

Form **990**

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)

OMB No 1545-0047

2005

Open to Public Inspection

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 10/01/05, and ending 9/30/06

- B** Check if applicable
- Address change
- Name change
- Initial return
- Final return
- Amended return
- Application pending

Please use IRS label or print or type See Specific Instructions

C Name of organization
PINE CASTLE, INC.

Number and street (or P O box if mail is not delivered to street address) Room/suite
4911 SPRING PARK ROAD

City or town, state or country, and ZIP + 4
JACKSONVILLE FL 32207

D Employer identification no.
59-0704733

E Telephone number
904-733-2650

F Accounting method: Cash Accrual Other (specify)

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

H(a) Is this a group return for affiliates? Yes No

H(b) If "Yes," enter number of affiliates

H(c) Are all affiliates included? Yes No (If "No," attach a list See instr)

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

G Website: WWW.PINECASTLE.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.

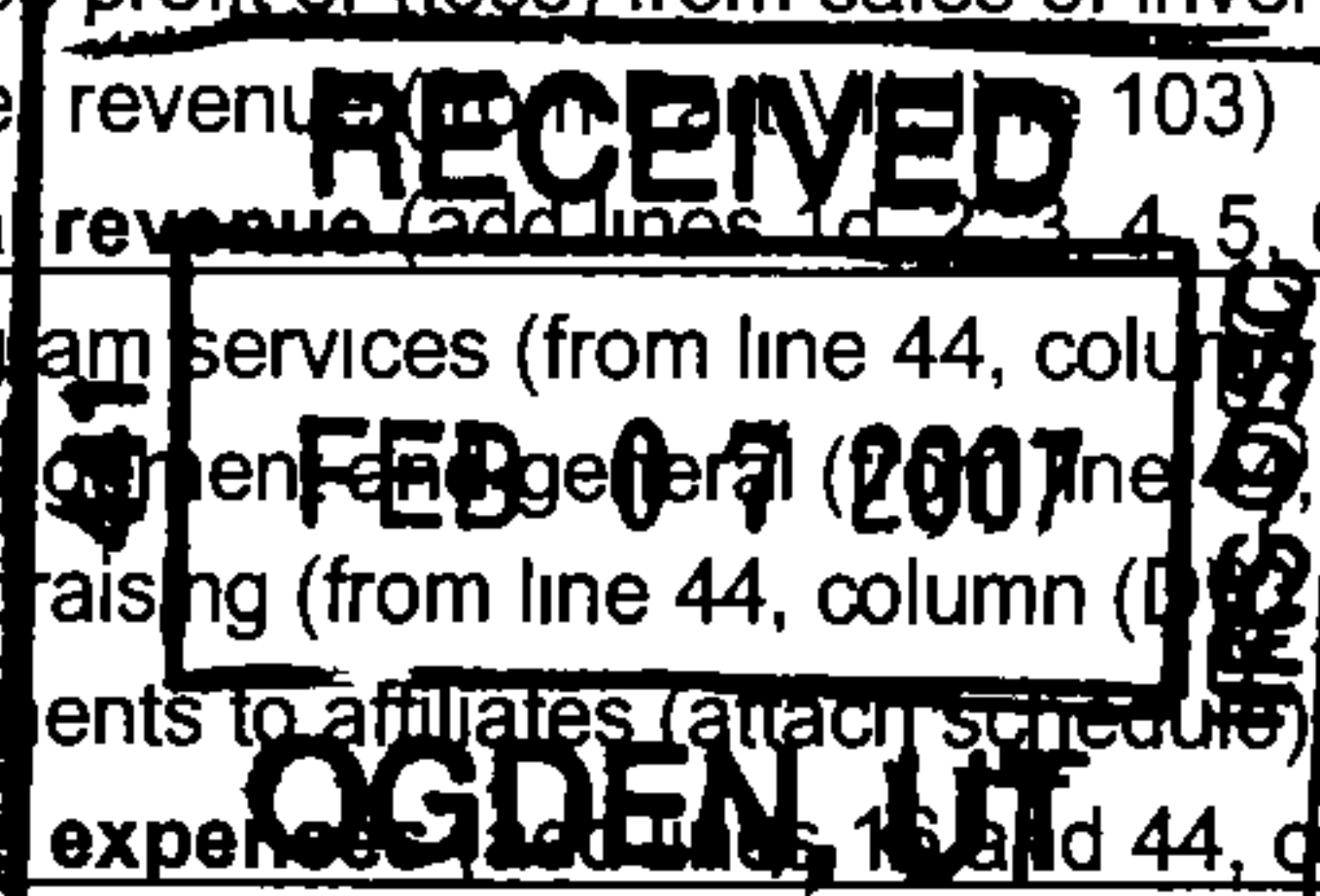
I Group Exemption Number

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

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 5,379,662

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

| | | | | | |
|--|---|------------------|----------------------|-------------------|------------------|
| Revenue | 1 Contributions, gifts, grants, and similar amounts received | | | | |
| | a Direct public support | 1a | <u>362,553</u> | | |
| | b Indirect public support | 1b | <u>187,798</u> | | |
| | c Government contributions (grants) | 1c | <u>3,116,869</u> | | |
| | d Total (add lines 1a through 1c) (cash \$ <u>3,667,220</u> noncash \$ _____) | 1d | | | <u>3,667,220</u> |
| | 2 Program service revenue including government fees and contracts (from Part VII, line 93) | 2 | | | <u>535,686</u> |
| | 3 Membership dues and assessments | 3 | | | |
| | 4 Interest on savings and temporary cash investments | 4 | | | |
| | 5 Dividends and interest from securities | 5 | | | <u>15,067</u> |
| | 6a 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 | | | | |
| 8a Gross amount from sales of assets other than inventory | (A) Securities | | (B) Other | | |
| | 8a | | <u>3,577</u> | | |
| | 8b Less cost or other basis and sales expenses | | | | |
| | 8c Gain or (loss) (attach schedule) | | <u>3,577</u> | | |
| d Net gain or (loss) (combine line 8c, columns (A) and (B)) | 8d | | <u>SEE STMT 1</u> | <u>3,577</u> | |
| 9 Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/> | a Gross revenue (not including \$ <u>131,847</u> of contributions reported on line 1a) | 9a | <u>SEE WORKSHEET</u> | | |
| | b Less direct expenses other than fundraising expenses | 9b | | | |
| | c Net income or (loss) from special events (subtract line 9b from line 9a) | 9c | | | <u>67,476</u> |
| 10a Gross sales of inventory, less returns and allowances | 10a | <u>1,058,405</u> | | | |
| | b Less cost of goods sold | 10b | <u>726,683</u> | | |
| | c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a) | 10c | | <u>SEE STMT 2</u> | <u>331,722</u> |
| 11 Other revenue (from line 103) | 11 | | | <u>32,231</u> | |
| 12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11) | 12 | | | <u>4,652,979</u> | |
| Net Assets | 13 Program services (from line 44, column (B)) | 13 | | <u>3,643,128</u> | |
| | 14 Management and general (from line 44, column (C)) | 14 | | <u>561,569</u> | |
| | 15 Fundraising (from line 44, column (D)) | 15 | | <u>367,181</u> | |
| | 16 Payments to affiliates (attach schedule) | 16 | | | |
| | 17 Total expenses (add lines 13 and 14, column (A)) | 17 | | | <u>4,571,878</u> |
| 18 Excess or (deficit) for the year (subtract line 17 from line 12) | 18 | | | <u>81,101</u> | |
| 19 Net assets or fund balances at beginning of year (from line 73, column (A)) | 19 | | | <u>3,087,677</u> | |
| 20 Other changes in net assets or fund balances (attach explanation) <u>SEE STATEMENT 3</u> | 20 | | | <u>51,405</u> | |
| 21 Net assets or fund balances at end of year (combine lines 18, 19, and 20) | 21 | | | <u>3,220,183</u> | |



SCANNED FEB 15 2007

PS

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 (See the instructions)

| 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 \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/> | 22 | | | | |
| 23 Specific assistance to individuals (attach schedule) <input type="checkbox"/> | 23 | | | | |
| 24 Benefits paid to or for members (attach schedule) | 24 | | | | |
| 25 Compensation of officers, directors, etc | 25 | 228,100 | | 228,100 | |
| 26 Other salaries and wages | 26 | 2,064,799 | 1,801,334 | 151,207 | 112,258 |
| 27 Pension plan contributions | 27 | | | | |
| 28 Other employee benefits | 28 | | | | |
| 29 Payroll taxes | 29 | 740,649 | 603,090 | 104,749 | 32,810 |
| 30 Professional fundraising fees | 30 | | | | |
| 31 Accounting fees | 31 | | | | |
| 32 Legal fees | 32 | | | | |
| 33 Supplies | 33 | 132,129 | 118,374 | 10,279 | 3,476 |
| 34 Telephone | 34 | 19,691 | 18,105 | 1,222 | 364 |
| 35 Postage and shipping | 35 | 33,970 | 32,129 | 651 | 1,190 |
| 36 Occupancy | 36 | 139,348 | 128,800 | 9,368 | 1,180 |
| 37 Equipment rental and maintenance | 37 | 78,000 | 75,959 | 1,497 | 544 |
| 38 Printing and publications | 38 | 12,844 | 7,107 | 2,049 | 3,688 |
| 39 Travel | 39 | 460,447 | 455,721 | 4,190 | 536 |
| 40 Conferences, conventions, and meetings | 40 | | | | |
| 41 Interest | 41 | 10,219 | 10,219 | | |
| 42 Depreciation, depletion, etc (attach schedule) | 42 | 192,141 | 180,352 | 10,490 | 1,299 |
| 43 Other expenses not covered above (itemize) | | | | | |
| a SEE STATEMENT 4 | 43a | 459,541 | 211,938 | 37,767 | 209,836 |
| b | 43b | | | | |
| c | 43c | | | | |
| d | 43d | | | | |
| e | 43e | | | | |
| f | 43f | | | | |
| g | 43g | | | | |
| 44 Total functional expenses. Add lines 22 through 43 (Organizations completing columns (B)-(D), carry these totals to lines 13-15) | 44 | 4,571,878 | 3,643,128 | 561,569 | 367,181 |

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 (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 5

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) & (4) orgs, & 4947(a)(1) trusts, but optional for others.)

a ADULT DAY TRAINING - PROVIDES ON-THE-JOB TRAINING FOR THOSE MEMBERS WHO ARE POTENTIALLY EMPLOYABLE IN THE COMMUNITY OR WITHIN THE ORG.

(Grants and allocations \$) If this amount includes foreign grants, check here 1,862,189

b GROUP HOMES - PROVIDES MEMBERS THE OPPORTUNITY TO LIVE IN RESIDENTIAL HOUSING WITHIN A COMMUNITY ENVIRONMENT.

(Grants and allocations \$) If this amount includes foreign grants, check here 1,397,082

c SUPPORTED EMPLOYMENT - PROVIDES ON-THE-JOB TRAINING FOR THOSE MEMBERS WHO ARE POTENTIALLY EMPLOYABLE IN THE COMMUNITY.

(Grants and allocations \$) If this amount includes foreign grants, check here 339,373

d INDEPENDENT LIVING - PROVIDES ASSISTANCE IN ACTIVITIES TO ENABLE MEMBERS TO LIVE ON THEIR OWN IN THE COMMUNITY.

(Grants and allocations \$) If this amount includes foreign grants, check here 44,484

e Other program services (attach schedule)

(Grants and allocations \$) If this amount includes foreign grants, check here

f **Total of Program Service Expenses** (should equal line 44, column (B), Program services) ▶ 3,643,128

Form 990 (2005)

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 | | 45 | | |
| | 46 Savings and temporary cash investments | 654,205 | 46 | 687,827 | |
| | 47a Accounts receivable | 47a 79,104 | | | |
| | b Less allowance for doubtful accounts | 47b | 47c | 79,104 | |
| | 48a Pledges receivable | 48a 127,092 | | | |
| | b Less allowance for doubtful accounts | 48b 2,770 | 48c | 124,322 | |
| | 49 Grants receivable | 347,754 | 49 | 404,021 | |
| | 50 Receivables from officers, directors, trustees, and key employees (attach schedule) | | 50 | | |
| | 51a Other notes and loans receivable (attach schedule) | 51a | | | |
| | b Less allowance for doubtful accounts | 51b | 51c | | |
| | 52 Inventories for sale or use | | 52 | | |
| | 53 Prepaid expenses and deferred charges | 103,161 | 53 | 116,863 | |
| | 54 Investments-securities SEE STATEMENT 6 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV | 647,399 | 54 | 700,977 | |
| | 55a Investments-land, buildings, and equipment basis | 55a 3,368,977 | | | |
| | b Less accumulated depreciation (attach schedule) SEE STATEMENT 7 | 55b 1,719,953 | 1,735,457 | 55c | 1,649,024 |
| | 56 Investments-other (attach schedule) | | 56 | | |
| | 57a Land, buildings, and equipment basis | 57a | | | |
| | b Less accumulated depreciation (attach schedule) | 57b | 57c | | |
| | 58 Other assets (describe) | | 58 | | |
| 59 Total assets (must equal line 74) Add lines 45 through 58 | 3,640,217 | 59 | 3,762,138 | | |
| Liabilities | 60 Accounts payable and accrued expenses | 334,549 | 60 | 372,862 | |
| | 61 Grants payable | | 61 | | |
| | 62 Deferred revenue | | 62 | | |
| | 63 Loans from officers, directors, trustees, and key employees (attach schedule) | | 63 | | |
| | 64a Tax-exempt bond liabilities (attach schedule) | | 64a | | |
| | b Mortgages and other notes payable (attach schedule) SEE WORKSHEET | 217,991 | 64b | 169,093 | |
| | 65 Other liabilities (describe) | | 65 | | |
| 66 Total liabilities. Add lines 60 through 65 | 552,540 | 66 | 541,955 | | |
| 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 | 3,087,677 | 67 | 3,094,951 | |
| | 68 Temporarily restricted | | 68 | 125,232 | |
| | 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) | 3,087,677 | 73 | 3,220,183 | | |
| 74 Total liabilities and net assets/fund balances. Add lines 66 and 73 | 3,640,217 | 74 | 3,762,138 | | |

Part VI Other Information (continued)

| | | Yes | No |
|------------|--|-----|----|
| 82a | Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? | 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) | | |
| | SEE STMT 11 82b 54,281 | | |
| 83a | 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? | | |
| | N/A | | |
| 84a | 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? | | |
| | N/A | | |
| 85 | 501(c)(4), (5), or (6) organizations | | |
| a | Were substantially all dues nondeductible by members? | | |
| | 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 | | |
| | N/A | | |
| c | Dues, assessments, and similar amounts from members | | |
| | 85c | | |
| d | Section 162(e) lobbying and political expenditures | | |
| | 85d | | |
| e | Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices | | |
| | 85e | | |
| f | Taxable amount of lobbying and political expenditures (line 85d less 85e) | | |
| | 85f | | |
| g | Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? | | |
| | 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? | | |
| | N/A | | |
| 86 | 501(c)(7) orgs Enter | | |
| a | Initiation fees and capital contributions included on line 12 | | |
| | 86a | | |
| b | Gross receipts, included on line 12, for public use of club facilities | | |
| | 86b | | |
| 87 | 501(c)(12) orgs Enter | | |
| a | Gross income from members or shareholders | | |
| | 87a | | |
| b | Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) | | |
| | 87b | | |
| 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 |
| 89a | 501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 <input type="text" value="0"/> , section 4912 <input type="text" value="0"/> , section 4955 <input type="text" value="0"/> | | |
| b | 501(c)(3) and 501(c)(4) orgs 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 |
| c | Enter Amount of tax imposed on the organization managers or disqualified persons during the year sections 4912, 4955, and 4958 <input type="text" value="0"/> | | |
| d | Enter Amount of tax on line 89c, above, reimbursed by the organization <input type="text" value="0"/> | | |
| 90a | List the states with which a copy of this return is filed <input type="text" value="NONE"/> | | |
| b | Number of employees employed in the pay period that includes March 12, 2005 (See instructions) | | |
| | 90b 106 | | |
| 91a | The books are in care of <input type="text" value="LEIGH GRIFFIN"/> Telephone no <input type="text" value="904-733-2650"/> <input type="text" value="4911 SPRING PARK ROAD"/> Located at <input type="text" value="JACKSONVILLE, FL"/> ZIP + 4 <input type="text" value="32207"/> | | |
| 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 <input type="text"/> See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts | | |
| | At any time during the calendar year, did the organization maintain an office outside of the United States? | | |
| c | If "Yes," enter the name of the foreign country <input type="text"/> | | |
| 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 <input type="text" value="92"/> | | |

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

| | Unrelated business income | | Excluded by sec 512, 513, or 514 | | (E) Related or exempt function income |
|---|---------------------------|---------------|----------------------------------|---------------|--|
| | (A) Business code | (B) Amount | (C) Exclusion code | (D) Amount | |
| 93 Program service revenue | | | | | |
| a PROGRAM FEES | | | | | 535,686 |
| 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 | | | | | |
| 96 Dividends and interest from securities | | | 14 | 15,067 | |
| 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 | | | 1 | 3,577 | |
| 101 Net income or (loss) from special events | | | | | 67,476 |
| 102 Gross profit or (loss) from sales of inventory | | | | | 331,722 |
| 103 Other revenue a | | | | | |
| b MISCELLANEOUS | | | | | 32,231 |
| c | | | | | |
| d | | | | | |
| e | | | | | |
| 104 Subtotal (add columns (B), (D), and (E)) | | 0 | | 18,644 | 967,115 |
| 105 Total (add line 104, columns (B), (D), and (E)) | | | | | 985,759 |

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 12 |
| | |
| | |

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 | % | | | |
| | % | | | |
| | % | | | |
| | % | | | |

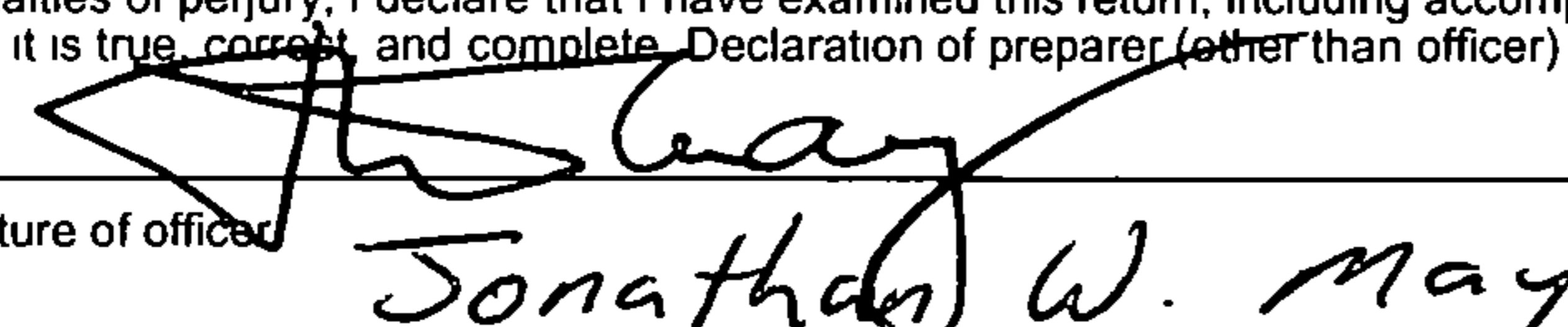
Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

- (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)


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

Please Sign Here

Signature of officer:  Date: 10/21/07

Type or print name and title: Jonathan W. May

Paid Preparer's Use Only

Preparer's signature:  Date: 1-31-07

Check if self-employed:

Preparer's SSN or PTIN (See Gen Instr W): P00460661

Firm's name (or yours if self-employed), address, and ZIP + 4: PRESSER, LAHNEN & EDELMAN, P.A.
6622 SOUTHPOINT DRIVE SOUTH, SUITE 495
JACKSONVILLE, FL 32216

EIN: 59-2682134

Phone no: 904-296-9333

**SCHEDULE A
(Form 990 or 990-EZ)**

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

OMB No 1545-0047

2005

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

PINE CASTLE, INC.

Employer identification number

59-0704733

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) Comp | (d) Contrib to empl ben plans & deferred comp | (e) Expense account & other allowances |
|---|--|----------|---|--|
| NONE | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Total number of other employees paid over \$50,000 ▶

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 ▶

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 ▶

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 | |
| SEE STATEMENT 13 | | |
| e Transfer of any part of its income or assets? | | X |
| 3a Do you make grants for scholarships, fellowships, student loans, etc ? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments) | | 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 |
| 4a Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds? | | 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). 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 V Private School Questionnaire (See page 7 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

| | N/A | 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? | 32d | | |
| If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement) | | | |
| 33 Does the organization discriminate by race in any way with respect to | | | |
| a Students' rights or privileges? | 33a | | |
| b Admissions policies? | 33b | | |
| c Employment of faculty or administrative staff? | 33c | | |
| d Scholarships or other financial assistance? | 33d | | |
| e Educational policies? | 33e | | |
| f Use of facilities? | 33f | | |
| g Athletic programs? | 33g | | |
| h Other extracurricular activities? | 33h | | |
| If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement.) | | | |
| 34a Does the organization receive any financial aid or assistance from a governmental agency? | 34a | | |
| b Has the organization's right to such aid ever been revoked or suspended? 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 VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions.)

(To be completed **ONLY** by an eligible organization that filed Form 5768) N/A

Check **a** if the organization belongs to an affiliated group Check **b** if you checked "a" and "limited control" provisions apply

Limits on Lobbying Expenditures

(The term "expenditures" means amounts paid or incurred)

| | | (a) Affiliated group totals | (b) To be completed for ALL electing organizations |
|---|-----------|-----------------------------------|---|
| 36 Total lobbying expenditures to influence public opinion (grassroots lobbying) | 36 | | |
| 37 Total lobbying expenditures to influence a legislative body (direct lobbying) | 37 | | |
| 38 Total lobbying expenditures (add lines 36 and 37) | 38 | | |
| 39 Other exempt purpose expenditures | 39 | | |
| 40 Total exempt purpose expenditures (add lines 38 and 39) | 40 | | |
| 41 Lobbying nontaxable amount Enter the amount from the following table- | | | |
| If the amount on line 40 is- | | | |
| Not over \$500,000 | | | |
| Over \$500,000 but not over \$1,000,000 | | | |
| Over \$1,000,000 but not over \$1,500,000 | | | |
| Over \$1,500,000 but not over \$17,000,000 | | | |
| Over \$17,000,000 | | | |
| The lobbying nontaxable amount is- | | | |
| 20% of the amount on line 40 | | | |
| \$100,000 plus 15% of the excess over \$500,000 | | | |
| \$175,000 plus 10% of the excess over \$1,000,000 | | | |
| \$225,000 plus 5% of the excess over \$1,500,000 | | | |
| \$1,000,000 | | | |
| 42 Grassroots nontaxable amount (enter 25% of line 41) | 42 | | |
| 43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36 | 43 | | |
| 44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38 | 44 | | |

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

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below

See the instructions for lines 45 through 50 on page 11 of the instructions)

| Calendar year (or fiscal year beginning in)▶ | Lobbying Expenditures During 4-Year Averaging Period | | | | |
|---|--|-------------|-------------|-------------|--------------|
| | (a) 2005 | (b) 2004 | (c) 2003 | (d) 2002 | (e) Total |
| 45 Lobbying nontaxable amount | | | | | |
| 46 Lobbying ceiling amount (150% of line 45(e)) | | | | | |
| 47 Total lobbying expenditures | | | | | |
| 48 Grassroots nontaxable amount | | | | | |
| 49 Grassroots ceiling amount (150% of line 48(e)) | | | | | |
| 50 Grassroots lobbying expenditures | | | | | |

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

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

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

| Yes | No | Amount |
|-----|----|--------|
| | X | |
| | X | |
| | X | |
| | X | |
| | X | |
| | X | |
| | X | |
| | X | |
| | X | |

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

Forms
990 / 990-PF**Mortgages and Other Notes Payable****2005**

For calendar year 2005, or tax year beginning 10/01/05, and ending 9/30/06

Name

Employer Identification Number

PINE CASTLE, INC.

59-0704733

FORM 990, PART IV, LINE 64B - ADDITIONAL INFORMATION

| Name of lender | Relationship to disqualified person |
|-------------------------|-------------------------------------|
| (1) FIRST GUARANTY BANK | |
| (2) FIRST GUARANTY BANK | |
| (3) FORD MOTOR CREDIT | |
| (4) FORD MOTOR CREDIT | |
| (5) FORD MOTOR CREDIT | |
| (6) FIRST GUARANTY BANK | |
| (7) | |
| (8) | |
| (9) | |
| (10) | |

| | Original amount borrowed | Date of loan | Maturity date | Repayment terms | Interest rate |
|------|--------------------------|--------------|---------------|-------------------|---------------|
| (1) | 130,410 | 3/03/00 | 1/03/17 | \$649 PER MONTH | 5.500 |
| (2) | 177,300 | 3/01/01 | 11/01/19 | \$1,335 PER MONTH | 6.630 |
| (3) | 25,249 | 9/30/02 | 9/30/07 | \$453 PER MONTH | 2.900 |
| (4) | 26,157 | 9/30/02 | 9/30/07 | \$469 PER MONTH | 2.900 |
| (5) | 30,518 | 4/30/03 | 4/30/08 | \$509 PER MONTH | |
| (6) | 100,000 | | | | 8.250 |
| (7) | | | | | |
| (8) | | | | | |
| (9) | | | | | |
| (10) | | | | | |

| Security provided by borrower | Purpose of loan |
|-------------------------------|-----------------|
| (1) REAL ESTATE | MORTGAGE |
| (2) REAL ESTATE | MORTGAGE |
| (3) VEHICLE | TRANSPORTATION |
| (4) VEHICLE | TRANSPORTATION |
| (5) VEHICLE | TRANSPORTATION |
| (6) UNSECURED | LINE OF CREDIT |
| (7) | |
| (8) | |
| (9) | |
| (10) | |

| Consideration furnished by lender | Balance due at beginning of year | Balance due at end of year |
|-----------------------------------|----------------------------------|----------------------------|
| (1) | 68,792 | 54,246 |
| (2) | 111,948 | 94,289 |
| (3) | 10,554 | 5,354 |
| (4) | 10,929 | 5,540 |
| (5) | 15,768 | 9,664 |
| (6) | | |
| (7) | | |
| (8) | | |
| (9) | | |
| (10) | | |
| Totals | 217,991 | 169,093 |

5300000 Pine Castle, Inc.
 59-0704733
 FYE: 9/30/2006

Federal Statements

Statement 1 - Form 990, Part I, Line 8c - Sale of Assets Other Than Inventory - Other

| Desc | How Rec'd | Whom Sold | Date Acquired | Date Sold | Sale Price | Cost & Expense | Deprec | Gain/ -Loss |
|-------------------|--------------|--------------|------------------|--------------|---------------|-------------------|--------|----------------|
| SALE OF EQUIPMENT | | | | | \$ 3,577 | \$ | | \$ 3,577 |
| PURCHASE | | | | | \$ | \$ | | |
| TOTAL | | | | | \$ 3,577 | \$ 0 | \$ 0 | \$ 3,577 |

5300000 Pine Castle, Inc.

59-0704733

FYE: 9/30/2006

Federal Statements

Statement 2 - Form 990, Line 10c - Sales of Inventory

| <u>Description</u> | <u>Gross Sales</u> | <u>COGS</u> | <u>Gross Profit</u> |
|--------------------|---------------------|-------------------|---------------------|
| WORKSHOPS | \$ 1,058,405 | \$ 726,683 | \$ 331,722 |
| TOTAL | <u>\$ 1,058,405</u> | <u>\$ 726,683</u> | <u>\$ 331,722</u> |

Statement 3 - Form 990, Line 20 - Other Changes in Net Assets or Fund Balances

| <u>Description</u> | <u>Amount</u> |
|-------------------------------------|------------------|
| NET UNREALIZED GAINS ON INVESTMENTS | \$ 51,405 |
| TOTAL | <u>\$ 51,405</u> |

5300000 Pine Castle, Inc.

59-0704733

FYE: 9/30/2006

Federal Statements**Statement 4 - Form 990, Part II, Line 43 - Other Functional Expenses**

| Description | Total Expenses | Program Service | Mgt & General | Fund- Raising |
|-------------------------------|-------------------|--------------------|------------------|-------------------|
| | \$ | \$ | \$ | \$ |
| BBQ | | | | |
| OTHER EXPENSES | 5,732 | | | 5,732 |
| GOLF TOURNAMENT | | | | |
| OTHER EXPENSES | 20,140 | | | 20,140 |
| GALA | | | | |
| OTHER EXPENSES | 32,156 | | | 32,156 |
| EXPENSES | | | | |
| BUILDING MAINTENANCE | 60,944 | 57,577 | 2,990 | 377 |
| CLIENT SUPPORT COSTS | 39,137 | 39,137 | | |
| CONSULTANTS | 171,798 | 24,572 | 11,249 | 135,977 |
| DUES AND MEMBERSHIPS | 15,609 | 1,147 | 12,382 | 2,080 |
| INSURANCE | 75,617 | 65,957 | 8,636 | 1,024 |
| OTHER | 5,842 | 5,114 | 556 | 172 |
| PLEDGE DISCOUNT AND ALLOWANCE | 12,178 | | | 12,178 |
| RECRUITING | 13,550 | 13,550 | | |
| STAFF TRAINING | 6,838 | 4,884 | 1,954 | |
| TOTAL | <u>\$ 459,541</u> | <u>\$ 211,938</u> | <u>\$ 37,767</u> | <u>\$ 209,836</u> |

5300000 Pine Castle, Inc.

59-0704733

FYE: 9/30/2006

Federal Statements

Statement 5 - Form 990, Part III - Organization's Primary Exempt Purpose

PINE CASTLE, INC. WAS ESTABLISHED IN 1952 TO PROMOTE THE GENERAL WELFARE OF DEVELOPMENTALLY DISABLED ADULTS AND TO PROVIDE A CENTER FOR TRAINING IN THE FIELD OF MENTAL DISABILITIES.

5300000 Pine Castle, Inc.

59-0704733

FYE: 9/30/2006

Federal Statements

Statement 6 - Form 990, Part IV, Line 54 - Investments in Securities

| <u>Description</u> | <u>Beginning of Year</u> | <u>End of Year</u> | <u>Basis of Valuation</u> |
|-------------------------------------|------------------------------|------------------------|-------------------------------|
| CORPORATE STOCK | | | |
| FIRST GUARANTY BANK | 50,190 | 53,578 | MARKET |
| SUNTRUST COMMON STOCK & MUTUAL FUND | 597,209 | 647,399 | MARKET |
| | <u>647,399</u> | <u>700,977</u> | |

Statement 7 - Form 990, Part IV, Line 55 - Investments in Land, Buildings, and Equipment

| <u>Description</u> | <u>Beginning of Year</u> | <u>Accum Deprec</u> | <u>End of Year</u> | <u>Accum Deprec</u> |
|-----------------------------|------------------------------|-------------------------|------------------------|-------------------------|
| LAND, BULDINGS, & EQUIPMENT | | | | |
| | \$ 3,344,741 | \$ 1,609,284 | \$ 3,368,977 | \$ 1,719,953 |
| TOTAL | <u>\$ 3,344,741</u> | <u>\$ 1,609,284</u> | <u>\$ 3,368,977</u> | <u>\$ 1,719,953</u> |

5300000 Pine Castle, Inc.

59-0704733

FYE: 9/30/2006

Federal Statements

Statement 8 - Form 990, Part IV-A - Other Revenue Included on Financial Statements

| <u>Description</u> | <u>Amount</u> |
|--------------------|-------------------|
| COST OF GOODS SOLD | \$ 726,683 |
| TOTAL | <u>\$ 726,683</u> |

Statement 9 - Form 990, Part IV-B - Other Expenses Included on Financial Statements

| <u>Description</u> | <u>Amount</u> |
|--------------------|-------------------|
| COST OF GOODS SOLD | \$ 726,683 |
| TOTAL | <u>\$ 726,683</u> |

5300000 Pine Castle, Inc.
 59-0704733
 FYE: 9/30/2006

Federal Statements

Statement 10 - Form 990, Part V-A - List of Officers, Directors, Trustees, and Key Employees

| Name | Address | City, State, Zip | Title | Average Hours | Compensation | Benefits | Expenses |
|-----------------|--------------------|--------------------|--------------|---------------|--------------|----------|----------|
| SUSAN HAMILTON | JACKSONVILLE, FL | JACKSONVILLE, FL | PRES & CHAIR | 0 | 0 | 0 | 0 |
| KATHY HARRISON | JACKSONVILLE, FL | JACKSONVILLE, FL | FIRST VP | 0 | 0 | 0 | 0 |
| KAREN MAYFIELD | JACKSONVILLE, FL | JACKSONVILLE, FL | SECOND VP | 0 | 0 | 0 | 0 |
| JOHN OETJEN | JACKSONVILLE, FL | JACKSONVILLE, FL | TREASURER | 0 | 0 | 0 | 0 |
| MARLENE DOMINI | PONTE VEDRA, FL | JACKSONVILLE, FL | SECRETARY | 0 | 0 | 0 | 0 |
| MARY JARRETT | JACKSONVILLE, FL | JACKSONVILLE, FL | IM PAST PRES | 0 | 0 | 0 | 0 |
| JON MAY | JACKSONVILLE, FL | JACKSONVILLE, FL | EXEC. DIRECT | 38 | 95,400 | 11,296 | 0 |
| DERRICK BAILEY | ORANGE PARK, FL | ORANGE PARK, FL | DIRECTOR | 0 | 0 | 0 | 0 |
| JIM BECK | ORANGE PARK, FL | ORANGE PARK, FL | DIRECTOR | 0 | 0 | 0 | 0 |
| RANDY BECK | ORANGE PARK, FL | ORANGE PARK, FL | DIRECTOR | 0 | 0 | 0 | 0 |
| THOM BOROWY | JACKSONVILLE, FL | JACKSONVILLE, FL | DIRECTOR | 0 | 0 | 0 | 0 |
| STEVE DUNN | JACKSONVILLE, FL | JACKSONVILLE, FL | DIRECTOR | 0 | 0 | 0 | 0 |
| BRIAN FLYNN | JACKSONVILLE, FL | JACKSONVILLE, FL | DIRECTOR | 0 | 0 | 0 | 0 |
| CHUCK FRITTS | ATLANTIC BEACH, FL | ATLANTIC BEACH, FL | DIRECTOR | 0 | 0 | 0 | 0 |
| ARNETT GREENE | JACKSONVILLE, FL | JACKSONVILLE, FL | DIRECTOR | 0 | 0 | 0 | 0 |
| JEFF LANE | ORANGE PARK, FL | ORANGE PARK, FL | DIRECTOR | 0 | 0 | 0 | 0 |
| MARY BLAND LOVE | JACKSONVILLE, FL | JACKSONVILLE, FL | DIRECTOR | 0 | 0 | 0 | 0 |

5300000 Pine Castle, Inc.
59-0704733
FYE. 9/30/2006

Federal Statements

Statement 10 - Form 990, Part V-A - List of Officers, Directors, Trustees, and Key Employees (continued)

| Name | Address | City, State, Zip | Title | Average Hours | Compensation | Benefits | Expenses |
|--------------------|-----------------------|-----------------------|--------------|---------------|--------------|----------|----------|
| LEE MERCIER | JACKSONVILLE, FL | JACKSONVILLE, FL | DIRECTOR | 0 | 0 | 0 | 0 |
| MIKE NICOLETTI | PONTE VEDRA BEACH, FL | PONTE VEDRA BEACH, FL | DIRECTOR | 0 | 0 | 0 | 0 |
| CRAIG PHILLIPS | JACKSONVILLE, FL | JACKSONVILLE, FL | DIRECTOR | 0 | 0 | 0 | 0 |
| DAVID ROWLAND | JACKSONVILLE, FL | JACKSONVILLE, FL | DIRECTOR | 0 | 0 | 0 | 0 |
| GLENDIA WASHINGTON | JACKSONVILLE, FL | JACKSONVILLE, FL | DIRECTOR | 0 | 0 | 0 | 0 |
| RANDALL DUNCAN | JACKSONVILLE, FL | JACKSONVILLE, FL | DIRECTOR | 0 | 0 | 0 | 0 |
| LEIGH GRIFFIN | JACKSONVILLE, FL | JACKSONVILLE, FL | ASSIST. DIR. | 38 | 69,663 | 9,158 | 0 |
| | JACKSONVILLE, FL | JACKSONVILLE, FL | FINANCE DIR. | 38 | 63,037 | 8,607 | 0 |

5300000 Pine Castle, Inc.

59-0704733

FYE: 9/30/2006

Federal Statements

Statement 11 - Form 990, Part VI, Line 82b - Donated Services

| <u>Description</u> | <u>Amount</u> |
|--------------------|------------------|
| DONATED SERVICES | \$ 34,661 |
| DONATED MATERIALS | 19,620 |
| TOTAL | <u>\$ 54,281</u> |

5300000 Pine Castle, Inc.

59-0704733

FYE: 9/30/2006

Federal Statements

Statement 12 - Form 990, Part VIII - Relationship of Activities

| <u>Line No.</u> | <u>Description</u> |
|-----------------|---|
| 93A | PROGRAM FEES ARE FEES CHARGED TO THE CLIENTS WHO ARE NOT SPECIFICALLY FUNDED THROUGH THE STATE--HRS. THESE FEES GO TOWARD THE CARE AND WELL-BEING OF THESE CLIENTS. |
| 101 | INCOME PRODUCED FROM SPECIAL EVENTS DESIGNED TO INCREASE COMMUNITY AWARENESS AND GENERATE CONTRIBUTIONS FOR USE IN PROGRAM SERVICES |
| 102 | GROSS PROFIT FROM SALE OF INVENTORY PRODUCED IN WORKSHOPS STAFFED BY CLIENTS AS PART OF THE ADULT DAY TRAINING AND SUPPORTED EMPLOYMENT PROGRAMS. |
| 103 | THE MAJORITY OF THE MISCELLANEOUS REVENUE IS GENERATED FROM REIMBURSEMENT FOR BUSING COSTS AND REIMBURSEMENT FOR WAGES FOR CONSUMERS EMPLOYED OUTSIDE THE AGENCY. |

5300000 Pine Castle, Inc.

59-0704733

FYE: 9/30/2006

Federal Statements

Statement 13 - Schedule A, Part III, Line 2d - Payment of Compensation / Reimbursement of Exp

Description

SEE PART V, FORM 990