

Return of Organization Exempt from Income Tax

OMB No 1545-0047

2004Department of the Treasury
Internal Revenue ServiceUnder section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code
(except black lung benefit trust or private foundation)**Open to Public
Inspection**

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2004 calendar year, or tax year beginning Jul 1, 2004, **and ending** Jun 30, 2005**B** Check if applicable

- ☐ Address change
☐ Name change
☐ Initial return
☐ Final return
☐ Amended return
☐ Application pending

Please use
IRS label
or print
or type.
See
specific
instruc-
tions.**C** Name of organization

The Astor Home for Children

Number and street (or P.O. box if mail is not delivered to street address) Room/suite

6339 Mill Street, PO Box 5005

City, town or country

Rhinebeck

State ZIP code + 4

NY 12572

D Employer Identification Number

14-1397918

E Telephone number

(845) 871-1000

F Accounting method:☐ Cash☒ Accrual☐ Other (specify) ▶

• **Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).**

H and I are not applicable to section 527 organizations

H (a) Is this a group return for affiliates? ☐ Yes ☒ No**H (b)** If "Yes," enter number of affiliates ▶**H (c)** Are all affiliates included? ☐ Yes ☒ No
(If "No," attach a list. See instructions.)**H (d)** Is this a separate return filed by an organization covered by a group ruling? ☒ Yes ☐ No**I** Group Exemption Number ▶ 0928**M** Check ☐ if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)**G** Web site: ▶ N/A**J** Organization type (check only one)▶ ☒ 501(c) 3 (insert no.) ☐ 4947(a)(1) or ☐ 527**K** Check here ☐ if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. **Some states require a complete return.**

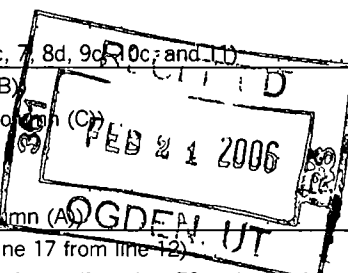
Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 31,702,101.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See instructions)**1** Contributions, gifts, grants, and similar amounts received**a** Direct public support**1a** 50,073.**b** Indirect public support**1b** 184,811.**c** Government contributions (grants)**1c****d** Total (add lines 1a through 1c) (cash \$ 234,884. noncash \$)**1d** 234,884.**2** Program service revenue including government fees and contracts (from Part VII, line 93)**2** 31,377,410.**3** Membership dues and assessments**3****4** Interest on savings and temporary cash investments**4** 370.**5** Dividends and interest from securities**5****6a** Gross rents**6a** 89,437.**b** Less: rental expenses**6b****c** Net rental income or (loss) (subtract line 6b from line 6a)**6c** 89,437.**7** Other investment income (describe ▶)**7****8a** Gross amount from sales of assets other than inventory**(A) Securities****(B) Other****8a****b** Less: cost or other basis and sales expenses**8b****c** Gain or (loss) (attach schedule)**8c****d** Net gain or (loss) (combine line 8c, columns (A) and (B))**8d****9** Special events and activities (attach schedule) If any amount is from gaming, check here ☐**a** Gross revenue (not including \$ of contributions reported on line 1a)**9a****b** Less: direct expenses other than fundraising expenses**9b****c** Net income or (loss) from special events (subtract line 9b from line 9a)**9c****10a** Gross sales of inventory, less returns and allowances**10a****b** Less: cost of goods sold**10b****c** Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)**10c****11** Other revenue (from Part VII, line 103)**11****12** Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)**12** 31,702,101.**13** Program services (from line 44, column (B))**13** 29,675,611.**14** Management and general (from line 44, column (C))**14** 2,129,590.**15** Fundraising (from line 44, column (D))**15** 39,311.**16** Payments to affiliates (attach schedule)**16****17** Total expenses (add lines 16 and 44, column (A))**17** 31,844,512.**18** Excess or (deficit) for the year (subtract line 17 from line 12)**18** -142,411.**19** Net assets or fund balances at beginning of year (from line 73, column (A))**19** 5,360,066.**20** Other changes in net assets or fund balances (attach explanation)**20****21** Net assets or fund balances at end of year (combine lines 18, 19, and 20)**21** 5,217,655.RECEIVED
FEB 14 2006

RECEIVED

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MAR 13 2006

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17 NE

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (att sch) (cash \$ _____) non-cash \$ _____)	22				
23 Specific assistance to individuals (att sch)	23				
24 Benefits paid to or for members (att sch)	24				
25 Compensation of officers, directors, etc	25				
26 Other salaries and wages	26	19,290,992.	18,013,841.	1,277,151.	
27 Pension plan contributions	27	771,436.	751,210.	20,226.	
28 Other employee benefits	28	2,082,472.	1,945,278.	137,194.	
29 Payroll taxes	29	2,001,738.	1,880,600.	121,138.	
30 Professional fundraising fees	30				
31 Accounting fees	31	81,000.		81,000.	
32 Legal fees	32	10,953.	6,377.	4,576.	
33 Supplies	33	877,271.	832,036.	45,235.	
34 Telephone	34	275,297.	259,283.	16,014.	
35 Postage and shipping	35	46,554.	30,096.	16,458.	
36 Occupancy	36	1,399,351.	1,363,071.	36,280.	
37 Equipment rental and maintenance	37	380,378.	331,847.	48,531.	
38 Printing and publications	38	35,603.	6,888.	28,715.	
39 Travel	39	434,248.	416,102.	18,146.	
40 Conferences, conventions, and meetings	40	53,138.	35,427.	17,711.	
41 Interest	41	67,953.	52,030.	15,923.	
42 Depreciation, depletion, etc (attach schedule)	42	615,816.	481,692.	134,124.	
43 Other expenses not covered above (itemize)					
a Staff development	43a	91,762.	94,814.	-3,052.	
b Insurance	43b	450,912.	450,912.		
c Purchase of service	43c	1,286,421.	1,072,848.	211,239.	2,334.
d Client related serv.	43d	1,635,736.	1,589,756.	9,353.	36,627.
e See Other Expenses Stmt	43e	-44,519.	61,503.	-106,372.	350.
44 Total functional expenses (add lines 22 - 43) Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44	31,844,512.	29,675,611.	2,129,590.	39,311.

Joint Costs. Check ☐ if you are following SOP 98-2.Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ Yes ☐ No

If 'Yes,' enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to Program services \$ _____, (iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated to Fundraising \$ _____.

Part III Statement of Program Service AccomplishmentsWhat is the organization's primary exempt purpose? Instruction of the handicapped.

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) & (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants & allocations to others.)

Program Service Expenses
(Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, but optional for others.)

a Head Start - Provides enriched learning environment to economically disadvantaged and handicapped pre-schoolers to equalize their potential when starting school. Also collaborates with other agencies in programming. (Grants and allocations \$ _____)	4,226,579.
b RTC - Capacity of 55. Provides the residential and recreational component to support the educational and medical needs of children, aged 5-12. (Grants and allocations \$ _____)	3,523,833.
c Dutchess Clinic - A clinic treatment program serving children with a diagnosis of serious emotional disturbance. (Grants and allocations \$ _____)	2,518,968.
d RTE - Capacity of 20. Provides fully-integrated mental health treatment to seriously disturbed children, aged 5-12. (Grants and allocations \$ _____)	2,471,871.
e Other program services (Grants and allocations \$ _____)	16,934,360.
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	29,675,611.

Part IV Balance Sheets (See Instructions)**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
ASSETS	45 Cash — non-interest-bearing	763,855.	45	1,162,604.
	46 Savings and temporary cash investments		46	
	47a Accounts receivable	47a 4,217,448.		
	b Less: allowance for doubtful accounts	47b 99,000.	3,835,597.	47c 4,118,448.
	48a Pledges receivable	48a		
	b Less: allowance for doubtful accounts	48b		48c
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a Other notes & loans receivable (attach sch)	51a 558,515.		
	b Less: allowance for doubtful accounts	51b	293,658.	51c 558,515.
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges		219,715.	53 295,135.
	54 Investments — securities (attach schedule)	<input type="checkbox"/> Cost <input type="checkbox"/> FMV		54
	55a Investments — land, buildings, & equipment: basis	55a		
	b Less: accumulated depreciation (attach schedule)	55b		55c
56 Investments — other (attach schedule)		56		
57a Land, buildings, and equipment: basis	57a 14,193,976.			
b Less: accumulated depreciation (attach schedule) L-57 Stmt	57b 8,013,910.	6,269,334.	57c 6,180,066.	
58 Other assets (describe <input type="checkbox"/>)		14,998.	58 13,205.	
59 Total assets (add lines 45 through 58) (must equal line 74)		11,397,157.	59 12,327,973.	
LIABILITIES	60 Accounts payable and accrued expenses	2,916,765.	60	3,771,678.
	61 Grants payable		61	
	62 Deferred revenue	2,090,375.	62	2,063,781.
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a Tax-exempt bond liabilities (attach schedule)		64a	
	b Mortgages and other notes payable (attach schedule)	1,029,951.	64b	901,297.
	65 Other liabilities (describe <input type="checkbox"/> See Line 65 Stmt)	0.	65	373,561.
66 Total liabilities (add lines 60 through 65)		6,037,091.	66 7,110,317.	
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
	67 Unrestricted	5,298,382.	67	5,170,994.
	68 Temporarily restricted	61,684.	68	46,662.
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)	5,360,066.	73	5,217,656.
	74 Total liabilities and net assets/fund balances (add lines 66 and 73)	11,397,157.	74	12,327,973.

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

BAA

Part IV-B	Reconciliation of Expenses per Audited Financial Statements with Expenses per Return
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Part V	List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated, see instructions)
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(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
See attached list. ----- ----- -----				
----- ----- -----				
----- ----- -----				
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----- ----- -----				
----- ----- -----				

► ☐ Yes ☒ No

Form 990 (2004)

Part VI Other Information (See instructions.)

	Yes	No
76 Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity	76	X
77 Were any changes made in the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes	77	X
78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?	78b	X
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement	79	X
80a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a	X
b If 'Yes,' enter the name of the organization <u>The Archdiocese of NY, The Astor Learning Center, The Children's Fund of the Astor Home</u> and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
81a Enter direct and indirect political expenditures. See line 81 instructions	81a	
b Did the organization file Form 1120-POL for this year?	81b	X
82a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	X
b If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82b	
83a Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X
84a Did the organization solicit any contributions or gifts that were not tax deductible?	84a	X
b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	
85 501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?	85a	N/A
b Did the organization make only in-house lobbying expenditures of \$2,000 or less?	85b	N/A
If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year		
c Dues, assessments, and similar amounts from members	85c	N/A
d Section 162(e) lobbying and political expenditures	85d	N/A
e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A
f Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A
h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86 501(c)(7) organizations Enter: a Initiation fees and capital contributions included on line 12	86a	N/A
b Gross receipts, included on line 12, for public use of club facilities	86b	N/A
87 501(c)(12) organizations Enter: a Gross income from members or shareholders	87a	N/A
b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	N/A
88 At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX	88	X
89a 501(c)(3) organizations Enter. Amount of tax imposed on the organization during the year under: section 4911 <u> </u> ; section 4912 <u> </u> ; section 4955 <u> </u>		
b 501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction	89b	X
c Enter. Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		
d Enter. Amount of tax on line 89c, above, reimbursed by the organization		
90a List the states with which a copy of this return is filed <u>New York</u>		
b Number of employees employed in the pay period that includes March 12, 2004 (See instructions.)	90b	612
91 The books are in care of <u>The Astor Home for Children</u> Telephone number <u>(845) 871-1000</u> Located at <u>6339 Mill Street PO Box 5005, Rhinebeck, NY</u> ZIP + 4 <u>12572</u>		
92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year <u>92</u>		

Part VII Analysis of Income-Producing Activities (See instructions)

Note: Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a Non-gov't contract fees					2,027,040.
b					
c					
d					
e					
f Medicare/Medicaid payments					11,118,394.
g Fees & contracts from government agencies					18,231,976.
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts			14	370.	
96 Dividends & interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property			16	89,437.	
98 Net rental income or (loss) from pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				89,807.	31,377,410.
105 Total (add line 104, columns (B), (D), and (E))					31,467,217.

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See instructions)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
93 a & g	Fees received for running prograallow for hiring, training and retention of qualified staff and for the continued pursuit of our mission, satisfying and external quality standards.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See instructions)

N/A

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See instructions.)**a** Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?☐ Yes ☐ No**b** Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?☐ Yes ☐ No

Note: If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions)

Please Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.	
	Signature of officer <i>Edward Lyons</i>	Date 2/14/06
Paid Preparer's Use Only	Type or print name and title Edward Lyons / Chief Financial Officer	
	Preparer's signature	Date
	Firm's name (or yours if self-employed), address, and ZIP + 4	Check if self-employed <input type="checkbox"/>
	Preparer's SSN or PTIN (See General Instruction W)	
Non-Paid Preparer		EIN
		Phone no

SCHEDULE A
(Form 990 or 990-EZ)Department of the Treasury
Internal Revenue Service**Organization Exempt Under**
Section 501(c)(3)(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust
Supplementary Information — (See separate instructions.)► **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ.**

OMB No 1545-0047

2004

Name of the organization

The Astor Home for Children

Employer identification number

14-1397918

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See instructions List each one If there are none, enter 'None ')

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
Dr. Alice Linder c/o The Astor Home	Medical Dir 35	177,256.		
Dr. Julia Speicher c/o The Astor Home	Psychiatrist 35	158,700.		
Dr. Seung Yang c/o The Astor Home	Psychiatrist 35	136,922.		
James McGuirk, Ph.D. c/o The Astor Home	Executive Dir 35	126,149.		
Dr. Hugh Young c/o The Astor Home	Psychiatrist 35	111,542.		
Total number of other employees paid over \$50,000	69			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See instructions List each one (whether individuals or firms) If there are none, enter 'None ')

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
PriceWaterhouseCoopers PO Box 3026, Boston MA 02241	Independent auditors	99,620.
Stony Lodge Medical Group PO Box 1250, Briarcliff Manor NY 10510	Psychiatrist	78,312.
Arvind Kamthan, MD PC 8 Wyntrop Manor Dr, Goshen NY 10924	Psychiatrist	73,740.
St. Francis Hospital-The Workplace 243 North Rd, Suit 103 Poughkeepsie NY 12601	Emp.physicals & EAP	64,812.
Desmond Heath MD 150 East 93rd Street #9c New York, NY 10605	Psychiatrist	54,270.
Total number of others receiving over \$50,000 for professional services	1	

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 and Form 990-EZ.

Schedule A (Form 990 or 990-EZ) 2004

Part III Statements About Activities (See instructions)

Yes No

- 1** During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ 0.

(Must equal amounts on line 38, Part VI-A, or line i of Part VI-B)

1 X

Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities

- 2** During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions.)

a Sale, exchange, or leasing of property?

2a X

b Lending of money or other extension of credit?

2b X

c Furnishing of goods, services, or facilities?

2c X

d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?

2d X

e Transfer of any part of its income or assets?

2e X

- 3a** Do you make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how you determine that recipients qualify to receive payments)

3a X

b Do you have a section 403(b) annuity plan for your employees?

3b X

- 4a** Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?

4a X

b Do you provide credit counseling, debt management, credit repair, or debt negotiation services?

4b**Part IV** Reason for Non-Private Foundation Status (See instructions)

The organization is not a private foundation because it is (Please check only **ONE** applicable box.)

- 5** ☐ A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6** ☐ A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7** ☐ A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8** ☐ A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9** ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ▶ _____
- 10** ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a** ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b** ☐ A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12** ☒ An organization that normally receives: **(1) more than 33-1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions — subject to certain exceptions, and **(2) no more than 33-1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13** ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: **(1)** lines 5 through 12 above; or **(2)** section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations (See instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14** ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) *Use cash method of accounting.***Note:** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	278,328.	201,635.	321,970.	324,220.	1,126,153.
16 Membership fees received	29,891,447.	29,400,339.	27,309,917.	25,523,663.	112,125,366.
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	51,943.	58,279.	34,350.	27,886.	172,458.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	30,221,718.	29,660,253.	27,666,237.	25,875,769.	113,423,977.
24 Line 23 minus line 17	30,169,775.	29,601,974.	27,631,887.	25,847,883.	113,251,519.
25 Enter 1% of line 23	302,217.	296,603.	276,662.	258,758.	

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 ▶ **26a**

b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2000 through 2003 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts ▶ **26b**

c Total support for section 509(a)(1) test. Enter line 24, column (e) ▶ **26c**

d Add: Amounts from column (e) for lines: **18** _____ **19** _____ ▶ **26d**
22 _____ **26b** _____

e Public support (line 26c minus line 26d total) ▶ **26e**

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ **26f** %

27 Organizations described on line 12:

a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' Do not file this list with your return. Enter the sum of such amounts for each year
 (2003) _____ (2002) _____ (2001) _____ (2000) _____

b For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year
 (2003) _____ (2002) _____ (2001) _____ (2000) _____

c Add: Amounts from column (e) for lines: **15** 1,126,153. **16** 112,125,366. ▶ **27c** 113,423,977.
17 172,458. **20** _____ **21** _____ ▶ **27d**

d Add: Line 27a total _____ and line 27b total _____ ▶ **27e** 113,423,977.

e Public support (line 27c total minus line 27d total) ▶ **27e**

f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) ▶ **27f** 113,423,977.

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ **27g** 100.00 %

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶ **27h** %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2000 through 2003, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

N/A

29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?**29**

Yes

No

30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?**30****31** Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?**31**

If 'Yes,' please describe, if 'No,' please explain. (If you need more space, attach a separate statement.)

32 Does the organization maintain the following:**a** Records indicating the racial composition of the student body, faculty, and administrative staff?**32a****b** Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?**32b****c** Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?**32c****d** Copies of all material used by the organization or on its behalf to solicit contributions?**32d**

If you answered 'No' to any of the above, please explain (If you need more space, attach a separate statement.)

33 Does the organization discriminate by race in any way with respect to:**a** Students' rights or privileges?**33a****b** Admissions policies?**33b****c** Employment of faculty or administrative staff?**33c****d** Scholarships or other financial assistance?**33d****e** Educational policies?**33e****f** Use of facilities?**33f****g** Athletic programs?**33g****h** Other extracurricular activities?**33h**

If you answered 'Yes' to any of the above, please explain (If you need more space, attach a separate statement.)

34a Does the organization receive any financial aid or assistance from a governmental agency?**34a****b** Has the organization's right to such aid ever been revoked or suspended?**34b**

If you answered 'Yes' to either 34a or b, please explain using an attached statement

35 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If 'No,' attach an explanation**35**

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions.)
(To be completed **ONLY** by an eligible organization that filed Form 5768)Check ☒ **a** if the organization belongs to an affiliated group Check ☐ **b** if you checked 'a' and 'limited control' provisions apply

Limits on Lobbying Expenditures (The term 'expenditures' means amounts paid or incurred)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		0.
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		0.
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		0.
41 Lobbying nontaxable amount Enter the amount from the following table — <div style="display: flex; justify-content: space-between;"> <div> If the amount on line 40 is — Not over \$500,000 Over \$500,000 but not over \$1,000,000 Over \$1,000,000 but not over \$1,500,000 Over \$1,500,000 but not over \$17,000,000 Over \$17,000,000 </div> <div> The lobbying nontaxable amount is — 20% of the amount on line 40 \$100,000 plus 15% of the excess over \$500,000 \$175,000 plus 10% of the excess over \$1,000,000 \$225,000 plus 5% of the excess over \$1,500,000 \$1,000,000 </div> </div>	41		0.
42 Grassroots nontaxable amount (enter 25% of line 41)	42		0.
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43		0.
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44		0.

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720

4-Year Averaging Period Under Section 501(h)(Some organizations that made a section 501(h) election do not have to complete all of the five columns below
See the instructions for lines 45 through 50)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots non-taxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See instructions)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

Yes	No	Amount

- a** Volunteers
b Paid staff or management (Include compensation in expenses reported on lines **c** through **h**.)
c Media advertisements
d Mailings to members, legislators, or the public
e Publications, or published or broadcast statements
f Grants to other organizations for lobbying purposes
g Direct contact with legislators, their staffs, government officials, or a legislative body
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
i Total lobbying expenditures (add lines **c** through **h**.)

If 'Yes' to any of the above, also attach a statement giving a detailed description of the lobbying activities

Form 990, Page 2, Part II, Line 43

Other Expenses Stmt

Other expenses not covered above (itemize)	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Office related exp	-44,519.	61,503.	-106,372.	350.
Central adm income				
Allocated central adm				
Total	-44,519.	61,503.	-106,372.	350.

Form 990, Page 3, Part IV, Lines 57a & 57b

Land, Buildings and Equipment Statement

	(a) Cost/Other Basis	(b) Accumulated Depreciation	(c) Book Value
Land	117,993.		117,993.
Buildings	4,937,618.	2,337,190.	2,600,428.
Furniture & equipment	3,397,217.	2,538,122.	859,095.
Vehicles	61,999.	46,161.	15,838.
Leasehold improvements	5,604,862.	3,092,437.	2,512,425.
Projects in process	74,287.		74,287.
Total	14,193,976.	8,013,910.	6,180,066.

Form 990, Page 3, Part IV, Line 65

Other Liabilities Statement

Line 65 - Other Liabilities:	Beginning of Year	End of Year
Line of Credit advances	0.	200,000.
Current portion capital lease obligation		44,411.
Long-term portion capital lease obligation		129,150.
Total	0.	373,561.

**ASTOR HOME FOR CHILDREN / ASTOR LEARNING CENTER
MEMBERS OF THE BOARD OF DIRECTORS**

NAME	OCCUPATION AND WORK ADDRESS	CONTACT NUMBERS
Mr. Donald P. Adams	Partner Adams Fairacre Farms, Inc 765 Dutchess Turnpike Poughkeepsie, NY 12603	(845) 454-4330
Mr. Michael C. Betros	CPA Firm / Partner D'Arcangelo & Co., LLP, CPA's 510 Haight Avenue Poughkeepsie, NY 12603	(845) 473-7774
Sister Agnes Boyle	Professor of Education Mount Saint Mary College 330 Powell Avenue Newburgh, NY 12550	(845) 569-3202
Mr. Justin J. Butwell	Director of Physical Plant Marist College 3399 North Road Poughkeepsie, NY 12601	(845) 575-3200
Mr. Walter M. Cadette	Economist Jerome Levy Institute Bard College Annandale-on-Hudson, NY 12504	(845) 677-5568
Mr. William J. Carroll	Executive Director Rehabilitation Programs, Inc. 70 Overocker Road Poughkeepsie, NY 12603	(845) 485-9803
David A. Crenshaw, Ph.D.	Clinical Psychologist, Private Practice P.O. Box 286 Rhinebeck, NY 12572	(845) 876-3400
Mr. Joseph E. Davis	Town Supervisor - Poughkeepsie 1 Overocker Road Poughkeepsie, NY 12603	(845) 485-3603
John E. Hoey, M.D.	Physician, Private Practice 91 Montgomery Street Rhinebeck, NY 12572	(845) 876-8110
Mr. Stephen J. Kelly	Banker (Retired) 9 Eagle Road Rhinebeck, NY 12572	(845) 876-0739
Ms. Julie H. Krieger	Vice President M& T Bank Box 7000 Fishkill, NY 12524-7000	(845) 440-2990

**ASTOR HOME FOR CHILDREN / ASTOR LEARNING CENTER
MEMBERS OF THE BOARD OF DIRECTORS**

NAME	OCCUPATION AND WORK ADDRESS	CONTACT NUMBERS
Mr. Robert R. Lane	VP of External Development Wildlife Trust 460 West 34th Street, 17th Floor New York, NY 10001-2320	(212) 380-4476
J. Joseph McGowan, Esq.	Attorney McCabe & Mack P.O. Box 509 Poughkeepsie, NY 12602-0509	(845) 486-6800
Sister Linda O'Rourke, D.C.	President/CEO Roarke Center 107 4 th Street Troy, NY 12180	(518) 273-8351
Shawn B. Pratt, Esq.	Attorney P.O. Box 1238 Millbrook, NY 12545-1238	(845) 677-2600
Mr. Jimmie Simmons	Construction/Carpenter (Self-Employed) 20 Arnold Blvd Poughkeepsie, NY 12603	(845) 454-1570
Msgr. Kevin Sullivan	Executive Director Catholic Charities of the Archdiocese of New York 1011 First Avenue New York, NY 10022-4134	(212) 371-1000
Paul O. Sullivan, Esq.	Attorney Corbally, Gartland & Rappleyea 35 Market Street Poughkeepsie, NY 12601-3285	(845) 454-1111

Additional Information For Tax Return

The Astor Home for Children

14-1397918

Form 990 p 1: Item H(c) No box

The Astor Learning Center 14-1620743

The Children's Fund of the

Astor Home

22-3056183

**The Children's Fund of the
Astor Home, Inc.**

**Financial Statements
(and Report of Independent Auditors)
June 30, 2005 and 2004**

The Children's Fund of the Astor Home, Inc.

Index

June 30, 2005 and 2004

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Report of Independent Auditors

To the Board of Directors of the Children's Fund of the Astor Home, Inc.

In our opinion, the accompanying statements of financial position and the related statements of activities and cash flows present fairly, in all material respects, the financial position of The Children's Fund of the Astor Home, Inc. (the "Fund"), at June 30, 2005 and 2004, 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. These financial statements are the responsibility of the Fund's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America, which 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, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

October 13, 2005

The Children's Fund of the Astor Home, Inc.
Statements of Financial Position
June 30, 2005 and 2004

	2005	2004
Assets		
Cash and cash equivalents	\$ 107,779	\$ 69,916
Restricted cash	14,518	-
Investments in securities	2,786,773	2,530,965
Accounts receivable, related party	20,574	6,906
Due from related party	1,350	1,150
Note receivable from related party, current portion	27,756	27,756
Total current assets	2,958,750	2,636,693
Restricted endowment investments	500,000	500,000
Land and building, net	2,240,571	2,299,198
Long term note receivable from related party	180,354	205,797
Total assets	<u>\$ 5,879,675</u>	<u>\$ 5,641,688</u>
Liabilities and Net Assets		
Accounts payable	\$ 12,547	\$ 1,006
Due to related party	105,125	120,242
Current portion mortgage payable	44,272	43,508
Total current liabilities	161,944	164,756
Long term mortgage payable	435,794	477,463
Total liabilities	<u>597,738</u>	<u>642,219</u>
Net assets		
Unrestricted	4,767,419	4,499,469
Temporarily restricted	14,518	-
Permanently restricted	500,000	500,000
Total net assets	<u>5,281,937</u>	<u>4,999,469</u>
Total liabilities and net assets	<u>\$ 5,879,675</u>	<u>\$ 5,641,688</u>

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

The Children's Fund of the Astor Home, Inc.
Statements of Activities
Years Ended June 30, 2005 and 2004

	2005	2004
Changes in unrestricted net assets		
Revenues and support		
Rental income	\$ 115,999	\$ 120,387
Contributions and fund raising	149,646	168,491
Investment income	231,799	383,365
Interest income on notes receivable from related party	9,198	7,281
Release of donor restrictions	26,684	-
Total revenues and support	<u>533,326</u>	<u>679,524</u>
Expenses		
Fundraising	74,996	50,951
Administrative expenses	66,156	67,984
Property taxes	455	284
Interest expense	29,305	29,025
Depreciation expense	85,464	61,270
Legal, audit and other professional services	9,000	4,670
Total expenses	<u>265,376</u>	<u>214,184</u>
Increase in unrestricted net assets	<u>267,950</u>	<u>465,340</u>
Changes in temporarily restricted net assets		
Contributions	41,202	-
Release of donor restrictions	26,684	-
Increase in temporarily restricted net assets	<u>14,518</u>	<u>-</u>
Increase in net assets	<u>282,468</u>	<u>465,340</u>
Net assets, beginning of year	4,999,469	4,534,129
Net assets, end of year	<u>\$ 5,281,937</u>	<u>\$ 4,999,469</u>

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

The Children's Fund of the Astor Home, Inc.
Statements of Cash Flows
Years Ended June 30, 2005 and 2004

	2005	2004
Cash flows from operating activities		
Increase in net assets	\$ 282,468	\$ 465,340
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Net gain on investments	(145,219)	(314,664)
Contributed securities	(5,339)	(5,339)
Contributed land	-	(15,900)
Depreciation	85,464	61,270
Changes in operating assets and liabilities		
Accounts receivable, related party	(13,668)	(87)
Accounts payable	11,541	180
Due to related party	(15,117)	41,827
Due from related party	(200)	-
Net cash provided by operating activities	<u>199,930</u>	<u>232,627</u>
Cash flows from investing activities		
Payments received on note from related party	25,443	27,756
Purchases of securities	(110,703)	(228,048)
Proceeds from sales of securities	5,453	25,545
Purchases property and equipment	(26,837)	
Transfer of property to related party	-	3,437
Increase in restricted cash	(14,518)	-
Net cash used in investing activities	<u>(121,162)</u>	<u>(171,310)</u>
Cash flows for financing activities		
Principal payments on mortgage	(40,905)	(41,889)
Net increase (decrease) in cash and cash equivalents	37,863	19,428
Cash and cash equivalents, beginning of year	69,916	50,488
Cash and cash equivalents, end of year	<u>\$ 107,779</u>	<u>\$ 69,916</u>
Supplemental cash flow information		
Cash paid for interest	\$ 29,305	\$ 29,025
Noncash transactions		
Donated land	\$ -	\$ 15,900
Donated securities	\$ 5,339	\$ 5,339

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

The Children's Fund of the Astor Home, Inc.

Notes to Financial Statements

June 30, 2005 and 2004

1. Summary of Significant Accounting Policies

Organization

The Children's Fund of the Astor Home, Inc. (the "Fund") was incorporated on April 6, 1990 to provide a vehicle for fund raising and public relations for The Astor Home for Children (the "Home") and The Astor Learning Center (the "Center").

Basis of Presentation

The accompanying financial statements have been prepared in accordance with the principles established by the Audit and Accounting Guide, Not-for-Profit Organizations, issued by the American Institute of Certified Public Accountants.

Revenues and support are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Fund and changes therein are classified and reported as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed restrictions.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that will be met by actions of the Fund or the passage of time. The Fund had temporarily restricted net assets of \$14,518 and \$0 at June 30, 2005 and 2004, respectively.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Fund. The donors of these assets permit the Fund to use the income earned from related investments for general or specific purposes. The income earned on permanently restricted net assets is for the benefit of the Fund, Home or Center.

Revenues are reported as increases in unrestricted net assets unless they are limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Donor-restricted contributions whose restrictions are met within the same year as received are reflected as unrestricted contributions in the accompanying financial statements. Expiration of restrictions on temporarily restricted net assets is reported as releases to unrestricted net assets.

Use of 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For the purpose of the statements of cash flows, the Fund defines cash and cash equivalents as cash and money market funds with original maturities of three months or less.

The Children's Fund of the Astor Home, Inc.

Notes to Financial Statements

June 30, 2005 and 2004

Contributions

Unconditional pledges are recognized as pledges receivable at their net present value when the promise to give is made or when the cash is received.

Investments in Securities

Investments in equity and debt securities are measured at fair value in the statements of financial position based on quoted market prices. Investment income includes realized gains or losses, unrealized appreciation (depreciation) and interest and dividends, and is presented in the statements of activities.

Land and Building

As of June 30, 2005, fixed assets consist of land and building which are rented to related parties (Note 6). Land and building are recorded at cost, if purchased, or at fair value at the date of receipt, if acquired by gift, less accumulated depreciation. One building is considered a limited use property as it is deed restricted and may only be utilized by not-for-profit organizations. Buildings are being depreciated using the straight-line method over the remaining useful lives of the assets.

Tax Status

The Internal Revenue Service has determined that the Fund is exempt from federal income tax under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3).

2. Notes Receivable from Related Party

Notes receivable from related party consists of the following at June 30:

	2005	2004
Note receivable due November 26, 2012, receivable in monthly installments of \$2,313 for principal plus interest, based on a ten year amortization period. Interest is calculated at LIBOR plus 1.75% (4.8626% at June 30, 2005).	\$ 208,110	\$ 233,553
Current portion	<u>(27,756)</u>	<u>(27,756)</u>
Note receivable from related party, net of current portion	<u>\$ 180,354</u>	<u>\$ 205,797</u>

The Children's Fund of the Astor Home, Inc.

Notes to Financial Statements

June 30, 2005 and 2004

3. Investments in Securities

Investments in securities are reported at fair value as determined by quoted market prices at June 30, and consist of the following:

	2005	2004
Index funds:		
Bond market index fund	\$ 1,018,276	\$ 928,831
500 index fund	1,741,523	1,638,337
International stock index fund	261,508	227,372
Small-cap index fund	264,797	235,722
Common stocks	669	703
Subtotal	<u>3,286,773</u>	<u>3,030,965</u>
Restricted investments	<u>(500,000)</u>	<u>(500,000)</u>
Investments, net of restricted amounts	<u>\$ 2,786,773</u>	<u>\$ 2,530,965</u>

Investment income is comprised of the following for the years ended June 30:

	2005	2004
Interest income and dividends	\$ 86,580	\$ 68,701
Net realized/unrealized gain	<u>145,219</u>	<u>314,664</u>
Investment income	<u>\$ 231,799</u>	<u>\$ 383,365</u>

4. Land and Building

	2005	2004
Land	\$ 403,265	\$ 403,112
Buildings and improvements	2,129,036	2,129,037
Construction in progress	26,684	-
	<u>2,558,985</u>	<u>2,532,149</u>
Accumulated depreciation	<u>(318,414)</u>	<u>(232,951)</u>
	<u>\$ 2,240,571</u>	<u>\$ 2,299,198</u>

Depreciation expense was \$85,464 and \$61,270 for the years ended June 30, 2005 and 2004, respectively.

The Children's Fund of the Astor Home, Inc.

Notes to Financial Statements

June 30, 2005 and 2004

5. Mortgage Payable

Mortgage payable consists of the following at June 30:

	2005	2004
Mortgage payable, due November 2012, which bears interest at LIBOR plus 1.75% (4.8626% at June 30, 2005). This mortgage is collateralized by real property located at Dyre Ave, Bronx, NY.	\$ 208,110	\$ 233,553
Mortgage payable, due July 2011, which bears interest at a fixed rate of 7.07%. This mortgage is collateralized by real property located at Lincoln Ave, Poughkeepsie, NY.	271,956	287,418
	480,066	520,971
Current portion	(44,272)	(43,508)
Long term debt, net of current portion	<u>\$ 435,794</u>	<u>\$ 477,463</u>

Interest expense was \$29,305 and \$29,025 for the years ended June 30, 2005 and 2004, respectively.

Aggregate maturities during the next five years are as follows:

Year	
2006	\$ 44,272
2007	45,478
2008	46,773
2009	48,161
2010	49,662
Thereafter	<u>245,720</u>
	<u>\$ 480,066</u>

6. Related Party Transactions

The Home and the Center are equal members of the Fund.

The statements of financial position of the Home reflected the following at June 30:

	2005	2004
Assets	\$ 12,327,973	\$ 11,397,157
Liabilities	<u>(7,110,317)</u>	<u>(6,037,091)</u>
Net assets	<u>\$ 5,217,656</u>	<u>\$ 5,360,066</u>

The Children's Fund of the Astor Home, Inc.

Notes to Financial Statements

June 30, 2005 and 2004

Changes in the Home's net assets were as follows at June 30:

	2005	2004
Total revenues and support	\$ 32,784,835	\$ 31,237,323
Total expenses	(32,912,223)	(31,475,814)
Decrease in unrestricted net assets	(127,388)	(238,491)
Decrease in temporary restricted net assets	(15,022)	(31,774)
Decrease in net assets	<u>\$ (142,410)</u>	<u>\$ (270,265)</u>

The Home is the lessee of certain real estate property owned by the Fund. Rental income paid by the Home was \$115,999 and \$120,387 for the years ended June 30, 2005 and 2004, respectively. The Home also charges the Fund for certain administrative expenses, which amounted to \$62,791 and \$62,195 for the years ended June 30, 2005 and 2004, respectively.

The Fund obtained the original mortgage (Note 5) during the year ended June 30, 1992 for the purpose of lending that money to the Home (Note 2). The Home used this money to finance certain leasehold improvements that were made to a building in which the Home is the tenant and the Fund is the owner. The second mortgage (Note 5) was obtained on June 14, 2001 for the purpose of purchasing a building in which the Home is the tenant and the Fund is the owner.

The Fund has recorded a liability to the Home at June 30, 2005 and 2004 of \$105,125 and \$120,242, respectively. These amounts primarily represent administrative expenses charged to the Fund by the Home, and other expenses paid by the Home on behalf of the Fund.

Accounts receivable, related party represents rent owed by the Home to the Fund for facilities owned by the Fund and used by Home programs.

The statements of financial position of the Center reflected the following at June 30:

	2005	2004
Assets	\$ 3,248,767	\$ 3,058,655
Liabilities	(2,991,848)	(2,783,317)
Net assets	<u>\$ 256,919</u>	<u>\$ 275,338</u>

Changes in the Center's net assets were as follows at June 30:

	2005	2004
Total revenues and support	\$ 2,682,191	\$ 2,804,005
Total expenses	(2,700,610)	(2,685,339)
(Decrease) increase in net assets	<u>\$ (18,419)</u>	<u>\$ 118,666</u>

The Fund has recorded a receivable from the Center of \$1,350 at June 30, 2005.

The Children's Fund of the Astor Home, Inc.

Notes to Financial Statements

June 30, 2005 and 2004

In October 1998, the Center issued \$2,755,000 (\$2,425,000 outstanding as of June 30, 2005) of Dutchess County Industrial Development Agency Civic Facility Revenue Bonds, Series 1998, which is guaranteed by the Home and the Fund. Interest is payable semi-annually at rates ranging between 4.3% to 5.15%. Principal payments began November 1, 2000 and end November 1, 2024. The bond proceeds were used primarily for the renovation, construction, furnishing, equipping and improvement of a facility in Rhinebeck, New York, which is used for the education of students by the Center. The bonds are collateralized by a letter of credit in the amount of \$2,836,000 expiring December 31, 2005. The Center and Home must comply with certain administrative and financial covenants, the most restrictive of which requires that the Center and the Home maintain a fixed charge coverage ratio of not less than 1.25 to 1.00.

Principal payments required on these bonds for each of the five succeeding years are as follows:

2006	\$ 75,000
2007	80,000
2008	80,000
2009	85,000
2010	90,000
Thereafter	<u>2,015,000</u>
	<u>\$ 2,425,000</u>

The Fund has committed to provide the operating funds necessary to support the Home and the Center through December 31, 2006 if funds are not available from operating cash flows or through external financings.