

Return of Organization Exempt From Income Tax

2004

Department of the Treasury Internal Revenue Service

Under 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 OCT 1, 2004 and ending SEP 30, 2005

B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending. C Name of organization: NEIGHBORHOOD MINISTRIES INC. D Employer identification number: 86-0809052. E Telephone number: 602-252-5225. F Accounting method: Cash, Accrual.

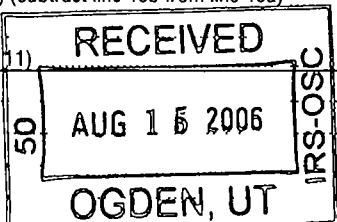
G Website: WWW.NEIGHBORHOODMINISTRIES.ORG. H and I are not applicable to section 527 organizations. H(a) Is this a group return for affiliates? H(b) If "Yes," enter number of affiliates. H(c) Are all affiliates included? H(d) Is this a separate return filed by an organization covered by a group ruling?

J Organization type (check only one): [X] 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.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12: 1,779,822. M Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Table with columns for Revenue, Expenses, and Net Assets. Rows include: 1 Contributions, gifts, grants, and similar amounts received; 2 Program service revenue; 3 Membership dues and assessments; 4 Interest on savings and temporary cash investments; 5 Dividends and interest from securities; 6a Gross rents; 6b Less: rental expenses; 6c Net rental income; 7 Other investment income; 8a Gross amount from sales of assets other than inventory; 8b Less: cost or other basis and sales expenses; 8c Gain or (loss); 8d Net gain or (loss); 9 Special events and activities; 9a Gross revenue; 9b Less: direct expenses; 9c Net income; 10a Gross sales of inventory; 10b Less: cost of goods sold; 10c Gross profit or (loss); 11 Other revenue; 12 Total revenue; 13 Program services; 14 Management and general; 15 Fundraising; 16 Payments to affiliates; 17 Total expenses; 18 Excess or (deficit) for the year; 19 Net assets or fund balances at beginning of year; 20 Other changes in net assets or fund balances; 21 Net assets or fund balances at end of year.



SCANNED SEP 05 2006

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 (attach schedule)				
	(cash \$ _____ noncash \$ _____)				
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc.	111,912.	92,040.	15,818.	4,054.
26	Other salaries and wages				
27	Pension plan contributions				
28	Other employee benefits				
29	Payroll taxes				
30	Professional fundraising fees				
31	Accounting fees				
32	Legal fees				
33	Supplies				
34	Telephone				
35	Postage and shipping				
36	Occupancy				
37	Equipment rental and maintenance				
38	Printing and publications				
39	Travel				
40	Conferences, conventions, and meetings				
41	Interest				
42	Depreciation, depletion, etc. (attach schedule)				
43	Other expenses not covered above (itemize):				
a	SEE ATTACHED SCHEDULE	1,495,013.	1,183,222.	203,966.	107,825.
b	LESS RENTAL EXPENSES	<77,595.>		<77,595.>	
c	LESS OFFICERS				
d	COMPENSATION	<111,912.>	<92,040.>	<15,818.>	<4,054.>
e					
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D) carry these totals to lines 13-15	1,417,418.	1,183,222.	126,371.	107,825.

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 Accomplishments

What is the organization's primary exempt purpose?

TO PROVIDE INNER CITY MINISTRY TO YOUTHS.

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) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

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

a	IGLESIA DE NEIGHBORHOOD MINISTRIES - APPROXIMATELY 250 WEEKLY ATTENDEES ATTEND BI-LINGUAL (SPANISH/ENGLISH) SERMON.	(Grants and allocations \$ _____)	195,858.
b	EDUCATION PROGRAMS - MOTHERS GRADUATE FROM OUR "MOM'S PLACE" PROGRAM, MANY OF WHICH ARE NOW MENTORING YOUNGER MOTHERS.	(Grants and allocations \$ _____)	296,336.
c	YOUTH DEVELOPMENT PROGRAMS - TWO ADDITIONAL SUMMER CAMPS FOR HIGH SCHOOL YOUTH.	(Grants and allocations \$ _____)	301,008.
d	LEADERSHIP DEVELOPMENT AND TRAINING PROGRAMS - INCREASED SUMMER INTERNSHIP PARTICIPATION BY BY 22 PEOPLE, MANY OF WHICH ARE OUR INDIGINOUS DEVELOPING LEADERS.	(Grants and allocations \$ _____)	110,041.
e	Other program services (attach schedule) STATEMENT 6	(Grants and allocations \$ _____)	279,979.
f	Total of Program Service Expenses (should equal line 44, column (B), Program services)		1,183,222.

Part IV Balance Sheets

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	82,004.	45	297,374.
	46 Savings and temporary cash investments	87,531.	46	45,411.
	47 a Accounts receivable	47a 87,685.		
	b Less: allowance for doubtful accounts	47b	10,862.	47c 87,685.
	48 a Pledges receivable	48a		
	b Less: allowance for doubtful accounts	48b		48c
	49 Grants receivable			49
	50 Receivables from officers, directors, trustees, and key employees			50
	51 a Other notes and loans receivable	51a		
	b Less: allowance for doubtful accounts	51b		51c
	52 Inventories for sale or use			52
	53 Prepaid expenses and deferred charges			53
	54 Investments - securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV			54
	55 a Investments - land, buildings, and equipment: basis	55a		
	b Less: accumulated depreciation	55b		55c
56 Investments - other	SEE STATEMENT 7	0.	56	8,998.
57 a Land, buildings, and equipment: basis	57a 3,365,250.			
b Less: accumulated depreciation	57b 361,941.	3,060,465.	57c	3,003,309.
58 Other assets (describe ▶ SEE STATEMENT 8)		117.	58	62,850.
59 Total assets (add lines 45 through 58) (must equal line 74)		3,240,979.	59	3,505,627.
Liabilities	60 Accounts payable and accrued expenses	1,410.	60	30,701.
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees	90,000.	63	
	64 a Tax-exempt bond liabilities		64a	
	b Mortgages and other notes payable	627,795.	64b	586,334.
65 Other liabilities (describe ▶)			65	
66 Total liabilities (add lines 60 through 65)		719,205.	66	617,035.
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	2,413,004.	67	2,603,242.
	68 Temporarily restricted	108,770.	68	285,350.
	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)		2,521,774.	73	2,888,592.
74 Total liabilities and net assets / fund balances (add lines 66 and 73)		3,240,979.	74	3,505,627.

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

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return

a	Total revenue, gains, and other support per audited financial statements	a	1,714,665.
b	Amounts included on line a but not on line 12, Form 990:		
(1)	Net unrealized gains on investments \$		
(2)	Donated services and use of facilities \$		
(3)	Recoveries of prior year grants \$		
(4)	Other (specify): STMT 9 \$ 77,595.		
	Add amounts on lines (1) through (4)	b	77,595.
c	Line a minus line b	c	1,637,070.
d	Amounts included on line 12, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify): \$		
	Add amounts on lines (1) and (2)	d	0.
e	Total revenue per line 12, Form 990 (line c plus line d)	e	1,637,070.

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a	Total expenses and losses per audited financial statements	a	1,495,013.
b	Amounts included on line a but not on line 17, Form 990:		
(1)	Donated services and use of facilities \$		
(2)	Prior year adjustments reported on line 20, Form 990 \$		
(3)	Losses reported on line 20, Form 990 \$		
(4)	Other (specify): STMT 10 \$ 77,595.		
	Add amounts on lines (1) through (4)	b	77,595.
c	Line a minus line b	c	1,417,418.
d	Amounts included on line 17, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify): \$		
	Add amounts on lines (1) and (2)	d	0.
e	Total expenses per line 17, Form 990 (line c plus line d)	e	1,417,418.

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated.)

(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 & deferred compensation	(E) Expense account and other allowances
MARY K DANLEY 1918 WEST VAN BUREN STREET PHOENIX, AZ 85009	PRESIDENT 40	50,562.	3,900.	0.
RICHARD F SPECK 1918 WEST VAN BUREN STREET PHOENIX, AZ 85009	EXECUTIVE DIRECTOR 40	61,350.	3,900.	0.
SEE ATTACHED SCHEDULE		0.	0.	0.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? If "Yes," attach schedule. Yes No

Part VI Other Information

76 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity
77 Were any changes made in the organizing or governing documents but not reported to the IRS?
78 a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?
b If "Yes," has it filed a tax return on Form 990-T for this year?
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year?
80 a 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?
b If "Yes," enter the name of the organization and check whether it is exempt or nonexempt.
81 a Enter direct or indirect political expenditures. See line 81 instructions
b Did the organization file Form 1120-POL for this year?
82 a 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?
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.)
83 a Did the organization comply with the public inspection requirements for returns and exemption applications?
b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?
84 a Did the organization solicit any contributions or gifts that were not tax deductible?
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?
85 501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?
b Did the organization make only in-house lobbying expenditures of \$2,000 or less?
c Dues, assessments, and similar amounts from members
d Section 162(e) lobbying and political expenditures
e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices
f Taxable amount of lobbying and political expenditures (line 85d less 85e)
g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?
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?
86 501(c)(7) organizations Enter: a Initiation fees and capital contributions included on line 12
b Gross receipts, included on line 12, for public use of club facilities
87 501(c)(12) organizations. Enter: a Gross income from members or shareholders
b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)
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?
89 a 501(c)(3) organizations Enter: Amount of tax imposed on the organization during the year under: section 4911; section 4912; section 4955
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?
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
90 a List the states with which a copy of this return is filed
b Number of employees employed in the pay period that includes March 12, 2004
91 The books are in care of Telephone no.
Located at ZIP + 4
92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here and enter the amount of tax-exempt interest received or accrued during the tax year

Part VII Analysis of Income-Producing Activities (See page 33 of the 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) Exclu- sion code	(D) Amount	
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	2,458.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property	531120	102,264.			
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					68,512.
101 Net income or (loss) from special events					39,053.
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a MISCELLANEOUS INCOME					
b _____					2,549.
c INSURANCE SETTLEMENT					9,220.
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		102,264.		2,458.	119,334.
105 Total (add line 104, columns (B), (D), and (E))					224,056.

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 page 34 of the 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).
93A	ALL

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of the instructions.)

(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
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the 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: *[Signature]* Date: 8/11/06 Type or print name and title: Richard Speck Executive Director

Paid Preparer's Use Only

Preparer's signature: KATHY E. HOSTETLER, CPA Date: 08/09/06 Check if self-employed: Preparer's SSN or PTIN: _____

Firm's name (or yours if self-employed), address, and ZIP + 4: HENRY & HORNE, LLP 7098 E. COCHISE SUITE 100 SCOTTSDALE, AZ 85253-4517

EIN: _____ Phone no.: (480) 483-1170

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

OMB No 1545-0047

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

2004

Department of the Treasury
Internal Revenue Service

Supplementary Information-(See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization: **NEIGHBORHOOD MINISTRIES INC.** Employer identification number: **86 0809052**

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

(See page 1 of the 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 & deferred compensation	(e) Expense account and other allowances
<u>WILLIAM M THRALL</u> 1918 WEST VAN BUREN STREET, PHOENIX, AZ 85009	PASTOR 40	53,009.	3,900.	
Total number of other employees paid over \$50,000 ▶	0			

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

(See page 2 of the 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
<u>SERVANT LEADERS</u> 2624 NORTH MYERS STREET, BURBANK, CA 91504	DEVELOPMENT FUNCTIONS	58,753.
Total number of others receiving over \$50,000 for professional services ▶	0	

Part III Statements About Activities (See page 2 of the 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 ▶ \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) 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.		X
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.) SEE STATEMENT 11		
a	Sale, exchange, or leasing of property?		X
b	Lending of money or other extension of credit?		X
c	Furnishing of goods, services, or facilities?		X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	X	
e	Transfer of any part of its income or assets?		X
3 a	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.)		X
b	Do you have a section 403(b) annuity plan for your employees?		X
4 a	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X
b	Do you provide credit counseling, debt management, credit repair, or debt negotiation services?		X

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the 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 page 5 of the 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 page 5 of the 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.)	1,280,306.	708,225.	1,154,032.	1,339,676.	4,482,239.
16 Membership fees received					
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	16,076.	6,007.			22,083.
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	4,637.	528.	1,838.	19,539.	26,542.
19 Net income from unrelated business activities not included in line 18	137,025.	117,352.	<61,096.>	21,102.	214,383.
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	1,438,044.	832,112.	1,094,774.	1,380,317.	4,745,247.
24 Line 23 minus line 17	1,421,968.	826,105.	1,094,774.	1,380,317.	4,723,164.
25 Enter 1% of line 23	14,380.	8,321.	10,948.	13,803.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 94,463.
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 505,537.
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 4,723,164.
d Add: Amounts from column (e) for lines: 18 26,542. 19 214,383. 22 26d 746,462.					26d 746,462.
e Public support (line 26c minus line 26d total)					26e 3,976,702.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 84.1957%
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: N/A					
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: N/A					
c Add: Amounts from column (e) for lines: 15 16 17 20 21 27c N/A					27c N/A
d Add: Line 27a total and line 27b total					27d N/A
e Public support (line 27c total minus line 27d total)					27e N/A
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)					27f N/A
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h N/A %

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.

NONE

Part V Private School Questionnaire (See page 7 of the instructions.)

N/A

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		Yes	No
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?		
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?		
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? 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? If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)	32d	

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? If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)	33h	

34 a	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? If you answered "Yes" to either 34a or b, please explain using an attached statement.	34b	
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 VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 11 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

a Transfers from the reporting organization to a noncharitable exempt organization of:

- (i) Cash
(ii) Other assets

b Other transactions:

- (i) Sales or exchanges of assets with a noncharitable exempt organization
(ii) Purchases of assets from a noncharitable exempt organization
(iii) Rental of facilities, equipment, or other assets
(iv) Reimbursement arrangements
(v) Loans or loan guarantees
(vi) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received:

Table with 3 columns: Question, Yes, No. Rows include 51a(i), a(ii), b(i), b(ii), b(iii), b(iv), b(v), b(vi), and c.

N/A

Table with 4 columns: (a) Line no., (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements.

52 a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

Yes No (X)

b If "Yes," complete the following schedule:

N/A

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box... Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part II Additional (not automatic) 3-Month Extension of Time—Must File Original and One Copy.

Table with 2 columns: Type or print, and Name of Exempt Organization, Employer identification number, etc.

Check type of return to be filed (File a separate application for each return):

- Form 990, Form 990-BL, Form 990-EZ, Form 990-PF, Form 990-T, Form 1041-A, Form 4720, Form 5227, Form 6069, Form 8870

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

The books are in the care of THE COMPANY. Telephone No. 602-252-5225. FAX No. ... If the organization does not have an office or place of business in the United States, check this box...

I request an additional 3-month extension of time until AUGUST 15, 2006. For calendar year, or other tax year beginning OCTOBER 1, 2004, and ending SEPTEMBER 30, 2005. State in detail why you need the extension THE INFORMATION FOR A COMPLETE AND ACCURATE RETURN IS NOT YET AVAILABLE.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ 0.00

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature [Signature] Title C.P.A. Date 5/3/06

Notice to Applicant—To Be Completed by the IRS

- We have approved this application. Please attach this form to the organization's return. We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return...

Director By Date

Alternate Mailing Address — Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Name: HENRY & HORNE, LLP. Number and street: 7098 E. COCHISE ROAD, SUITE 100. City or town, province or state, and country: SCOTTSDALE, AZ 85253

RECEIVED MAY 04 2006

RECEIVED MAY 09 2006 OGDEN, UT

EXTENSION APPROVED JUN 09 2006

SUBMISSION PROCESSING, OGDEN FIELD DIRECTOR

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

▶ File a separate application for each return

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
 - If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time—Only submit original (no copies needed)

Form 990-T corporations requesting an automatic 6-month extension—check this box and complete Part I only

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Electronic Filing (e-file). Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension, instead you must submit the fully completed signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile.

Type or print	Name of Exempt Organization NEIGHBORHOOD MINISTRIES, INC.	Employer identification number 86-0809052
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P O box, see instructions. 1918 W. VAN BUREN STREET	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. PHOENIX, AZ 85009	

Check type of return to be filed (file a separate application for each return):

- | | | |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

• The books are in the care of ▶ THE COMPANY

Telephone No. ▶ 602-252-5225 FAX No. ▶ _____

- If the organization does **not** have an office or place of business in the United States, check this box
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the **whole** group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a **Form 990-T corporation**) extension of time until _____, 20 __, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ calendar year 20__ or

▶ tax year beginning OCTOBER 1, 20 04 and ending SEPTEMBER 30, 20 05

2 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions. \$ _____ 0

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. \$ _____

c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions. \$ _____ 0

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

FORM 990 RENTAL INCOME STATEMENT 1

KIND AND LOCATION OF PROPERTY	ACTIVITY NUMBER	GROSS RENTAL INCOME
REAL PROPERTY IN PHOENIX ARIZONA	1	179,859.
TOTAL TO FORM 990, PART I, LINE 6A		179,859.

FORM 990 RENTAL EXPENSES STATEMENT 2

DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
SEE FORM 990T RENTAL EXPENSES		77,595.	
- SUBTOTAL -	1		77,595.
TOTAL TO FORM 990, PART I, LINE 6B			77,595.

FORM 990 GAIN (LOSS) FROM SALE OF OTHER ASSETS STATEMENT 3

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
SALE OF BUILDING	10/10/97	01/25/05	DONATED					
GREATER PHOENIX CHRISTIAN CENTER				121,287.	65,000.	0.	12,225.	68,512.
TO FM 990, PART I, LN 8				121,287.	65,000.	0.	12,225.	68,512.

FORM 990 SPECIAL EVENTS AND ACTIVITIES STATEMENT 4

DESCRIPTION OF EVENT	GROSS RECEIPTS	CONTRIBUT. INCLUDED	GROSS REVENUE	DIRECT EXPENSES	NET INCOME
GOLF TOURNAMENT	51,435.	0.	51,435.	12,382.	39,053.
TO FM 990, PART I, LINE 9	51,435.	0.	51,435.	12,382.	39,053.

FORM 990 OTHER CHANGES IN NET ASSETS OR FUND BALANCES STATEMENT 5

DESCRIPTION	AMOUNT
PRIOR PERIOD ADJUSTMENT	147,166.
TOTAL TO FORM 990, PART I, LINE 20	147,166.

FORM 990 OTHER PROGRAM SERVICES STATEMENT 6

DESCRIPTION	GRANTS AND ALLOCATIONS	EXPENSES
ADULT DEVELOPMENT PROGRAMS, ASSISTANCE PROGRAMS, AND JOB AND SKILLS DEVELOPMENT PROGRAMS - OVER 100 PARENT VOLUNTEERS WHO TO DEVELOP TRUSTING RELATIONSHIPS WITH THE YOUTH THAT WILL		279,979.

LET THEM GROW PERSONALLY AND WITH JESUS, WHICH INCREASED PARTICIPATION IN BOTH THE CHURCH AND THE COMMUNITY.

TOTAL TO FORM 990, PART III, LINE E

279,979.

FORM 990 OTHER INVESTMENTS STATEMENT 7

DESCRIPTION	VALUATION METHOD	AMOUNT
BANK ONE SECURITIES	COST	8,998.
TOTAL TO FORM 990, PART IV, LINE 56, COLUMN B		8,998.

FORM 990 OTHER ASSETS STATEMENT 8

DESCRIPTION	AMOUNT
DEFERRED RENTAL INCOME RECEIVABLE	62,850.
TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B	62,850.

FORM 990 OTHER REVENUE NOT INCLUDED ON FORM 990 STATEMENT 9

DESCRIPTION	AMOUNT
RENTAL EXPENSES	77,595.
TOTAL TO FORM 990, PART IV-A	77,595.

FORM 990 OTHER EXPENSES NOT INCLUDED ON FORM 990 STATEMENT 10

DESCRIPTION	AMOUNT
RENTAL EXPENSES	77,595.
TOTAL TO FORM 990, PART IV-B	77,595.

SCHEDULE A

STATEMENT REGARDING ACTIVITIES WITH
SUBSTANTIAL CONTRIBUTORS, TRUSTEES, DIRECTORS,
CREATORS, KEY EMPLOYEES, ETC.,
PART III, LINE 2

STATEMENT 11

SEE PART V-A FORM 990

NEIGHBORHOOD MINISTRIES

BOARD OF DIRECTORS

10/1/2004 to 9/30/2005

Board Officers

Chairman - Rick Malouf

400 East Van Buren, Suite 650
Phoenix, AZ 85004
Acacia Capital Association

President - Kit Danley

1918 West Van Buren St.
Phoenix, AZ 85009
President - Neighborhood Ministries, Inc.

Vice Pres Dennis Husted

568 W. Moon Valley
Phoenix, AZ 85023
President - Husted Engineering

Treasurer Dick Crew

7906 E. North Lane
Scottsdale, AZ 85258
Self Employed / Foundation & Investment Management

Secretary Bill M. Thrall

1918 West Van Buren St.
Phoenix, AZ 85009
Pastor / Church @ Neighborhood Center

Board Members

Joseph Lindner

1929 West Fillmore St.

Phoenix, AZ 85009

Dental Director -

The Neighborhood Christian Clinic

Jorge Macias

1918 West Van Buren St

Phoenix, AZ 85009

Pastor / Church @ Neighborhood Center

Isiah Oakes

111 South 34th St

Phoenix, AZ 85034

Retired – Electrical Services Engineer

Richard Speck
1918 West Van Buren St
Phoenix, AZ 85009
Executive Director - Neighborhood Ministries, Inc.

William A. Thrall
1600 East Northern Avenue, Suite 280
Phoenix, AZ 85020
Mentor and Co-Founder - Leadership Catalyst

Jonathon Vento
6107 East Paradise Drive
Scottsdale, AZ 85254
Principle – Grace Capital

Orbi Gonzales
19517 North 40th Lane
Glendale, AZ 85308
Young Life Western Division

NEIGHBORHOOD MINISTRIES, INC
 FORM 990 PART II
 STATEMENT OF FUNCTIONAL EXPENSES
 Year Ended September 30, 2005

	Program Services						Supporting Services			Total Expenses		
	Iglesia De Neighborhood Ministries	Education Programs	Youth Development Programs	Leadership Development and Training Programs	Adult Development Programs	Assistance Programs	Job and Skills Development Programs	Total Program Services	Management and General		Fundraising	Total Supporting Services
FUNCTIONAL EXPENSES												
Payroll												
Salaries	\$ 109,333	\$ 140,504	\$ 105,837	\$ 56,542	\$ 36,642	\$ 675	\$ 76,170	\$ 525,703	\$ 90,346	\$ 23,157	\$ 113,503	\$ 639,206
Payroll taxes	5,815	10,111	7,595	4,107	2,619	33	5,573	35,853	5,203	607	5,810	41,663
TOTAL PAYROLL	115,148	150,615	113,432	60,649	39,261	708	81,743	561,556	95,549	23,764	119,313	680,869
Other												
Occupancy costs	10,959	16,887	26,031	6,755	11,201	5,753	8,448	66,034	16,567	1,085	17,652	103,686
Repairs and maintenance	5,165	7,610	7,353	2,761	2,802	452	3,405	29,548	1,725	225	1,950	31,498
Transportation expense	910	3,350	18,024	591	1,775	276	1,010	25,936	14	7	21	25,957
Professional services	4,586	6,918	6,946	2,533	2,668	673	3,458	27,782	10,841	64,957	75,798	103,580
Employee related costs	1,418	4,046	1,083	7,252	414	67	503	14,783	1,019	1,203	2,222	17,005
Insurance expense	23,687	42,001	32,488	8,714	13,663	1,488	17,466	139,507	27,519	3,440	30,959	170,466
Activity expenses	6,914	23,292	47,179	2,621	23,687	5,456	3,948	113,097	526	491	1,017	114,114
Office supplies	2,338	3,539	4,431	1,622	1,543	220	2,179	15,872	1,880	1,075	2,955	18,827
Postage	708	1,087	1,330	392	422	67	685	4,691	741	4,106	4,847	9,538
Printing	2,686	4,066	4,377	1,666	1,581	252	1,901	16,529	1,760	1,089	2,849	19,378
Program materials	1,183	748	5,683	1,043	4,640	1,894	3,795	18,986	349	229	578	19,564
Property taxes	1,390	2,105	2,116	765	810	131	984	8,301	7,245	-	7,245	15,546
Golf tournament	-	-	-	-	-	-	-	-	-	-	4,378	4,378
Other expenses	1,519	3,704	4,283	3,189	2,636	439	1,446	17,216	2,210	1,194	3,404	20,620
	63,463	119,353	161,324	39,904	67,842	17,168	49,228	518,282	72,396	83,479	155,875	674,157
Allocation of depreciation and interest	17,247	26,368	26,252	9,488	10,044	1,620	12,365	103,384	36,021	582	36,603	139,987
TOTAL FUNCTIONAL EXPENSES	\$ 195,858	\$ 296,336	\$ 301,008	\$ 110,041	\$ 117,147	\$ 19,496	\$ 143,336	\$ 1,183,222	\$ 203,966	\$ 107,825	\$ 311,791	\$ 1,495,013

0503175 [0503175]
Depreciation Expense
Financial

10/01/2004 - 09/30/2005

System No.	S	Description	Date In Service	Method / Conv.	Life	Cost / Other Basis	Bus. / Inv. %	Sec. 179 / Bonus	Salvage / Basis Adj.	Beg. Accum. Depreciation	Current Depreciation	Total Depreciation
Buildings												
8	D	1609 W McDo	10/10/1997	SL / N/A	39.0000	65,000.00	100.0000	0.00	0.00	11,666.69	555.56	12,222.25
12		1918 W. Van E	12/1/2001	SL / N/A	39.0000	642,616.00	100.0000	0.00	0.00	46,685.77	16,477.33	63,163.10
23		Building impro	12/1/2001	SL / N/A	39.0000	719,028.00	100.0000	0.00	0.00	52,237.09	18,436.62	70,673.71
24		Building impro	9/1/2003	SL / N/A	39.0000	74,004.00	100.0000	0.00	0.00	2,055.67	1,897.54	3,953.21
27		1918 W Van B	12/1/2001	SL / N/A	39.0000	1,399,391.00	100.0000	0.00	0.00	101,665.16	35,881.82	137,546.98
Subtotal: Buildings						2,900,039.00		0.00	0.00	214,310.38	73,248.87	287,559.25
Less dispositions and exchanges:						65,000.00		0.00	0.00	11,666.69	0.00	12,222.25
Net for: Buildings						2,835,039.00		0.00	0.00	202,643.69	73,248.87	275,337.00
Computer Equipment												
1		Computer Equ	6/15/2001	SL / N/A	5.0000	1,082.00	100.0000	0.00	0.00	721.33	216.40	937.73
2		Computer Woi	8/15/2001	SL / N/A	5.0000	525.00	100.0000	0.00	0.00	332.50	105.00	437.50
4		Telephone Sys	1/15/2001	SL / N/A	5.0000	6,546.00	100.0000	0.00	0.00	4,909.50	1,309.20	6,218.70
7		Computer Equ	10/15/2001	SL / N/A	5.0000	510.00	100.0000	0.00	0.00	306.00	102.00	408.00
9		Security Syste	12/15/2001	SL / N/A	5.0000	12,224.00	100.0000	0.00	0.00	6,926.93	2,444.80	9,371.73
14		Computer prin	6/15/2003	SL / N/A	5.0000	1,286.00	100.0000	0.00	0.00	342.93	257.20	600.13
15		Telephone eq	10/15/2003	SL / N/A	5.0000	1,354.00	100.0000	0.00	0.00	270.80	270.80	541.60
16		Dell Computer	2/15/2004	SL / N/A	5.0000	1,250.00	100.0000	0.00	0.00	166.67	250.00	416.67
17		Epson 74c LC	4/15/2004	SL / N/A	5.0000	1,946.00	100.0000	0.00	0.00	194.60	389.20	583.80
18		MiniDV-Super	5/15/2004	SL / N/A	5.0000	895.00	100.0000	0.00	0.00	74.58	179.00	253.58
19		Computer equ	6/15/2004	SL / N/A	5.0000	4,954.00	100.0000	0.00	0.00	330.27	990.80	1,321.07
20		Computer equ	8/15/2004	SL / N/A	5.0000	4,190.00	100.0000	0.00	0.00	139.67	838.00	977.67
21		Dell servers ar	9/15/2004	SL / N/A	5.0000	26,004.00	100.0000	0.00	0.00	433.40	5,200.80	5,634.20
22		Sound system	7/1/2004	SL / N/A	5.0000	5,150.00	100.0000	0.00	0.00	257.50	1,030.00	1,287.50
26		Phone system	12/15/2004	SL / N/A	5.0000	2,000.00	100.0000	0.00	0.00	0.00	333.33	333.33
30		Latino Coalitio	2/15/2005	SL / N/A	5.0000	1,173.00	100.0000	0.00	0.00	0.00	136.85	136.85
31		Latino Coalitio	2/15/2005	SL / N/A	5.0000	1,173.00	100.0000	0.00	0.00	0.00	136.85	136.85
32		Latino Coalitio	2/15/2005	SL / N/A	5.0000	1,173.00	100.0000	0.00	0.00	0.00	136.85	136.85
33		Latino Coalitio	2/15/2005	SL / N/A	5.0000	1,173.00	100.0000	0.00	0.00	0.00	136.85	136.85
34		Latino Coalitio	2/15/2005	SL / N/A	5.0000	2,099.00	100.0000	0.00	0.00	0.00	244.88	244.88
35		Staff travel lap	2/15/2005	SL / N/A	5.0000	1,173.00	100.0000	0.00	0.00	0.00	136.85	136.85
36		Latino Coalitio	2/15/2005	SL / N/A	5.0000	1,173.00	100.0000	0.00	0.00	0.00	136.85	136.85
Subtotal: Computer Equipment						79,053.00		0.00	0.00	15,406.68	14,982.51	30,389.19
Less dispositions and exchanges:						0.00		0.00	0.00	0.00	0.00	0.00
Net for: Computer Equipment						79,053.00		0.00	0.00	15,406.68	14,982.51	30,389.19
Furniture & Fixtures												
5		Kitchen Hood/	7/15/2001	SL / N/A	7.0000	10,000.00	100.0000	0.00	0.00	4,642.85	1,428.57	6,071.42
6		Walk-in Cooler	9/15/2001	SL / N/A	7.0000	12,389.00	100.0000	0.00	0.00	5,457.07	1,769.86	7,226.93
10		Kitchen Equip	12/15/2001	SL / N/A	7.0000	25,444.00	100.0000	0.00	0.00	10,298.77	3,634.86	13,933.63
11		Playground Ec	6/15/2002	SL / N/A	7.0000	34,668.00	100.0000	0.00	0.00	11,556.00	4,952.57	16,508.57

0503175 [0503175]
Depreciation Expense

Financial

10/01/2004 - 09/30/2005

12-3456789
10/01/2004 - 09/30/2005
Sorted: General - Group

System No.	S	Description	Date In Service	Method / Conv.	Life	Cost / Other Basis	Bus. / Inv. %	Sec. 179 / Bonus	Salvage / Basis Adj.	Beg. Accum. Depreciation	Current Depreciation	Total Depreciation
Subtotal: Furniture & Fixtures												
Less dispositions and exchanges:												
						82,501.00		0.00	0.00	31,954.69	11,785.86	43,740.55
						0.00		0.00	0.00	0.00	0.00	0.00
Net for: Furniture & Fixtures						82,501.00		0.00	0.00	31,954.69	11,785.86	43,740.55
Land												
28		Land	12/15/2002	No Calc / N/A	0.0000	346,700.00	100.0000	0.00	0.00	0.00	0.00	0.00
Subtotal: Land												
						346,700.00		0.00	0.00	0.00	0.00	0.00
						0.00		0.00	0.00	0.00	0.00	0.00
Net for: Land						346,700.00		0.00	0.00	0.00	0.00	0.00
Vehicles												
3		Bus	1/15/1999	SL / N/A	5.0000	6,000.00	100.0000	0.00	0.00	6,000.00	0.00	6,000.00
13		Van	6/15/2003	SL / N/A	5.0000	11,094.00	100.0000	0.00	0.00	2,958.40	2,218.80	5,177.20
25		Bluebird bus	6/15/2004	SL / N/A	5.0000	4,864.00	100.0000	0.00	0.00	324.27	972.80	1,297.07
Subtotal: Vehicles												
						21,958.00		0.00	0.00	9,282.67	3,191.60	12,474.27
						0.00		0.00	0.00	0.00	0.00	0.00
Net for: Vehicles						21,958.00		0.00	0.00	9,282.67	3,191.60	12,474.27
Subtotal:												
						3,430,251.00		0.00	0.00	270,954.42	103,208.84	374,163.26
						65,000.00		0.00	0.00	11,666.69	0.00	12,222.25
Grand Totals:						3,365,251.00		0.00	0.00	259,287.73	103,208.84	361,941.01