in conjunction with being self-insured for unemployment claims. The letter of credit will mature in February 2010 and is collateralized by accounts receivable, investments, equipment, and other business assets.

**HIGHFIELDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 11 - TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets at April 30 are restricted for the following:

	2009	2008
Founders Society - pledges receivable	\$ -	\$ 18,294
Olds Roe Smith Fund	-	65,000
Granger Foundation Fund	34,000	67,000
Dart Foundation Fund	-	17,823
John H. Aldinger, Jr. Scholarship Fund	17,911	17,911
Benevon	136,735	108,948
Total temporarily restricted net assets	\$ 188,646	\$ 294,976

**Founders Society** - Pledges receivable represent pledges directed by donors to be maintained in the Founders Fund.

**Olds Roe Smith Fund** - Represents a pledge for future operations.

**Granger Foundation Fund** - Represents a pledge made by the Granger Foundation to assist in funding the Alternatives Program.

**Dart Foundation Fund** - Represents a pledge made by the Dart Foundation for the purchase of specific fixed assets.

**John H. Aldinger, Jr. Scholarship Fund** - Represents interest earned on permanently restricted net assets for the funding of scholarships.

**Benevon** - Represents pledges made for future operations.

**HIGHFIELDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 12 - FUNCTIONAL EXPENSES**

The Organization provides family counseling, youth counseling, and educational counseling to youths, families, and communities within its geographic locations. Expenses relating to providing these services are as follows:

	2009	2008
Program services	\$ 5,644,217	\$ 4,999,520
General and administrative	867,027	817,986
Fundraising	244,417	162,308
Total expenses	\$ 6,755,661	\$ 5,979,814

**NOTE 13 - ASSETS HELD AT COMMUNITY FOUNDATION**

The Organization established endowments at the Capital Region Community Foundation (CRCF) and the Jackson Community Foundation (JCF) and named itself as the beneficiary. Pursuant to FASB Statement 136, *“Transfers of Assets to a Not-for-Profit Organization or Charitable Trust that Raises or Holds Contributions for Others”*, this amount in addition to net earnings are included with in investments on the statement of financial position. The CRCF and JCF amounts included in investments are \$13,595 and \$11,782 as of April 30, 2009 and 2008, respectively. Although this amount has been recorded as an asset, the Organization has granted variance power to CRCF and JCF. Distributions from the endowment will be made annually to the Organization according to the spending guidelines established by the Board of Trustees of the CRCF and JCF. The CRCF and JCF have received contributions from other third party donors which the Organization is precluded from recognizing. The fair market value of the entire endowments at CRCF and JCF as of April 30, 2009 and 2008, including the amounts above, is \$52,667 and \$63,552, respectively.

**NOTE 14 - ENDOWMENTS (PERMANENTLY RESTRICTED)**

The Organization has interpreted the Uniform Management of Institutional Funds Act (UMIFA) as requiring the preservation of the historic value of the fund absent explicit donor stipulations to the contrary. No such stipulations currently exist. Michigan has not yet adopted the Uniform Prudent Management of Institutional Funds Act.

As a result, the Organization classifies permanently restricted (donor restricted) net assets as: a) the original value of gifts donated to the permanent endowment, b) the original value of subsequent gifts to the permanent endowment, and c) accumulations to the permanent endowment made in accordance with direction of applicable donor instruments.

**HIGHFIELDS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 14 - ENDOWMENTS (PERMANANTLY RESTRICTED) (Concluded)**

Investment earnings from donor-restricted endowment funds are classified as unrestricted income absent explicit donor stipulations to the contrary. In the event that the fair value of the donor-restricted endowment funds fall below the level required to be maintained by perpetuity, the resulting deficiency is recorded as a reduction of unrestricted net assets.

The Organization has established an annual maximum spending policy of 5% of the fair market value of the fund at the close of the previous fiscal year or all of the interest and cash dividends generated by the fund during the year.

**Return Objectives and Risk Parameters**

The Organization has adapted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding for programmatic activities. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity and funds designated by the board of directors. Under this policy, the endowment assets are invested in a manner that is intended to assume a moderate level of investment risk.

**Strategies Employed for Achieving Objectives**

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both current yield (interest and dividends) and capital appreciation (realized and unrealized). The Organization targets a diversified asset allocation to achieve its long-term return objectives within prudent risk constraints.

The following is a summary of endowment fund activity:

	Permanently restricted
Endowment net assets, May 1, 2007	\$ 142,222
Contributions	-
Endowment net assets, April 30, 2008	142,222
Contributions - Carl and Rhea Bradford Trust	300,000
Endowment net assets, April 30, 2009	\$ 442,222
Balance April 30, 2009	
John H. Aldinger Jr. Scholarship Fund	\$ 142,222
Carl and Rhea Bradford Trust	300,000
	\$ 442,222

## INDEPENDENT AUDITORS' REPORT ON ADDITIONAL INFORMATION

We have audited the financial statements of Highfields, Inc. as of April 30, 2009 and 2008. Our audits were made for the purpose of forming an opinion on the financial statements taken as a whole. The functional expenses and schedule of paid days care information presented in the accompanying schedules is for the purpose of additional analysis of the financial statements, and is not a required part of the basic financial statements. The schedule of functional expenses and schedule of paid days care information has been subjected to the procedures applied in the audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

*Manes Costeiron PC*

September 8, 2009

**HIGHFIELDS, INC.**  
**SCHEDULE OF FUNCTIONAL EXPENSES**  
**YEAR ENDED APRIL 30, 2009**  
**(with comparative totals for the year ended April 30, 2008)**

	Program services				Support services			Total expenses		
	Youth opportunities (residential care)	Breakthrough	21st Century	Family opportunities and other	Total	Development	Administration	Total	2009	2008
Salaries	\$ 1,838,976	\$ 91,367	\$ 196,121	\$ 1,608,963	\$ 3,735,427	\$ 66,373	\$ 508,954	\$ 575,327	\$ 4,310,754	\$ 3,799,468
Employee benefits	153,017	8,992	(3,011)	148,427	307,425	3,785	43,022	46,807	354,232	327,243
Payroll taxes	184,705	7,607	18,155	125,606	336,073	4,842	39,524	44,366	380,439	344,364
Total salaries and related expenses	2,176,698	107,966	211,265	1,882,996	4,378,925	75,000	591,500	666,500	5,045,425	4,471,075
Professional fees	21,398	186	6,809	3,424	31,817	36,600	135,791	172,391	204,208	180,748
Supplies	209,460	3,414	46,977	17,863	277,714	996	87	1,083	278,797	238,770
Telephone	22,527	1,508	96	23,940	48,071	1,392	2,821	4,213	52,284	49,116
Postage and shipping	6,696	-	18	1,844	8,558	2,579	175	2,754	11,312	10,026
Occupancy	167,437	3,464	3,512	135,696	310,109	7,378	21,881	29,259	339,368	325,733
Special events	-	-	-	-	-	25,643	-	25,643	25,643	15,099
Outside printing	127	76	49	-	252	592	6,224	6,816	7,068	4,996
Local transportation	32,104	1,355	16,022	164,205	213,686	3,883	4,923	8,806	222,492	191,634
Conferences, conventions, and major travel	8,129	919	2,409	11,278	22,735	23,888	4,765	28,653	51,388	32,097
Subscriptions and reference publications	697	19	-	728	1,444	23	1,118	1,141	2,585	564
Specific assistance	64,854	2,792	-	36,504	104,150	-	-	-	104,150	73,608
Membership dues	125	-	9	120	254	265	14,919	15,184	15,438	20,879
Equipment	24,297	260	2,769	3,908	31,234	2,826	3,907	6,733	37,967	55,194
Miscellaneous	8,545	-	-	2,318	10,863	61,200	43,895	105,095	115,958	38,086
Overhead allocation	369,006	11,789	41,648	407,545	829,988	37,039	(867,027)	(829,988)	-	-
Depreciation	91,601	6,123	-	-	97,724	-	54,737	54,737	152,461	167,021
Interest	55,267	-	-	-	55,267	-	33,850	33,850	89,117	105,168
Community education	22,893	737	2,517	25,267	51,414	2,152	(53,566)	(51,414)	-	-
Total functional expenses	\$ 3,281,861	\$ 140,608	\$ 334,100	\$ 2,717,636	\$ 6,474,205	\$ 281,456	\$ -	\$ 281,456	\$ 6,755,661	\$ 5,979,814

**HIGHFIELDS, INC.**  
**SCHEDULE OF PAID DAYS CARE**  
**YEARS ENDED APRIL 30, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
Residential care:		
May	1,085	813
June	1,264	975
July	1,432	866
August	1,191	867
September	1,069	624
October	1,095	730
November	1,023	936
December	1,129	929
January	1,190	878
February	1,010	824
March	997	1,048
April	<u>1,015</u>	<u>1,005</u>
Total	<u><u>13,500</u></u>	<u><u>10,495</u></u>