

**BREWSTER EDUCATION  
FOUNDATION, INC.**

**Financial Statements**

**For the Years Ended  
June 30, 2007 & 2006**



To the Board of Trustees  
Brewster Education Foundation, Inc.  
Brewster, New York

We have reviewed the accompanying statement of financial position of Brewster Education Foundation, Inc. (a not-for-profit) as of June 30, 2007 and 2006, and the related statements of activities, functional expenses, and cash flows for the years then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of the Brewster Education Foundation, Inc.

A review consists principally of inquiries of organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

*CPA Services, P.C.*

May 13, 2008

BREWSTER EDUCATION FOUNDATION, INC.  
STATEMENT OF FINANCIAL POSITION  
June 30,

	<u>2007</u>	<u>2006</u>
Assets:		
Cash and cash equivalents	\$40,664	\$53,248
Other receivables	150	5,394
Deferred expenses	<u>837</u>	<u>-</u>
Total Current Assets	41,651	58,642
Investments at fair market value	<u>480,936</u>	<u>426,645</u>
TOTAL ASSETS	<u>\$522,587</u>	<u>\$485,287</u>
Liabilities and Net Assets:		
Accounts payable	\$ 4,560	\$ 3,743
Total Current Liabilities	4,560	3,743
Net Assets:		
Unrestricted	93,786	59,623
Temporary restricted	4,295	2,220
Permanently restricted	<u>419,946</u>	<u>419,701</u>
Total Net Assets	<u>518,027</u>	<u>481,544</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$522,587</u>	<u>\$485,287</u>

See accountants' report and accompanying notes.

BREWSTER EDUCATION FOUNDATION, INC.  
STATEMENT OF ACTIVITIES  
For the Years Ended June 30,

	--- Restricted ---			----Total----	
	<u>Unrestricted</u>	<u>Temporary</u>	<u>Permanently</u>	<u>2007</u>	<u>2006</u>
Revenues & other support:					
Fund Raising:					
Corvette raffle	\$20,384			\$20,384	\$13,201
Dinner theater	8,366			8,366	10,023
Performance series	1,823			1,823	6,454
Journal	3,977			3,977	4,675
Golf outing	8,802			8,802	9,502
Brick sales	415			415	154
Patron	-			-	-
Total Fund Raising	<u>43,767</u>			<u>43,767</u>	<u>44,009</u>
Contributions	3,800	\$ 250	\$2,745	6,795	23,867
Interest income	645			645	731
Dividends	11,104			11,104	12,022
Capital gain distributions	5,689			5,689	3,486
Gain on sale of securities	886			886	575
Unrealized gains/(losses)	41,087			41,087	16,445
Net assets released from restricted funds	<u>675</u>	<u>1,825</u>	<u>(2,500)</u>	<u>-</u>	<u>-</u>
Total Revenue & Other Support	107,653	2,075	245	109,973	101,135
Expense:					
Program related expenses	60,777			60,777	70,462
Management and general	6,179			6,179	4,507
Fund raising	<u>6,534</u>			<u>6,534</u>	<u>2,779</u>
Total Expenses	<u>73,490</u>			<u>73,490</u>	<u>77,748</u>
Change in Net Assets	34,163	2,075	245	36,483	23,387
Net assets at July 1,	<u>59,623</u>	<u>2,220</u>	<u>419,701</u>	<u>481,544</u>	<u>458,157</u>
Net assets at June 30,	<u>\$93,786</u>	<u>\$4,295</u>	<u>\$419,946</u>	<u>\$518,027</u>	<u>\$481,544</u>

See accountants' report and accompanying notes.

BREWSTER EDUCATION FOUNDATION, INC.  
 STATEMENT OF ACTIVITIES  
 For the Years Ended June 30,

	<u>Program</u> <u>Services</u>	<u>Mgt. &amp;</u> <u>General</u>	<u>Fund</u> <u>Raising</u>	---- Total ----	
				<u>2007</u>	<u>2006</u>
Grants	\$31,367			\$31,367	\$18,837
Scholarships	29,410			29,410	51,625
Marketing			\$5,333	5,333	1,237
Investment fees		\$4,523		4,523	3,377
Credit card fees			891	891	883
Insurance		890		890	435
Supplies		406		406	259
Office support			310	310	510
Printing & copying		105		105	171
Postage		70		70	196
Other		185		185	218
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total	<u>\$60,777</u>	<u>\$6,179</u>	<u>\$6,534</u>	<u>\$73,490</u>	<u>\$77,748</u>

See accountants' report and accompanying notes.

BREWSTER EDUCATION FOUNDATION, INC.  
STATEMENT OF CASH FLOWS  
For the Years Ended June 30,

	<u>2007</u>	<u>2006</u>
<u>Cash Flows From Operating Activities</u>		
Cash flow from increase in net assets	\$36,483	\$23,387
Adjustments:		
Fair market value adjustment to investments; losses/(gains)	(41,087)	(16,445)
Subtotal	(4,604)	6,942
Cash flow from changes in working capital:		
(Increase)/decrease in other receivables	5,244	2,481
(Increase)/decrease in deferred expenses	(837)	57
Increase/(decrease) in accounts payable	817	1,003
Net Change in Working Capital Items	<u>5,224</u>	<u>3,541</u>
Net Cash Provided By Operating Activities	620	10,483
<u>Cash Flows From Investment Activities</u>		
Purchase of investments	(17,233)	(334,610)
Sale of investments	4,029	24,237
Net Change in Investment Activities	<u>(13,204)</u>	<u>(310,373)</u>
Net Change in Cash	(12,584)	(299,890)
Cash and cash equivalents, July 1,	<u>53,248</u>	<u>353,138</u>
Cash and cash equivalents, June 30,	<u>\$40,664</u>	<u>\$53,238</u>

See accountants' report and accompanying notes.

BREWSTER EDUCATION FOUNDATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2007

**Note A - Organization**

The Brewster Education Foundation was founded in July, 1984 in order to raise funds to foster, encourage, and promote public educational programs. The goal of the Foundation is to promote excellence in education by recognizing students for scholastic achievement, encouraging teachers to take innovative approaches to public education and to foster community service. The Foundation achieves this goal by working with business leaders, service organizations, educators and residents of the community. The Foundation is recognized by the Internal Revenue Service as a tax exempt 501(c)(3) organization.

Summary of Significant Accounting Policies:

The following is a summary of significant accounting policies applied by the Foundation in the preparation of its financial statements, which conforms to generally accepted accounting principles:

**Method of Accounting:**

The Foundation follows the accrual basis of accounting, recognizing revenues when earned and expenses when incurred without regard to the timing of related cash receipts and expenditures.

**Financial Statement Presentation:**

The Foundation adopted Statement of Financial Accounting Standards (SFAS) No.117, 'Financial Statements of Not-for-profit Organizations'. Under SFAS No.117, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets; unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets, as applicable.

**Cash and Cash Equivalents:**

Cash equivalents are those liquid or near liquid investments, which will become due in three months or less.

**Income Taxes:**

The Foundation is tax exempt under Section 501(c)(3) of the Internal Revenue Code and would not be liable for any federal or state income tax.

See accountants' report.

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 and disclosures. Actual results could differ from those estimates.

**Note B - Cash and Investments**

The Foundation's cash and investments are managed by the Board of Trustees. The investments consist primarily of a portfolio of mutual funds. The following summarizes the breakdown of cash and investments.

	---- 2007 ----		---- 2006 ----	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
Cash and equivalents	<u>\$40,664</u>	<u>\$40,664</u>	<u>\$53,248</u>	<u>\$53,248</u>
Mutual funds	<u>\$423,580</u>	<u>\$480,936</u>	<u>\$410,376</u>	<u>\$426,645</u>
Total Investments	<u>\$423,580</u>	<u>\$480,936</u>	<u>\$410,376</u>	<u>\$426,645</u>

Investments are recorded at cost when purchased and adjusted to fair market at each year end date. The Statement of Activities reflects any adjustment to the investment's fair market value from the previous balance sheet date.

**Note C - Deferred Revenue & Expenses**

The Foundation conducts various fund raising events in which it receives revenues and incurs expenses in advance of the fund raising event. The following represents advances revenues net of expenses at June 30<sup>th</sup>.

Deferred Revenue/(Expenses)

	<u>2007</u>	<u>2006</u>
Corvette raffle	<u>\$837</u>	<u>\$ -</u>
Total Deferred revenue & Expenses	<u>\$837</u>	<u>\$ -</u>

**Note D - Permanently Restricted Assets**

Since its inception, the Foundation has received endowment donations to establish various scholarships. The Foundation has invested these funds and the income from these investments, supplemented by the Foundations own funds, are used to pay for these scholarships. The following represents the endowments received to date:

See accountants' report.

	<u>2007</u>	<u>2006</u>
June Weiglet Memorial Scholarship	\$120,000	\$120,000
Danielle Coco Memorial Scholarship	65,645	65,645
Fire Chiefs Dan & Jim O'Connell Memorial Scholarship	41,000	41,000
Lauren Read Memorial Scholarship	32,795	32,795
Gisele Corde Memorial Scholarship	27,453	27,053
Jaclyn Viglio Memorial Scholarship	15,350	15,350
Valarie Ruh Memorial Scholarship	14,911	14,453
Christopher Blackwell Mem. Scholarship	13,025	13,025
Frank Colombo Memorial Scholarship	12,000	12,000
George Zupko Scholarship	11,200	11,200
Brewster Teacher Association Scholarship	10,000	10,000
Philip Podkaminer Memorial Scholarship	10,000	10,000
Allen & Helen Michell Scholarship	10,000	10,000
Vincent Cafiero Memorial Scholarship	7,516	7,004
Helen Damsey Music Scholarship	5,625	5,625
Vincent Talarico Memorial Scholarship	5,246	5,246
Dr. Lawrence Greenfield Mem. Scholarship	5,000	5,000
Memory of Gladys & Theodore Schaeffer	5,000	5,000
Dorothy Killakey Scholarship	5,000	5,000
Brewster Tire Scholarship	-	2,500
Liz LoBuglio Scholarship	1,275	-
Alumni Scholarship	<u>1,905</u>	<u>1,805</u>
Total Endowments Received	<u>\$419,946</u>	<u>\$419,701</u>

See accountants' report.