

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury
Internal Revenue Service

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

A For the 2005 calendar year, or tax year beginning **AUG 1, 2005** and ending **JUL 31, 2006**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type See Specific Instructions	C Name of organization LONG ISLAND ALZHEIMER'S FOUNDATION, INC.		D Employer identification number 11-2926958
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite 5 CHANNEL DRIVE		E Telephone number 516-767-6856
		City or town, state or country, and ZIP + 4 PORT WASHINGTON, NY 11050		F Accounting method <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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 **N/A**

H(c) Are all affiliates included? **N/A** Yes No (If "No," attach a list.)

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Group Exemption Number **N/A**

M Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

G Website: **WWW.LIAF.ORG**

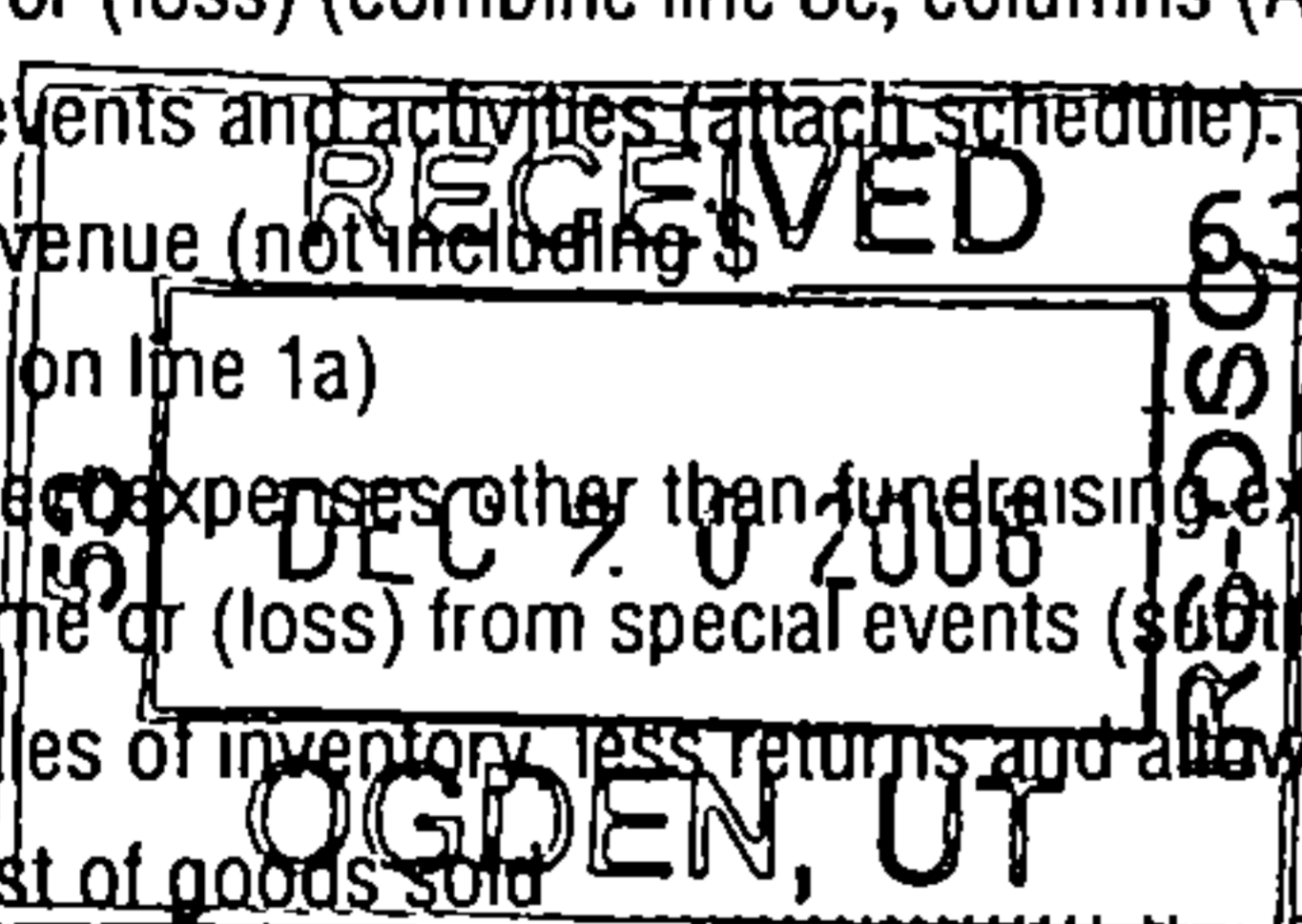
J Organization type (check only one) 501(c)(3) (insert no) 4947(a)(1) or 527

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 chooses to file a return, be sure to file a complete return. Some states require a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 **1,548,496.**

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

Revenue	1 Contributions, gifts, grants, and similar amounts received:			
	a Direct public support	1a	718,352.	
	b Indirect public support	1b		
	c Government contributions (grants)	1c	296,405.	
	d Total (add lines 1a through 1c) (cash \$ 1,014,757. noncash \$)	1d		1,014,757.
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2		224,896.
	3 Membership dues and assessments	3		
	4 Interest on savings and temporary cash investments	4		42,593.
	5 Dividends and interest from securities	5		
	6 a Gross rents	6a		
	b Less: rental expenses	6b		
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c		
7 Other investment income (describe)	7			
Revenue	8 a Gross amount from sales of assets other than inventory	(A) Securities	(B) Other	
	b Less: cost or other basis and sales expenses	8a		
	c Gain or (loss) (attach schedule)	8b		
	d Net gain or (loss) (combine line 8c, columns (A) and (B))	8c		
Revenue	9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>			
	a Gross revenue (not including \$ reported on line 1a)	9a	633,735.	
	b Less: direct expenses other than fundraising expenses	9b	266,250.	
	c Net income or (loss) from special events (subtract line 9b from line 9a)	9c	108,851.	157,399.
	SEE STATEMENT 1			
Revenue	10 a 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		1,439,645.	
Expenses	13 Program services (from line 44, column (B))	13		1,390,670.
	14 Management and general (from line 44, column (C))	14		51,699.
	15 Fundraising (from line 44, column (D))	15		97,089.
	16 Payments to affiliates (attach schedule)	16		
	17 Total expenses (add lines 16 and 44, column (A))	17		1,539,458.
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18		-99,813.
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19		2,442,708.
	20 Other changes in net assets or fund balances (attach explanation)	20		0.
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21		2,342,895.



SCANNED JAN 09 2007

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 \$ <u>0</u> . noncash \$ <u>0</u> . If this amount includes foreign grants, check here <input type="checkbox"/> 22				
23 Specific assistance to individuals (attach schedule) 23				
24 Benefits paid to or for members (attach schedule) 24				
25 Compensation of officers, directors, etc ** 25	110,000.	93,500.	8,250.	8,250.
26 Other salaries and wages 26	738,698.	709,572.	14,563.	14,563.
27 Pension plan contributions 27				
28 Other employee benefits 28	58,113.	55,429.	1,342.	1,342.
29 Payroll taxes 29	71,171.	66,639.	2,266.	2,266.
30 Professional fundraising fees 30				
31 Accounting fees 31	11,506.	9,782.	862.	862.
32 Legal fees 32	346.	294.	26.	26.
33 Supplies 33				
34 Telephone 34				
35 Postage and shipping 35	48,396.	44,783.		3,613.
36 Occupancy 36				
37 Equipment rental and maintenance 37				
38 Printing and publications 38	78,672.	51,043.		27,629.
39 Travel 39				
40 Conferences, conventions, and meetings 40	44,459.	44,159.		300.
41 Interest 41				
42 Depreciation, depletion, etc (attach schedule) 42	33,081.	28,119.	2,481.	2,481.
43 Other expenses not covered above (itemize)				
a 43a				
b 43b				
c 43c				
d 43d				
e 43e				
f 43f				
g SEE STATEMENT 2 43g	345,016.	287,350.	21,909.	35,757.
44 Total functional expenses. Add lines 22 through 43 (Organizations completing columns (B)-(D), carry these totals to lines 13-15) 44	1,539,458.	1,390,670.	51,699.	97,089.

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 \$ N/A ; (ii) the amount allocated to Program services \$ N/A ;
 (iii) the amount allocated to Management and general \$ N/A ; and (iv) the amount allocated to Fundraising \$ N/A

** SEE STATEMENT 3

Part III Statement of Program Service Accomplishments (See the instructions.)

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.

What is the organization's primary exempt purpose? ► SEE STATEMENT 4	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
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.)	
a TO PROVIDE SERVICES FOR PERSONS AFFLICTED WITH ALZHEIMER'S AND THEIR FAMILIES, INCLUDING COUNSELING.	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	1,390,670.
b	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
c	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
d	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
e Other program services (attach schedule) (Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ►	1,390,670.

Part IV Balance Sheets (See the 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	1,070.	45	49,620.
	46 Savings and temporary cash investments	1,346,945.	46	1,084,922.
	47 a Accounts receivable	47a 26,273.		
	b Less: allowance for doubtful accounts	47b	31,887.	47c 26,273.
	48 a Pledges receivable	48a 6,400.		
	b Less: allowance for doubtful accounts	48b	13,023.	48c 6,400.
	49 Grants receivable		24,661.	49 160,084.
	50 Receivables from officers, directors, trustees, and key employees			50
	51 a Other notes and loans receivable	51a 35,132.		
	b Less: allowance for doubtful accounts	51b		51c 35,132.
	52 Inventories for sale or use			52
	53 Prepaid expenses and deferred charges		15,053.	53 17,669.
	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			56	
57 a Land, buildings, and equipment: basis	57a 1,388,974.			
b Less: accumulated depreciation STMT 5	57b 385,906.	1,020,959.	57c 1,003,068.	
58 Other assets (describe ▶ OTHER RECEIVABLE)		100,000.	58 0.	
59 Total assets (must equal line 74) Add lines 45 through 58		2,553,598.	59 2,383,168.	
Liabilities	60 Accounts payable and accrued expenses	106,722.	60	36,106.
	61 Grants payable		61	
	62 Deferred revenue	4,168.	62	4,167.
	63 Loans from officers, directors, trustees, and key employees		63	
	64 a Tax-exempt bond liabilities		64a	
	b Mortgages and other notes payable		64b	
	65 Other liabilities (describe ▶)		65	
66 Total liabilities. Add lines 60 through 65)		110,890.	66 40,273.	
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	2,113,568.	67	2,036,895.
	68 Temporarily restricted	23,140.	68	0.
	69 Permanently restricted	306,000.	69	306,000.
	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)		2,442,708.	73 2,342,895.	
74 Total liabilities and net assets/fund balances. Add lines 66 and 73		2,553,598.	74 2,383,168.	

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)

75 a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings 0
75 b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s) SEE STATEMENT 7
75 c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to this organization through common supervision or common control?
75 d Does the organization have a written conflict of interest policy?

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions)

Table with 5 columns: (A) Name and address, (B) Loans and Advances, (C) Compensation, (D) Contributions to employee benefit plans & deferred compensation plans, (E) Expense account and other allowances. Row 1 contains 'NONE' in column A.

Part VI Other Information (See the instructions)

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? If "Yes," attach a conformed copy of the changes
78 a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?
78 b If "Yes," has it filed a tax return on Form 990-T for this year? N/A
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement
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?
80 b If "Yes," enter the name of the organization N/A and check whether it is exempt or nonexempt
81 a Enter direct or indirect political expenditures (See line 81 instructions) 81a 0.
81 b Did the organization file Form 1120-POL for this year?

Part VI Other Information (continued)		Yes	No
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?		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 N/A		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
	84b N/A		
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? 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.		
	85b N/A		
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		X
89 a	501(c)(3) organizations. Enter. Amount of tax imposed on the organization during the year under: section 4911 <u>0.</u> ; section 4912 <u>0.</u> ; section 4955 <u>0.</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		X
	89b		
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 <u>0.</u>		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization <u>0.</u>		
90 a	List the states with which a copy of this return is filed <u>NY</u>		
b	Number of employees employed in the pay period that includes March 12, 2005	90b	32
91 a	The books are in care of <u>PATRICIA GALLATIN, EXECUTIVE DIRECT</u> Telephone no. <u>516-767-6856</u> Located at <u>5 CHANNEL DRIVE, PORT WASHINGTON, NY</u> ZIP + 4 <u>11050</u>		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country <u>N/A</u> See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts	91b	X
c	At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country <u>N/A</u>	91c	X
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>0.</u>	92	N/A

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

	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	
Note: Enter gross amounts unless otherwise indicated.					
93 Program service revenue					
a PRG PROGRAM INCOME					222,999.
b PRODUCT INCOME					1,897.
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	42,593.	
96 Dividends and interest from securities			14		
97 Net rental income or (loss) from real estate:					
a debt-financed property					
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					
101 Net income or (loss) from special events			01	157,399.	
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))		0.		199,992.	224,896.
105 Total (add line 104, columns (B), (D), and (E))					424,888.

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 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).
▼	SEE STATEMENT 8

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See 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 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: Patricia Magallano Date: 11/28/06 Type or print name and title: Patricia Magallano, Executive Director

Paid Preparer's Use Only: Preparer's signature: Thomas J. Novak Date: 11/2/06 Check if self-employed: Preparer's SSN or PTIN: 101-40-7994

Firm's name (or yours if self-employed), address, and ZIP + 4: SHEEHAN & COMPANY, CPA, PC 230 PARK AVENUE, 23RD FLOOR NEW YORK, NY 10169-0124

EIN: 13-2709344 Phone no.: 212-962-4470

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 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

2005

Name of the organization **LONG ISLAND ALZHEIMER'S FOUNDATION, INC.** Employer identification number **11 2926958**

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
BARBARA VOGEL C/O LONG ISLAND ALZHEIMER'S FOUNDATIO	SUPERVISOR 40.00	61,375.	4,850.	
NATHAN MANDEL C/O LONG ISLAND ALZHEIMER'S FOUNDATIO	CONTROLLER 40.00	57,000.	4,850.	
STEPHANIE DEPALMA C/O LONG ISLAND ALZHEIMER'S FOUNDATIO	SUPERVISOR 40.00	57,375.	4,850.	
Total number of other employees paid over \$50,000 ▶	0			

Part II-A 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
NONE		
Total number of others receiving over \$50,000 for professional services ▶	0	

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over \$50,000 for other 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.)		
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	
c	During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?		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) sections 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). Check the box that describes the type of supporting organization: ► Type 1 Type 2 Type 3

Provide the following information about the supported organizations. (See page 6 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 6 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) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	982,659.	994,907.	1,083,255.	1,314,927.	4,375,748.
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	217,839.	258,125.	250,211.	238,099.	964,274.
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	16,575.	9,848.	12,577.	22,185.	61,185.
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	1,217,073.	1,262,880.	1,346,043.	1,575,211.	5,401,207.
24 Line 23 minus line 17	999,234.	1,004,755.	1,095,832.	1,337,112.	4,436,933.
25 Enter 1% of line 23	12,171.	12,629.	13,460.	15,752.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 88,739.
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 2001 through 2004 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 562,565.
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 4,436,933.
d Add: Amounts from column (e) for lines: 18 61,185. 19 _____ 22 _____ 26b 562,565.					26d 623,750.
e Public support (line 26c minus line 26d total)					26e 3,813,183.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 85.9419%
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 (2004) (2003) (2002) (2001)					
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 11b, 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 (2004) (2003) (2002) (2001)					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					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 2001 through 2004, 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 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.)		
<hr/> <hr/> <hr/>			
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	
<hr/> <hr/>			
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	
<hr/> <hr/>			
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	

2005 DEPRECIATION AND AMORTIZATION REPORT
FORM 990 PAGE 2

990

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
23	LAND	120298L				150,000.			150,000.			0.
	* 990 PAGE 2 TOTAL -					150,000.		0.	150,000.	0.	0.	0.
11	BUILDING	120298SL		39.00	16	857,476.			857,476.	146,580.		21,987.
	* 990 PAGE 2 TOTAL -					857,476.		0.	857,476.	146,580.	0.	21,987.
16	HARDWARE	010101SL		5.00	16	7,913.			7,913.	7,255.		658.
21	COMPUTERS	103101200DB		5.00	17	3,393.			3,393.	2,807.		391.
26	HARDWARE	020103200DB		5.00	17	2,499.			2,499.	1,780.		288.
29	DELL COMPUTER	083103200DB		5.00	17	1,103.		552.	551.	286.		106.
30	DELL COMPUTER	103103200DB		5.00	17	2,738.		1,369.	1,369.	712.		263.
32	DELL COMPUTER	080604SL		5.00	16	968.			968.	194.		194.
33	LAPTOP	083104SL		5.00	16	1,726.			1,726.	316.		345.
	* 990 PAGE 2 TOTAL -					20,340.		1,921.	18,419.	13,350.	0.	2,245.
12	BUILDING IMPROVEMENTS	020199SL		39.00	16	124,560.			124,560.	21,293.		3,194.
15	BUILDING IMPROVEMENTS	020100SL		39.00	16	10,691.			10,691.	1,370.		274.
18	ROOF	082001SL		39.00	16	18,025.			18,025.	1,810.		462.
22	CARPET & PAINT	010102200DB		7.00	17	6,188.			6,188.	4,255.		552.
24	BUILDING IMPROVEMENTS	020103SL		39.00	16	9,115.			9,115.	585.		234.
27	BUILDING IMPROVEMENTS	102003SL		39.00	16	4,825.			4,825.	217.		124.

* ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

(D) - Asset disposed

2005 DEPRECIATION AND AMORTIZATION REPORT
FORM 990 PAGE 2

990

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
35	ROOFING UPGRADES	012506	SL	39.00	16	3,250.			3,250.			42.
36	BUILDING IMPROVEMENTS	013106	SL	39.00	16	6,650.			6,650.			85.
37	SOCIAL SERVICES OFFICE	022206	SL	39.00	16	3,190.			3,190.			34.
	* 990 PAGE 2 TOTAL -					186,494.		0.	186,494.	29,530.	0.	5,001.
1	MACHINERY AND EQUIPMENT	123192	SL	5.00	16	21,328.			21,328.	21,328.		0.
2	MACHINERY AND EQUIPMENT	123193	SL	5.00	16	4,124.			4,124.	4,124.		0.
3	MACHINERY AND EQUIPMENT	123194	SL	5.00	16	5,392.			5,392.	5,392.		0.
4	MACHINERY AND EQUIPMENT	123195	SL	5.00	16	3,656.			3,656.	3,656.		0.
5	MACHINERY AND EQUIPMENT	123196	SL	5.00	16	3,967.			3,967.	3,967.		0.
6	MACHINERY AND EQUIPMENT	020197	SL	5.00	16	7,333.			7,333.	7,329.		0.
7	MACHINERY AND EQUIPMENT	060197	SL	5.00	16	2,194.			2,194.	2,194.		0.
8	MACHINERY AND EQUIPMENT	120397	SL	5.00	16	215.			215.	215.		0.
9	MACHINERY AND EQUIPMENT	072298	SL	5.00	16	217.			217.	217.		0.
10	MACHINERY AND EQUIPMENT - FYE 7/99	010199	SL	5.00	16	45,516.			45,516.	44,328.		0.
13	MACHINERY AND EQUIPMENT	010100	SL	5.00	16	25,973.			25,973.	25,973.		0.
14	LAMINATE OMNITRAK	072000	SL	5.00	16	14,019.			14,019.	14,019.		0.
17	FURNITURE & FIXTURES	010101	200DB	7.00	17	18,252.			18,252.	14,180.		1,629.
19	SIGNS	092701	200DB	7.00	17	4,080.			4,080.	2,806.		364.

2005 DEPRECIATION AND AMORTIZATION REPORT
FORM 990 PAGE 2

990

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
20	KAYAK	121201	200DB	5.00	17	6,002.			6,002.	4,965.		691.
	MACHINERY AND											
25	EQUIPMENT	020103	200DB	5.00	17	966.			966.	688.		111.
28	FURNITURE & FIXTURES	082603	200DB	7.00	17	8,658.		4,329.	4,329.	1,678.		757.
31	VACUUM	010605	SL	7.00	16	672.			672.	56.		96.
34	BUILDING GLASS	120505	SL	7.00	16	2,100.			2,100.			200.
	* 990 PAGE 2 TOTAL -					174,664.		4,329.	170,335.	157,115.	0.	3,848.
	* GRAND TOTAL 990 PAGE					1388974.		6,250.	1382724.	346,575.	0.	33,081.
	2 DEPR											

(D) - Asset disposed

* ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

FORM 990 SPECIAL EVENTS AND ACTIVITIES STATEMENT 1

DESCRIPTION OF EVENT	GROSS RECEIPTS	CONTRIBUT. INCLUDED	GROSS REVENUE	DIRECT EXPENSES	NET INCOME
GOLF OUTING AND REMEMBRANCE BALL	899,985.	633,735.	266,250.	108,851.	157,399.
TO FM 990, PART I, LINE 9	899,985.	633,735.	266,250.	108,851.	157,399.

FORM 990 OTHER EXPENSES STATEMENT 2

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
EVENTS AND FOOD COSTS	26,744.	11,898.	499.	14,347.
INSURANCE	26,971.	22,925.	2,023.	2,023.
OTHER COUNSELING PERSONNEL	24,098.	24,098.		
PUBLIC RELATIONS AND INTERN(S)	8,719.	8,719.		
OFFICE OPERATING AND ADMINISTRATIVE	252,484.	214,610.	18,937.	18,937.
LAWSUIT SETTLEMENT	6,000.	5,100.	450.	450.
TOTAL TO FM 990, LN 43	345,016.	287,350.	21,909.	35,757.

FORM 990 OFFICER COMPENSATION ALLOCATION STATEMENT 3
PART II, LINE 25

NAME OF OFFICER, ETC.	COMPENSATION	EMPLOYEE BEN. PLANS	EXPENSE ACCOUNTS	TOTALS
PATRICIA GALLATIN	110,000.			110,000.
A. PROGRAM SERVICES	93,500.			93,500.
B. MANAGEMENT AND GENERAL	8,250.			8,250.
C. FUNDRAISING	8,250.			8,250.
TOTAL PROGRAM SERVICES				93,500.
TOTAL MANAGEMENT AND GENERAL				8,250.
TOTAL FUNDRAISING				8,250.
TOTAL OFFICER, ETC., COMPENSATION INCLUDED ON PARTS V-A AND V-B				110,000.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 4
PART III

EXPLANATION

TO OPERATE A RESOURCE CENTER TO PROVIDE INFORMATION ABOUT SERVICES AVAILABLE TO THE COMMUNITY WITH REGARDS TO ALZHEIMER'S DISEASE

FORM 990 DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 5

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
MACHINERY AND EQUIPMENT	21,328.	21,328.	0.
MACHINERY AND EQUIPMENT	4,124.	4,124.	0.
MACHINERY AND EQUIPMENT	5,392.	5,392.	0.
MACHINERY AND EQUIPMENT	3,656.	3,656.	0.
MACHINERY AND EQUIPMENT	3,967.	3,967.	0.
MACHINERY AND EQUIPMENT	7,333.	7,329.	4.
MACHINERY AND EQUIPMENT	2,194.	2,194.	0.
MACHINERY AND EQUIPMENT	215.	215.	0.

MACHINERY AND EQUIPMENT	217.	217.	0.
MACHINERY AND EQUIPMENT - FYE 7/99	45,516.	44,328.	1,188.
BUILDING	857,476.	168,567.	688,909.
BUILDING IMPROVEMENTS	124,560.	24,487.	100,073.
MACHINERY AND EQUIPMENT	25,973.	25,973.	0.
LAMINATE OMNITRAK	14,019.	14,019.	0.
BUILDING IMPROVEMENTS	10,691.	1,644.	9,047.
HARDWARE	7,913.	7,913.	0.
FURNITURE & FIXTURES	18,252.	15,809.	2,443.
ROOF	18,025.	2,272.	15,753.
SIGNS	4,080.	3,170.	910.
KAYAK	6,002.	5,656.	346.
COMPUTERS	3,393.	3,198.	195.
CARPET & PAINT	6,188.	4,807.	1,381.
LAND	150,000.	0.	150,000.
BUILDING IMPROVEMENTS	9,115.	819.	8,296.
MACHINERY AND EQUIPMENT	966.	799.	167.
HARDWARE	2,499.	2,068.	431.
BUILDING IMPROVEMENTS	4,825.	341.	4,484.
FURNITURE & FIXTURES	8,658.	6,764.	1,894.
DELL COMPUTER	1,103.	944.	159.
DELL COMPUTER	2,738.	2,344.	394.
VACUUM	672.	152.	520.
DELL COMPUTER	968.	388.	580.
LAPTOP	1,726.	661.	1,065.
BUILDING GLASS	2,100.	200.	1,900.
ROOFING UPGRADES	3,250.	42.	3,208.
BUILDING IMPROVEMENTS	6,650.	85.	6,565.
SOCIAL SERVICES OFFICE	3,190.	34.	3,156.
TOTAL TO FORM 990, PART IV, LN 57	<u>1,388,974.</u>	<u>385,906.</u>	<u>1,003,068.</u>

FORM 990

PART V-A - LIST OF OFFICERS, DIRECTORS,
TRUSTEES AND KEY EMPLOYEES

STATEMENT 6

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
JANET B. WALSH C/O LONG ISLAND ALZHEIMER'S FOUNDATION, INC. PORT WASHINGTON, NY 11050	FOUNDER 2.00	0.	0.	0.
BARBARA DONNO C/O LONG ISLAND ALZHEIMER'S FOUNDATION, INC. PORT WASHINGTON, NY 11050	DIRECTOR 2.00	0.	0.	0.
PAUL J. SALERNO, CPA C/O LONG ISLAND ALZHEIMER'S FOUNDATION, INC. PORT WASHINGTON, NY 11050	TREASURER 2.00	0.	0.	0.
THOMAS J. KILLEEN, ESQ. C/O LONG ISLAND ALZHEIMER'S FOUNDATION, INC. PORT WASHINGTON, NY 11050	VICE CHAIRMAN 2.00	0.	0.	0.
PATRICIA GALLATIN C/O LONG ISLAND ALZHEIMER'S FOUNDATION, INC. PORT WASHINGTON, NY 11050	EXECUTIVE DIRECTOR 40.00	110,000.	0.	0.
MICHAEL PUNTILLO, JR C/O LONG ISLAND ALZHEIMER'S FOUNDATION, INC. PORT WASHINGTON, NY 11050	DIRECTOR 2.00	0.	0.	0.
SYDNEY JACOFF C/O LONG ISLAND ALZHEIMER'S FOUNDATION, INC. PORT WASHINGTON, NY 11050	CHAIRMAN 2.00	0.	0.	0.
STEPHEN WALSH C/O LONG ISLAND ALZHEIMER'S FOUNDATION, INC. PORT WASHINGTON, NY 11050	DIRECTOR 2.00	0.	0.	0.
BONNIE DORAN C/O LONG ISLAND ALZHEIMER'S FOUNDATION, INC. PORT WASHINGTON, NY 11050	DIRECTOR 2.00	0.	0.	0.

LONG ISLAND ALZHEIMER'S FOUNDATION, INC.

11-2926958

LINDA CRONIN C/O LONG ISLAND ALZHEIMER'S FOUNDATION, INC. PORT WASHINGTON, NY 11050	SECRETARY 2.00	0.	0.	0.
MADLYN DUBINER C/O LONG ISLAND ALZHEIMER'S FOUNDATION, INC. PORT WASHINGTON, NY 11050	DIRECTOR 2.00	0.	0.	0.
THOMAS B. MCGEARY C/O LONG ISLAND ALZHEIMER'S FOUNDATION, INC. PORT WASHINGTON, NY 11050	DIRECTOR 2.00	0.	0.	0.
ALBERT J. MEYER C/O LONG ISLAND ALZHEIMER'S FOUNDATION, INC. PORT WASHINGTON, NY 11050	DIRECTOR 2.00	0.	0.	0.
CATHERINE NELKIN MILLER C/O LONG ISLAND ALZHEIMER'S FOUNDATION, INC. PORT WASHINGTON, NY 11050	DIRECTOR 2.00	0.	0.	0.
PETER SCOTese C/O LONG ISLAND ALZHEIMER'S FOUNDATION, INC. PORT WASHINGTON, NY 11050	DIRECTOR 2.00	0.	0.	0.
TOTALS INCLUDED ON FORM 990, PART V-A		<u>110,000.</u>	<u>0.</u>	<u>0.</u>

4562

Form (Rev January 2006) Department of the Treasury Internal Revenue Service

Depreciation and Amortization 990 (Including Information on Listed Property)

See separate instructions. Attach to your tax return.

OMB No 1545-0172

2005

Attachment Sequence No 67

Name(s) shown on return: LONG ISLAND ALZHEIMER'S FOUNDATION, INC. Business or activity to which this form relates: FORM 990 PAGE 2 Identifying number: 11-2926958

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I

Table with 13 rows for Part I. Line 1: 105,000. Line 3: 420,000. Line 13: 13.

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property)

Table with 3 rows for Part II. Line 16: 27,929.

Part III MACRS Depreciation (Do not include listed property) (See instructions)

Section A

Table with 2 rows for Section A. Line 17: 5,152.

Section B - Assets Placed in Service During 2005 Tax Year Using the General Depreciation System

Table with 7 columns: (a) Classification of property, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Rows 19a-g, h, i.

Section C - Assets Placed in Service During 2005 Tax Year Using the Alternative Depreciation System

Table with 6 columns: (a) Class life, (b) 12-year, (c) 40-year, (d) 12 yrs, (e) 40 yrs, (f) MM, (g) S/L.

Part IV Summary (see instructions)

Table with 3 rows for Part IV. Line 22: 33,081. Line 23: 23.

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement)
Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles)

24a Do you have evidence to support the business/investment use claimed? <input type="checkbox"/> Yes <input type="checkbox"/> No				24b If "Yes," is the evidence written? <input type="checkbox"/> Yes <input type="checkbox"/> No				
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special allowance for certain aircraft, certain property with a long production period, and qualified NYL or GO Zone property placed in service during the tax year and used more than 50% in a qualified business use							25	
26 Property used more than 50% in a qualified business use.								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							28	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1								29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners			
39 Do you treat all use of vehicles by employees as personal use?			
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?			
41 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.			

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2005 tax year.					
43 Amortization of costs that began before your 2005 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report					44

Long Island Alzheimer's Foundation, Inc.

FINANCIAL STATEMENTS

July 31, 2006

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS:	
STATEMENTS OF FINANCIAL POSITION	2
STATEMENTS OF ACTIVITIES	3
STATEMENTS OF FUNCTIONAL EXPENSES BY NATURAL CLASSIFICATION	4
STATEMENTS OF CASH FLOWS	5
NOTES TO FINANCIAL STATEMENTS	6



230 Park Avenue, 23rd Floor,
New York, NY 10169 • 212.962 4470

165 Onnoco Drive, Bnghtwaters, NY 11718
631 665.7040 • Fax 631 665 7014

180 Main Street, Port Washington, NY 11050
516 883 5510 • Fax 516.767 7438

A PROFESSIONAL CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

www.sheehancpa.com

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Long Island Alzheimer's Foundation, Inc.
Port Washington, New York 11050

We have audited the accompanying statements of financial position of Long Island Alzheimer's Foundation, Inc., (a non-profit organization) as of July 31, 2006 and 2005, and the related statements of activities, functional expenses by natural classification and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Long Island Alzheimer's Foundation, Inc. as of July 31, 2006 and 2005, and 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.

Sheehan & Company, CPA PC

October 18, 2006

Long Island Alzheimer's Foundation, Inc.

STATEMENTS OF FINANCIAL POSITION

July 31, 2006 and 2005

	<u>2006</u>	<u>2005</u>
Assets:		
Cash	\$ 60,893	\$ 314,588
Program income receivable	26,273	31,887
Other receivables	35,132	106,300
Unconditional promises to give	6,400	6,723
Grants receivable	160,084	24,661
Prepaid expenses and other assets	17,669	15,053
Cash designated for endowment fund	767,650	727,427
Cash restricted for endowment fund	306,000	306,000
Fixed assets, net of accumulated depreciation	<u>1,003,067</u>	<u>1,020,959</u>
Total assets	<u>\$ 2,383,168</u>	<u>\$ 2,553,598</u>
Liabilities:		
Accounts and accrued expenses payable	\$ 36,106	\$ 106,722
Deferred revenue	<u>4,167</u>	<u>4,168</u>
Total liabilities	<u>40,273</u>	<u>110,890</u>
Net Assets:		
Unrestricted:		
General operating - undesignated	266,178	365,182
Board designated - fixed assets	1,003,067	1,020,959
Board designated - endowment fund	<u>767,650</u>	<u>727,427</u>
Total unrestricted	<u>2,036,895</u>	<u>2,113,568</u>
Restricted:		
Temporarily restricted	-	23,140
Permanently restricted	<u>306,000</u>	<u>306,000</u>
Total restricted	<u>306,000</u>	<u>329,140</u>
Total net assets	<u>2,342,895</u>	<u>2,442,708</u>
Total liabilities and net assets	<u>\$ 2,383,168</u>	<u>\$ 2,553,598</u>

See accompanying notes to the financial statements

-2-

Long Island Alzheimer's Foundation, Inc.

STATEMENTS OF ACTIVITIES

For the Years Ended July 31, 2006 and 2005

	2006			2005		
	Unrestricted	Temporarily Restricted	Permanently Restricted	Unrestricted	Temporarily Restricted	Permanently Restricted
Revenue and other support:						
Contributions and events	\$ 845,035	\$ -	\$ 845,035	\$ 887,714	\$ 23,140	\$ 910,854
Program income	222,999	-	222,999	191,780	-	191,780
Grants	60,994	374,978	435,972	91,728	360,260	451,988
Investment income	42,593	-	42,593	20,371	-	20,371
Sales of resource materials	1,897	-	1,897	2,708	-	2,708
Net assets released from restrictions	398,118	(398,118)	-	360,260	(360,260)	-
Total revenue and other support	<u>1,571,636</u>	<u>(23,140)</u>	<u>1,548,496</u>	<u>1,554,561</u>	<u>23,140</u>	<u>1,577,701</u>
Expenses:						
Program services	1,385,570	-	1,385,570	1,349,361	-	1,349,361
Management and general	51,249	-	51,249	48,238	-	48,238
Fundraising	205,490	-	205,490	195,454	-	195,454
Total expenses	<u>1,642,309</u>	<u>-</u>	<u>1,642,309</u>	<u>1,593,053</u>	<u>-</u>	<u>1,593,053</u>
Change in net assets before other income (loss)	<u>(70,673)</u>	<u>(23,140)</u>	<u>(93,813)</u>	<u>(38,492)</u>	<u>23,140</u>	<u>(15,352)</u>
Other income (loss):						
Lawsuit settlement	(6,000)	-	(6,000)	30,000	-	30,000
Total other income (loss)	<u>(6,000)</u>	<u>-</u>	<u>(6,000)</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>
Change in net assets	<u>(76,673)</u>	<u>(23,140)</u>	<u>(99,813)</u>	<u>(8,492)</u>	<u>23,140</u>	<u>14,648</u>
Net assets - beginning of year	2,113,568	23,140	2,442,708	2,122,060	306,000	2,428,060
Net assets - end of year	<u>\$ 2,036,895</u>	<u>\$ -</u>	<u>\$ 2,342,895</u>	<u>\$ 2,113,568</u>	<u>\$ 23,140</u>	<u>\$ 2,442,708</u>

See accompanying notes to the financial statements

Long Island Alzheimer's Foundation, Inc.

STATEMENTS OF FUNCTIONAL EXPENSES BY NATURAL CLASSIFICATION

For the Years Ended July 31, 2006 and 2005

	2006			2005				
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Payroll costs	\$ 803,072	\$ 22,813	\$ 22,813	\$ 848,698	\$ 769,807	\$ 20,820	\$ 20,820	\$ 811,447
Payroll taxes	66,639	2,266	2,266	71,171	69,018	1,634	1,634	72,286
Medical insurance	55,429	1,342	1,342	58,113	50,196	1,143	1,143	52,482
Printing	51,043	-	27,629	78,672	68,210	-	27,784	95,994
Postage	44,783	-	3,613	48,396	49,737	447	5,289	55,473
Events and food costs	11,898	499	123,198	135,595	14,205	-	114,590	128,795
Other counseling personnel	24,098	-	-	24,098	32,214	-	-	32,214
Public relations and intern(s)	8,719	-	-	8,719	28	-	-	28
Office operating and administrative costs	224,686	19,825	19,825	264,336	224,251	19,787	19,787	263,825
Insurance	22,925	2,023	2,023	26,971	16,182	1,428	1,428	19,038
Conference and workshops	44,159	-	300	44,459	21,747	-	-	21,747
Depreciation	28,119	2,481	2,481	33,081	33,766	2,979	2,979	39,724
Total	\$ 1,385,570	\$ 51,249	\$ 205,490	\$ 1,642,309	\$ 1,349,361	\$ 48,238	\$ 195,454	\$ 1,593,053

See accompanying notes to the financial statements

Long Island Alzheimer's Foundation, Inc.

STATEMENTS OF CASH FLOWS

For the Years Ended July 31, 2006 and 2005

	<u>2006</u>	<u>2005</u>
Cash flows from operating activities:		
Change in net assets	\$ (99,813)	\$ 14,648
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
Depreciation	33,081	39,725
(Increase) decrease in operating assets:		
Program income receivable	5,614	(1,868)
Other receivables	71,168	(106,300)
Unconditional promises to give	323	3,039
Grants receivable	(135,423)	101,016
Prepaid expenses and other assets	(2,616)	(9,738)
Increase (decrease) in operating liabilities:		
Accounts and accrued expenses payable	(70,616)	89,594
Deferred revenue	<u>(1)</u>	<u>(45,832)</u>
Net cash provided (used) by operating activities	<u>(198,283)</u>	<u>84,284</u>
Cash flows from investing activities:		
Purchases of fixed assets	(15,189)	(3,366)
Proceeds from sale and maturity of investments	<u>-</u>	<u>707,143</u>
Net cash provided (used) by investing activities	<u>(15,189)</u>	<u>703,777</u>
Cash flows from financing activities	<u>-</u>	<u>-</u>
Net increase (decrease) in cash	(213,472)	788,061
Cash - beginning of year	<u>1,348,015</u>	<u>559,954</u>
Cash - end of year	<u>\$ 1,134,543</u>	<u>\$ 1,348,015</u>

See accompanying notes to the financial statements

Long Island Alzheimer's Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS

July 31, 2006 and 2005

1. **Organization and summary of significant accounting policies:**

Organization: Since its creation in 1988, Long Island Alzheimer's Foundation, Inc. (the "Organization") has served as a lifeline to more than 150,000 individuals with Alzheimer's disease and their families in Nassau, Suffolk, Brooklyn, and Queens. The Organization receives over 1,000 requests for information each month. Each request is promptly answered with up-to-date information about diagnosis and treatment; compassionate counseling; referrals to community based services, home health agencies, medical, healthcare and geriatric professionals; and information about Long Island Alzheimer's Foundation, Inc.'s programs and events. The Organization receives a significant portion of its support from private contributions, grants and fundraising events.

Financial statement presentation: The Organization's financial statements have been prepared using the accrual basis of accounting. The Organization follows Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations". SFAS No. 117 requires that the Organization's financial statements distinguish between unrestricted, temporarily restricted, and permanently restricted net assets and changes in net assets. The Organization's net assets consists of the following:

Unrestricted - Net assets of the Organization, which have not been restricted by an outside donor or by law and, therefore, are available for use in carrying out the operations of the Organization. As of July 31, 2006 and 2005, the Board of Directors had designated \$1,003,067 and \$1,020,959, respectively, as fixed assets and \$767,650 and \$727,427, respectively, as endowment fund. The purpose of these funds is to help accomplish the long-term goals of the Organization. Donor restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

Temporarily restricted - Net assets of the Organization which have been limited by donor imposed stipulations or by law that either expire with the passage of time or can be fulfilled and removed by the actions of the Organization pursuant to those stipulations. As at July 31, 2006 and 2005, there were \$-0-and \$23,140, respectively, in temporarily restricted net assets.

Permanently restricted - Net assets of the Organization which donors have stipulated are to remain intact so that only the investment income can be utilized for operating purposes. The Organization has endowment funds of \$306,000 at July 31, 2006 and 2005.

Long Island Alzheimer's Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS

July 31, 2006 and 2005

1. **Organization and summary of significant accounting policies (continued):**

Investment income and net realized and unrealized gains (losses): Investment income and net realized and unrealized gains (losses) on permanently restricted endowments are recorded as increases (decreases) to unrestricted net assets in the absence of donor imposed restrictions on such income.

Contributions: The Organization adopted the accounting treatment prescribed by SFAS No. 116, "Accounting for Contributions Received and Contributions Made", whereby contributions received, including unconditional promises to give, are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restrictions. Restricted contributions are recorded as unrestricted support when donor imposed restrictions expire or are satisfied in the same reporting period for which they were received.

A significant portion of the Organization's revenue is derived from an annual fundraising event. The Organization received approximately \$250,000 and \$375,000, respectively, of contributions from the Remembrance Balls held in November 2006 and 2005. During the years ended July 31, 2006 and 2005, the Organization received contributions from Directors and/or their affiliated organizations of approximately \$176,570 and \$24,230, respectively.

Cash: The Organization considers all highly liquid debt instruments purchased with maturities of three months or less to be cash.

Concentration of credit risk: The Organization's financial instruments that are exposed to concentrations of credit risk consist primarily of cash deposited in financial institutions. The Organization deposits its cash with high credit quality institutions. At times, such amounts may be in excess of the Federal Deposit Insurance Corporation and Securities Investor Protection Corporation insurance limits.

Receivables and allowance for doubtful accounts: Receivables consist of program fees and awarded grants. Bad debts are recognized on the allowance method based on historical experience and management's evaluation of outstanding receivables and unconditional promises to give. The allowance for doubtful accounts is \$-0- for the years ended July 31, 2006 and 2005.

Long Island Alzheimer's Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS

July 31, 2006 and 2005

1. **Organization and summary of significant accounting policies (continued):**

Investments: The Organization has adopted SFAS No. 124, "Accounting for Certain Investments Held by Not-for-Profit Organization". Under SFAS No. 124, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the Statement of Financial Position. Realized and unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Fixed assets: Fixed assets are carried at cost or, if donated, at the estimated fair value at the date of donation. Depreciation is computed using the straight line or double declining balance method over the estimated useful lives of the assets. Repairs and maintenance charges, which do not increase the useful lives of assets, are charged to operations as incurred and betterments that materially prolong the useful lives of the assets are capitalized.

Donated assets and services: A number of volunteers have donated their time to the Organization. The Organization does not recognize any support, revenue or expense from this type of contributed general non-specific services by its volunteers since no special skills are required to perform these volunteer services.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses: The costs of providing the program service and other activities have been summarized on a functional basis in the Statements of Activities. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Income taxes: The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and, therefore, has made no provision for federal income taxes in the accompanying financial statements. The Organization has been classified as an organization that is not a private foundation within the meaning of Section 509(a)(1) of the Code.

Long Island Alzheimer's Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS

July 31, 2006 and 2005

1. **Organization and summary of significant accounting policies (continued):**

Advertising expense: Advertising costs are expensed as incurred.

2. **Investment income:**

For the years ended July 31, 2006 and 2005, investment income includes the following:

	<u>2006</u>	<u>2005</u>
Interest and dividends	\$42,593	\$16,575
Realized gain on investments	<u>-</u>	<u>3,796</u>
Total investment income	<u>\$42,593</u>	<u>\$20,371</u>

3. **Fixed assets:**

Fixed assets consist of the following at July 31, 2006 and 2005:

	<u>2006</u>	<u>2005</u>	<u>Estimated Useful Life</u>
Land	\$ 150,000	\$ 150,000	-
Building	857,476	857,476	39 Years
Building improvements	186,494	173,405	39 Years
Furniture, fixtures and equipment	174,665	172,565	5-7 Years
Other	<u>20,338</u>	<u>20,338</u>	5-7 Years
	1,388,973	1,373,784	
Less: accumulated depreciation	<u>385,906</u>	<u>352,825</u>	
	<u>\$1,003,067</u>	<u>\$1,020,959</u>	

4. **Unconditional promises to give:**

Unconditional promises to give at July 31, 2006 and 2005 in the amounts of \$6,400 and \$6,723, respectively, are due within one year.

Long Island Alzheimer's Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS

July 31, 2006 and 2005

5. **Line of credit:**

At July 31, 2006, the Organization had available a secured line of credit for direct borrowings with North Fork Bank of \$50,000. The agreement provides for interest to be paid monthly at 1/2% above the bank's prime lending rate. Both the bank and the Organization reserve to right to cancel this line of credit at anytime of their choosing with all unpaid amounts due in thirty-six monthly installments at 2 1/2 % above the bank's prime lending rate. The line is secured by a blanket lien on all assets held on account with North Fork Bank.

5. **Pension benefit plan:**

The Organization maintains a voluntary Supplemental Salary Reduction Plan (403(b)), where a portion of an employee's compensation before taxes can be contributed toward the purchase of a supplementary annuity. The Organization does not contribute funds to the plan.

6. **Subsequent events:**

The Organization, in the normal course of business, regularly applies for grants with various governmental entities. From time to time, the Organization receives their approval for a grant after their fiscal year has ended.

As of the date of this report, the Organization was approved for three grants totaling \$62,500, of which all three relate to the fiscal year ended July 31, 2006. These grants are currently reflected in Grants receivable on the Statement of Financial Position.

7. **Reclassification:**

Certain amounts in the 2005 financial statements have been reclassified to conform to the 2006 presentation.