

LONG ISLAND COUNCIL OF CHURCHES INC

FINANCIAL STATEMENTS

DECEMBER 31, 2005

JACK J. PRYZMONT
Certified Public Accountant
Dix Hills, New York

LONG ISLAND COUNCIL OF CHURCHES
DECEMBER 31, 2005

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JACK J. PRYZMONT
CERTIFIED PUBLIC ACCOUNTANT
7 PUDDING LANE
DIX HILLS, N.Y. 11746

To the Board of Directors
LONG ISLAND COUNCIL OF CHURCHES INC
1644 Denton Green
Hempstead, N.Y. 11550

*I have audited the accompanying Balance Sheet of **LONG ISLAND COUNCIL OF CHURCHES INC** as of December 31, 2005 and the related Statements of Earnings, Cash Flows and supplemental schedules for the year ended December 31, 2005. These financial statements are the responsibility of the organizations' directors. My responsibility is to express an opinion on these financial statements based on my audit.*

I have conducted this audit in accordance with generally accepted auditing standards. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Long Island Council of Churches Inc. at December 31, 2005 and the results of their operations and cash flows for the year ended December 31, 2005 in conformity with generally accepted accounting principles.

JACK J. PRYZMONT
Certified Public Accountant

April 7, 2006

LONG ISLAND COUNCIL OF CHURCHES INC
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2005
AUDITED

ASSETS

Current Assets

<i>Cash in Bank</i>	\$	16276
<i>Due from Nassau County</i>		<u>29939</u>

<i>Total Current Assets</i>	\$	46215
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Other Assets

<i>Covenant - (Presbyterian Foundation)</i>		<u>22994</u>
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<i>TOTAL ASSETS</i>	\$	<u>69209</u>
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LIABILITIES AND FUND BALANCE

Current Liabilities

<i>Accrued Expense- Payroll Taxes</i>	\$	3
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<i>TOTAL LIABILITIES</i>	\$	3
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Fund Balance

<i>Temporarily Restricted</i>	\$	192208
<i>Unrestricted</i>		(129651)
<i>Permanently Restricted</i>		<u>6649</u>

<i>TOTAL FUND BALANCE</i>		<u>69206</u>
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<i>TOTAL LIABILITIES AND FUND BALANCE</i>	\$	<u>69209</u>
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See Accountant's Audit Report

LONG ISLAND COUNCIL OF CHURCHES INC
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2005
AUDITED

INCOME

<i>Churches</i>	\$ 91454
<i>Denominations</i>	24514
<i>Individuals</i>	81192
<i>Agencies</i>	52956
<i>Services</i>	5924
<i>Community Resources</i>	267975
<i>Foundations</i>	48763
<i>Interest and Dividends</i>	3189
<i>Misc</i>	3
<i>Refunds and Exchanges</i>	2370
<i>Businesses</i>	42994
<i>Designated Funds</i>	<u>570</u>

TOTAL INCOME **\$ 621904**

EXPENSES

<i>Council Salaries</i>	\$ 134411
<i>Council Benefits</i>	40957
<i>Services</i>	6965
<i>Publicity and Development</i>	16516
<i>Office Expenses and Rent</i>	30891
<i>Program and Events</i>	3783
<i>Reimbursements</i>	8701
<i>Social Service Salaries</i>	109678
<i>Social Service Expenses</i>	62763
<i>Chaplaincy Expenses</i>	34584
<i>Multi Faith Forum</i>	858
<i>Emergency Food</i>	76654
<i>Family Support</i>	74174
<i>Miscellaneous</i>	505
<i>Payroll Expenses</i>	15111
<i>Migrant Fund</i>	1541
<i>Women at the Well - Salaries</i>	5837
<i>Bank Charges</i>	<u>1571</u>

TOTAL EXPENSES	<u>625500</u>
NET INCOME	(3596)
FUND BALANCE - December 31, 2004	<u>72802</u>
FUND BALANCE - December 31, 2005	\$ <u><u>69206</u></u>

See Accountant's Audit Report

LONG ISLAND COUNCIL OF CHURCHES INC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2005
AUDITED

CASH FLOWS FROM OPERATING ACTIVITIES

<i>Net Income (Loss)</i>	\$ (3597)
<i>Decrease in Accounts Receivable and Other Assets</i>	2514
<i>Decrease in Current Liabilities</i>	(<u>15321</u>)
 CASH FLOWS FROM OPERATING ACTIVITIES	 \$ (<u>16404</u>)
 TOTAL INCREASE IN CASH	 (16404)
 CASH BALANCE - December 31, 2004	 <u>32680</u>
 CASH BALANCE - December 31, 2005	 \$ <u><u>16276</u></u>

See Accountant's Audit Report

LONG ISLAND COUNCIL OF CHURCHES INC
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2005
AUDITED

INCOME

	<i>Temporarily Restricted</i>	<i>Unrestricted</i>	<i>Permanently Restricted</i>	<i>Totals</i>
<i>Congregations</i>	\$ 35890	\$ 55564		\$ 91454
<i>Denominations</i>	12646	11868		24514
<i>Individuals</i>	11116	70076		81192
<i>Agencies</i>	31872	21084		52956
<i>Services</i>	1205	4719		5924
<i>Government Funds</i>	229773	1880		231653
<i>Foundations</i>	48163	600		48763
<i>Interest & Dividends</i>	672	526	1991	3189
<i>Misc</i>	3			3
<i>Refunds & Exchanges</i>	1006	1364		2370
<i>Businesses & Corps</i>	38300	4694		42994
<i>Other Programs</i>	<u>36892</u>	—	—	<u>36892</u>
<i>Total Income</i>	\$ <u>447538</u>	\$ <u>172375</u>	\$ <u>1991</u>	\$ <u>621904</u>

EXPENSES

<i>Council Salaries</i>	57736	76675		134411
<i>Council Benefits</i>	402	40555		40957
<i>Services</i>	452	6513		6965
<i>Publicity & Development</i>	1205	15311		16516
<i>Office Expense & Rent</i>	277	30614		30891
<i>Program and Events</i>		3783		3783
<i>Reimbursements</i>	335	8366		8701
<i>Community Resource Salaries</i>	109678			109678
<i>Community Resource Expenses</i>	62763			62763
<i>Chaplaincy Salaries</i>	34584			34584
<i>Multi Faith Forum</i>	858			858
<i>Emergency Food</i>	76654			76654
<i>Family Support</i>	74174			74174
<i>Miscellaneous</i>	505			505
<i>Payroll Expenses</i>	11114	3997		15111
<i>Migrant Fund</i>	1541			1541
<i>Women of the Well-Salaries</i>	5837			5837
<i>Bank Charges</i>		<u>1571</u>		<u>1571</u>
<i>Total Expense</i>	\$ <u>438115</u>	\$ <u>187385</u>	<u>--0--</u>	\$ <u>625500</u>

<i>Net Income (Loss)</i>	9423	(15010)	1991	(3596)
<i>Fund Balance : Dec 31, 2004</i>	<u>182785</u>	(<u>114641</u>)	<u>4658</u>	<u>72802</u>
<i>Fund Balance : Dec 31, 2005</i>	\$ <u>192208</u>	\$ (<u>129651</u>)	\$ <u>6649</u>	\$ <u>69206</u>

See Accountant's Audit Report

LONG ISLAND COUNCIL OF CHURCHES
PROFIT AND LOSS BY CLASS
FOR THE YEAR ENDED DECEMBER 31, 2005

INCOME	Advocacy	Chaplaincy	Community Resources	Emergency Food	EFSP	WTC Disaster	Multi-Faith Forum
Congregations		1,000	4,006	27,854			230
Denominations			4,000	7,396			
Individuals	25		1,961	8,860			175
Agencies				28,002			3,850
Businesses/Corporations			2,385	12,665			
Foundations			48,000	163			
Services							1,206
Government Contracts		36,892	124,458	12,625	92,120		
Refunds & Exchanges			5	32		969	
Interest & Dividends					675		
Designated Funds				570			
TOTAL INCOME	25	37,892	184,815	98,187	92,795	969	5,461

EXPENSES							
Council Salaries		3,215	19,161	9,644			19,287
Council Payroll Taxes		242	7,513	3,658			
Council Benefits			402				
Services	375	22	55				
Office Expenses			277				
Programs & Events							
Publicity/Development			1,204				
Prof. Reimbursement	187	73	99				65
Com.Resources Salaries			109,678				
Com.Resources Expense			61,310	1,330			
Chaplaincy Expenses		34,584					
Women at the Well							
Multi-Faith Forum							858
Emergency Food			150	55,753	20,751		
Migrant Fund			718	623			
Family Support			2,091		72,040		
Miscellaneous			950				
Bank Charges & Interest							
Uncategorized							
TOTAL EXPENSES	562	38,136	203,608	71,008	92,791		20,210
Net Income (Loss)	(537)	(244)	(18,793)	27,179	4	969	(14,749)

LONG ISLAND COUNCIL OF CHURCHES
PROFIT AND LOSS BY CLASS
FOR THE YEAR ENDED DECEMBER 31, 2005

INCOME	Women at the Well	Predatory Lending	Other Designated	General Operation	Unclassified	Total
Congregations	2,800		5,000	50,564		91,454
Denominations	1,250			11,868		24,514
Individuals	95		150	69,926		81,192
Agencies				21,084		52,956
Businesses/Corporations		21,250	2,000	4,694		42,994
Foundations				600		48,763
Services				4,718		5,924
Government Contracts				1,880		267,975
Refunds & Exchanges				1,364		2,370
Interest & Dividends			11	515	1,991	3,192
Designated Funds						570
TOTAL INCOME	4,145	21,250	7,161	167,213	1,991	621,904

EXPENSES						
Council Salaries		6,429		76,675		134,411
Council Payroll Taxes				3,698		15,111
Council Benefits				40,555		40,957
Services				6,513		6,965
Office Expenses				30,614		30,891
Programs & Events			3,216	567		3,783
Publicity/Development				15,312		16,516
Prof. Reimbursement				8,277		8,701
Com.Resources Salaries						109,678
Com.Resources Expense				93	30	62,763
Chaplaincy Expenses						34,584
Women at the Well	5,837					5,837
Multi-Faith Forum						858
Emergency Food						76,654
Migrant Fund			200			1,541
Family Support					43	74,174
Miscellaneous				(445)		505
Bank Charges & Interest			12	1,434	121	1,567
Uncategorized				4		4
TOTAL EXPENSES	5,837	6,429	3,428	183,297	194	625,500
Net Income (Loss)	(1,692)	14,821	3,733	(16,084)	1,797	(3,596)

LONG ISLAND COUNCIL OF CHURCHES INC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2005
AUDITED

1. *Long Island Council of Churches Inc is a Non Profit Corporation which provides Emergency Food, Social Services, Chaplaincy, Interfaith Education and Advocacy.*
2. *Summary of significant accounting principles.
Books and records are maintained on an accrual basis. There is no inventory and fixed assets are fully depreciated. The straight line method of depreciation is used for all fixed asset acquisitions. No provision for income taxes has been made due to tax exempt status.*
3. *Unrestricted funds are available to finance general operations of the particular organization, and may be expended at the discretion of the governing board. They are funds that are not permanently restricted or temporarily restricted by donor-imposed stipulations. Internally board designated funds are considered unrestricted.*
4. *Temporarily restricted funds are similar to permanently restricted funds except the donor-imposed stipulations either expire by passage of time or can be fulfilled and removed by actions of the organization. Temporarily restricted funds should not be displayed as a deficit; any over expenditure of temporarily restricted funds should be classified as a reduction of unrestricted funds.*
5. *Permanently restricted funds result from contributions and other inflows of funds whose use is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the organization. They can result from the reclassification from (or to) other classes of funds as a consequence of donor-imposed stipulations.*
6. *A lease is presently in effect at 407 Osborne Avenue, Riverhead, NY 11901. The term of the Lease shall be for five years, commencing and ending November 1, 2008 and shall be renewable. The rent payable is fourteen thousand four hundred dollars (\$14,400) per year in equal monthly installments of one thousand two hundred dollars (\$1,200.00) payable in advance and due on the 1st day of each month.*
7. *Long Island Council of Churches is presently under contracts with Nassau County and receives funding for various charitable activities.*