

**WORK TRAINING CENTER  
FOR THE HANDICAPPED, INC.  
(A NONPROFIT CORPORATION)**

**CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED  
JUNE 30, 2010 AND 2009**

INDEPENDENT AUDITOR'S REPORT

HARRISON-  
DAILEY-WRIGHT  
accountancy  
corporation



CERTIFIED PUBLIC  
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FOUNDED IN  
1977 BY  
RETIRED PRINCIPALS

Richard L. Harrison  
George F. Dailey

To the Board of Directors  
Work Training Center for the Handicapped, Inc.

We have audited the accompanying consolidated statements of financial position of Work Training Center for the Handicapped, Inc. (a nonprofit corporation) and subsidiary as of June 30, 2010 and 2009, and the related consolidated statements of activities, functional expenses 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Work Training Center for the Handicapped, Inc. and subsidiary, as of June 30, 2010 and 2009, 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.

HARRISON-DAILEY-WRIGHT  
Accountancy Corporation

September 28, 2010

**WORK TRAINING CENTER  
FOR THE HANDICAPPED, INC.**  
(A Nonprofit Corporation)

CONSOLIDATED STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

	Unrestricted		Temporarily	Combined	
	Center	Foundation	Restricted Center	2010	2009
Revenue, Support and Other:					
Tuition	\$ 6,096,441			\$ 6,096,441	\$ 6,207,683
Contract work	3,358,586			3,358,586	3,446,895
Transportation	1,167,636			1,167,636	1,468,308
Adult education contracts	286,837			286,837	410,080
Grants	150,801			150,801	50,977
Rents		\$ 212,834		212,834	212,832
Butte County Mental Health				-	48,957
Fundraising	67,382			67,382	104,194
Activity fees	58,870			58,870	79,416
Shipping	20,417			20,417	31,743
Retail sales	8,094			8,094	6,418
Investment revenue	16,752	4,962		21,714	(10,895)
Asset sales	11,268			11,268	
Change in value - Split interest agreement			\$ 40,117	40,117	(626)
Other	105,462	10		105,472	73,821
<b>Total Revenue, Support and Other</b>	<b>11,348,546</b>	<b>217,806</b>	<b>40,117</b>	<b>11,606,469</b>	<b>12,129,803</b>
Expenses:					
Program services	10,156,520	22,032		10,178,552	10,832,204
Management	1,093,469	2,005		1,095,474	1,169,624
Fundraising	57,007			57,007	13,936
<b>Total Expenses</b>	<b>11,306,996</b>	<b>24,037</b>		<b>11,331,033</b>	<b>12,015,764</b>
Change in Net Assets From Operations	41,550	193,769	40,117	275,436	114,039
Other Changes in Net Assets:					
Prior period adjustment	15,424			15,424	(80,141)
Intercompany transfers	192,367	(192,367)			
<b>Total Other Changes in Net Assets</b>	<b>207,791</b>	<b>(192,367)</b>		<b>15,424</b>	<b>(80,141)</b>
Change in Net Assets	249,341	1,402	40,117	290,860	33,898
Net Assets, Beginning of Year	2,583,818	1,050,085	200,104	3,834,007	3,800,109
<b>Net Assets, End of Year</b>	<b>\$ 2,833,159</b>	<b>\$ 1,051,487</b>	<b>\$ 240,221</b>	<b>\$ 4,124,867</b>	<b>\$ 3,834,007</b>

