

Form **990**
Department of the Treasury
Internal Revenue Service

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

OMB No 1545-0047
2006
Open to Public Inspection

A For the 2006 calendar year, or tax year beginning **7/01/06**, and ending **6/30/07**

- 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

MARRAKECH, INC.

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

City or town, state or country, and ZIP + 4
WOODBIDGE CT 06525

D Employer identification number
23-7148533

E Telephone number
203-389-2970

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).

G Website: **WWW.MARRAKECHINC.ORG**

J Organization type

(check only one) ☒ 501(c) (**3**) (insert no) ☐ 4947(a)(1) or ☐ 527

K Check here ☐ if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

H and are not applicable to section 527 organizations. I

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

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

H(c) Are all affiliates included? ☐ Yes ☐ No

(If "No," attach a list. See instructions.)

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

I Group Exemption Number **▶**

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 **▶ 10,586,446**

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

1 Contributions, gifts, grants, and similar amounts received

a Contributions to donor advised funds

b Direct public support (not included on line 1a)

c Indirect public support (not included on line 1a)

d Government contributions (grants) (not included on line 1a)

e Total (add lines 1a through 1d) (cash \$ **650,701** noncash \$ **12,000**)

1a	
1b	650,701
1c	12,000
1d	

1e **662,701**

2 **9,837,929**

3

4 **11,003**

5

6a Gross rents

6a **74,813**

b Less rental expenses

SEE STATEMENT 1

6b **80,636**

c Net rental income or (loss). Subtract line 6b from line 6a

6c **-5,823**

7 Other investment income (describe **▶**)

7

8a Gross amount from sales of assets other than inventory

(A) Securities

(B) Other

b Less cost or other basis and sales expenses

c Gain or (loss) (attach schedule)

d Net gain or (loss). Combine line 8c, columns (A) and (B)

8d

9 Special events and activities (attach schedule). If any amount is from gaming, check here ☐

a Gross revenue (not including \$ _____ of contributions reported on line 1b)

9a

b Less direct expenses other than fundraising expenses

9b

c Net income or (loss) from special events. Subtract line 9b from line 9a

9c

10a Gross sales of inventory, less returns and allowances

10a

b Less cost of goods sold

10b

c Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a

10c

11 Other revenue (from Part VII, line 103)

11

12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11

12 **10,505,810**

Expenses

13 Program services (from line 44, column (B))

14 Management and general (from line 44, column (C))

15 Fundraising (from line 44, column (D))

16 Payments to affiliates (attach schedule)

17 Total expenses. Add lines 13 and 14, column (A)

13 **9,219,865**

14 **607,263**

15

16

17 **9,827,128**

Net Assets

18 Excess or (deficit) for the year. Subtract line 17 from line 12

19 Net assets or fund balances at beginning of year (from line 73, column (A))

20 Other changes in net assets or fund balances (attach explanation)

21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20

18 **678,682**

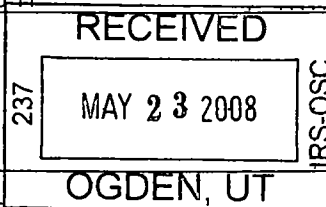
19 **3,065,813**

20 **-41,027**

21 **3,703,468**

917-18,19 20

SCANNED JUL 01 2008 Revenue



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
22a Grants paid from donor advised funds (attach schedule) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22a			
22b Other grants and allocations (attach schedule) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22b			
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A (attach schedule) SEE STATEMENT 3	25a 123,256	123,256		
b Compensation of former officers, directors, key employees, etc. listed in Part V-B (attach schedule)	25b			
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)	25c			
26 Salaries and wages of employees not included on lines 25a, b, and c	26 5,091,614	5,091,614		
27 Pension plan contributions not included on lines 25a, b, and c	27 156,071	156,071		
28 Employee benefits not included on lines 25a - 27	28 529,348	529,348		
29 Payroll taxes	29 457,372	457,372		
30 Professional fundraising fees	30			
31 Accounting fees	31 120,748	120,748		
32 Legal fees	32 12,277	12,277		
33 Supplies	33 159,983	159,983		
34 Telephone	34 31,232	31,232		
35 Postage and shipping	35 25,307	25,307		
36 Occupancy	36 563,009	563,009		
37 Equipment rental and maintenance	37 78,943	78,943		
38 Printing and publications	38 25,137	25,137		
39 Travel	39 194,219	194,219		
40 Conferences, conventions, and meetings	40			
41 Interest	41 343,559	343,559		
42 Depreciation, depletion, etc. (attach schedule)	42 235,554	235,554		
43 Other expenses not covered above (itemize) a SEE STATEMENT 4	43a 1,679,499	1,072,236	607,263	
b	43b			
c	43c			
d	43d			
e	43e			
f	43f			
g	43g			
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44 9,827,128	9,219,865	607,263	0

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?

► **VOCATIONAL TRAINING FOR THE DISABLED.**

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

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

a MARRAKECH, INC. OPERATES VOCATIONAL TRAINING PROGRAMS FOR DEVELOPMENTALLY DISABLED PERSONS.

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

9,219,865

b

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

c

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

d

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

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)

9,219,865

Form **990** (2006)

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
45	Cash-non-interest-bearing	1,397,399	45	1,467,215
46	Savings and temporary cash investments		46	
47a	Accounts receivable	1,280,977		
b	Less allowance for doubtful accounts	980,301	47c	1,280,977
48a	Pledges receivable			
b	Less allowance for doubtful accounts		48c	
49	Grants receivable		49	
50a	Receivables from current and former officers, directors, trustees, and key employees (attach schedule)		50a	
b	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (att schedule)		50b	
51a	Other notes and loans receivable (attach schedule)			
b	Less allowance for doubtful accounts		51c	
52	Inventories for sale or use		52	
53	Prepaid expenses and deferred charges	176,134	53	241,274
54a	Investments—publicly-traded securities		54a	
b	Investments—other securities (attach schedule)		54b	
55a	Investments—land, buildings, and equipment basis			
b	Less accumulated depreciation (attach schedule)		55c	
56	Investments—other (attach schedule)		56	
57a	Land, buildings, and equipment basis	11,635,669		
b	Less accumulated depreciation (attach schedule) SEE STATEMENT 5	2,120,497	57c	9,515,172
58	Other assets, including program-related investments (describe ▶ SEE STATEMENT 6)	2,811,021	58	2,337,379
59	Total assets (must equal line 74) Add lines 45 through 58	10,724,279	59	14,842,017
60	Accounts payable and accrued expenses	2,395,244	60	2,677,194
61	Grants payable		61	120,000
62	Deferred revenue SEE STATEMENT 7	13,000	62	267,291
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	5,212,094	64b	8,021,638
65	Other liabilities (describe ▶ SEE STATEMENT 8)	38,128	65	52,426
66	Total liabilities. Add lines 60 through 65	7,658,466	66	11,138,549
Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74				
67	Unrestricted	2,678,646	67	2,895,013
68	Temporarily restricted	387,167	68	808,455
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 and column (B) must equal line 21))	3,065,813	73	3,703,468
74	Total liabilities and net assets/fund balances. Add lines 66 and 73	10,724,279	74	14,842,017

Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return (See the instructions.)

a	Total revenue, gains, and other support per audited financial statements		a	10,522,122
b	Amounts included on line a but not on Part I, line 12			
1	Net unrealized gains on investments	b1		
2	Donated services and use of facilities	b2		
3	Recoveries of prior year grants	b3		
4	Other (specify)	b4	16,312	
	SEE STATEMENT 9			
	Add lines b1 through b4		b	16,312
c	Subtract line b from line a		c	10,505,810
d	Amounts included on Part I, line 12, but not on line a :			
1	Investment expenses not included on Part I, line 6b	d1		
2	Other (specify)	d2		
	Add lines d1 and d2		d	
e	Total revenue (Part I, line 12) Add lines c and d		e	10,505,810

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

a	Total expenses and losses per audited financial statements		a	9,884,467
b	Amounts included on line a but not Part I, line 17			
1	Donated services and use of facilities	b1		
2	Prior year adjustments reported on Part I, line 20	b2		
3	Losses reported on Part I, line 20	b3		
4	Other (specify)	b4	57,339	
	SEE STATEMENT 10			
	Add lines b1 through b4		b	57,339
c	Subtract line b from line a		c	9,827,128
d	Amounts included on Part I, line 17, but not on line a :			
1	Investment expenses not included on Part I, line 6b	d1		
2	Other (specify)	d2		
	Add lines d1 and d2		d	
e	Total expenses (Part I, line 17) Add lines c and d		e	9,827,128

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated) (See the instructions)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
FRANCIS MCCARTHY C/O MARRAKECH, INC.	EXEC DIR 50	46,024	5,539	0
SILVIA MOSCARIELLO C/O MARRAKECH, INC.	CONSMR SERV 45	25,265	1,911	0
HEATHER LATORRA C/O MARRAKECH, INC.	DIR ADMIN 45	25,214	4,045	0
JEFFREY ANDRUS C/O MARRAKECH, INC.	FIN DIR 40	26,753	4,091	0
-----	0	0	0	0
SEE SCHEDULE # 2 FOR NON COMPENSATED BOD	BOD 0	0	0	0
SEE SCHEDULE # 4 FOR TOTAL COMP/BEN	0	0	0	0
OF KEY EMPLOYEES	0	0	0	0
* ALL ARE VOLUNTEERS	0	0	0	0

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?	82a	X
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III)		
	SEE STMT	82b	41,027
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	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	
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?	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) 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	
88a	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	88a	X
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI	88b	X
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 0 , section 4912 0 , section 4955 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	89b	X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0
d	Enter Amount of tax on line 89c, above, reimbursed by the organization		0
e	All organizations At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e	X
f	All organizations Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f	X
g	For supporting organizations and sponsoring organizations maintaining donor advised funds Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g	X
90a	List the states with which a copy of this return is filed CT		
b	Number of employees employed in the pay period that includes March 12, 2006 (See instructions)	90b	798
91a	The books are in care of JEFFREY ANDRUS 6 LUNAR DRIVE Located at WOODBIDGE, CT	Telephone no	203-389-2970
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 See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts		ZIP + 4 06525
		91b	X

Part VI Other Information (continued)

c At any time during the calendar year, did the organization maintain an office outside of the United States?

91c

Yes

No

X

If "Yes," enter the name of the foreign country ▶

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

▶

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

Note: Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a PROGRAM REVENUE					9,837,929
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	11,003	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property	531120	-5,823			
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			25		
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))		-5,823		11,003	9,837,929
105 Total (add line 104, columns (B), (D), and (E))					9,843,109

Note: Line 105 plus line 1e, 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)
93A	FEES FOR VOCATIONAL TRAINING PROGRAMS FOR DEVELOPMENTALLY DISABLED PERSONS.

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)

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13)

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity

Yes	No
	X

	(A) Name, address, of each controlled entity	(B) Employer ID Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

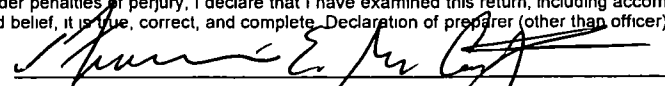
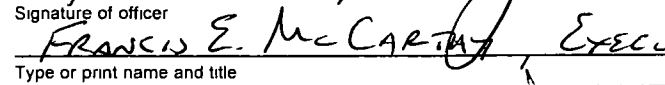
107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity

Yes	No
	X

	(A) Name, address, of each controlled entity	(B) Employer ID Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Yes	No

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		Date 5/15/08	
Paid Preparer's Use Only	 Type or print name and title		Date 2/04/08	
	Firm's name (or yours if self-employed), address, and ZIP + 4 GUILMARTIN, DIPIRO & SOKOLOWSKI, LLC 505 MAIN STREET MIDDLETOWN, CT 06457		Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN (See Gen Instr X) P00356137
		EIN 06-0971998		Phone no 860-347-5689

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

2006Department 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

MARRAKECH, INC.Employer identification number
23-7148533**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**
(See page 2 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 ▶		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
GUILMARTIN, DIPIRO & SOKOLOWSKI 505 MAIN STREET MIDDLETOWN CT 06457	AUDIT & ACCOUNT	115,425
CERIDIAN 30 BATTERSON PARK ROAD FARMINGTON CT 06032	PAYROLL SERVICE	89,808
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 ▶		

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

Schedule A (Form 990 or 990-EZ) 2006

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 1 of Part VI-B)

1 X

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

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

a Sale, exchange, or leasing of property?

2a X

b Lending of money or other extension of credit?

2b X

c Furnishing of goods, services, or facilities?

2c X

d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? **SEE PART V-A, FORM 990**

2d X

e Transfer of any part of its income or assets?

2e X

- 3a** Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.)

3a X

b Did the organization have a section 403(b) annuity plan for its employees?

3b X

c Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement

3c X

d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?

3d X

- 4a** Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g

4a X

b Did the organization make any taxable distributions under section 4966?

4b

c Did the organization make a distribution to a donor, donor advisor, or related person?

4c

d Enter the total number of donor advised funds owned at the end of the tax year

► _____

e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year

► _____

f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts

► 0

g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year

► 0

Part IV Reason for Non-Private Foundation Status (See pages 4 through 7 of the instructions)I certify that 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 otherwise meets the requirements of section 509(a)(3) Check the box that describes the type of supporting organization
- ☐ Type I ☐ Type II ☐ Type III-Functionally Integrated ☐ Type III-Other

Provide the following information about the supported organizations. (See page 7 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total ►					

- 14 ☐ An organization organized and operated to test for public safety Section 509(a)(4) (See page 7 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) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	125,920	106,766	124,893	430,650	788,229
16 Membership fees received					0
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	8,605,503	7,133,929	6,536,059	5,356,808	27,632,299
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	6,848	2,344	3,416		12,608
19 Net income from unrelated business activities not included in line 18					0
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
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.					0
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.					0
23 Total of lines 15 through 22	8,738,271	7,243,039	6,664,368	5,787,458	28,433,136
24 Line 23 minus line 17	132,768	109,110	128,309	430,650	800,837
25 Enter 1% of line 23	87,383	72,430	66,644	57,875	
26 Organizations described on lines 10 or 11:					
a Enter 2% of amount in column (e), line 24					
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 2002 through 2005 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					
c Total support for section 509(a)(1) test. Enter line 24, column (e)					
d Add: Amounts from column (e) for lines 18 <u>12,608</u> 19 _____ 22 _____ 26b _____					
e Public support (line 26c minus line 26d total)					
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					
					26a 16,017
					26b
					26c 800,837
					26d 12,608
					26e 788,229
					26f 98.4256%
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					
(2005) (2004) (2003) (2002)					
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					
(2005) (2004) (2003) (2002)					
c Add: Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					
d Add: Line 27a total _____ and line 27b total _____					
e Public support (line 27c total minus line 27d total)					
f Total support for section 509(a)(2) test. Enter amount from line 23, column (e)					
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					
					27c
					27d
					27e
					27f
					27g %
					27h %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, 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 9 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?			
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?			
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?			
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)			
33 Does the organization discriminate by race in any way with respect to			
a Students' rights or privileges?			
b Admissions policies?			
c Employment of faculty or administrative staff?			
d Scholarships or other financial assistance?			
e Educational policies?			
f Use of facilities?			
g Athletic programs?			
h Other extracurricular activities?			
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?			
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			
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			

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 10 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 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(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 13 of the instructions.) **N/A**

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

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

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

Yes	No	Amount

Forms

990 / 990-PF**Mortgages and Other Notes Payable****2006**

For calendar year 2006, or tax year beginning

7/01/06

, and ending

6/30/07

Name

Employer Identification Number

MARRAKECH, INC.**23-7148533****FORM 990, PART IV, LINE 64B - ADDITIONAL INFORMATION**

Name of lender	Relationship to disqualified person
(1) SEE SCHEDULE 3	NONE
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

Security provided by borrower	Purpose of loan
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Consideration furnished by lender	Balance due at beginning of year	Balance due at end of year
(1)	5,212,094	8,021,638
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Totals	5,212,094	8,021,638

MARRAKECH, INC., MARRAKECH RESIDENTIAL SERVICES, INC.
MARRAKECH HOUSING OPTIONS, INC. AND MARRAKECH DAY SERVICES, INC.

Notes to Financial Statements, Continued

FIN. 23-7148533

NOTE 10

LOANS PAYABLE

At June 30, 2007, the Agencies had loans payable as follows.

Corporation for Independent Living:

Marrakech, Inc.'s demand note payable to CIL Realty, Inc (CIL) This note is secured by all of the Agency's contract rights and accounts receivable related to the Englewood Drive and Knollwood Drive Group Homes Assuming that the Agency is in compliance with all terms and covenants of the loan and realty leases with CIL, the principal of such loan will be forgiven when the associated group homes are donated to Marrakech, Inc. The homes are scheduled to be donated when their corresponding realty leases expire, which will be September 2009 for the Englewood group home and February 2010 for the Knollwood group home. This loan has been classified as a long-term liability.

\$138,000

Marrakech, Inc.'s working capital installment loan, collateralized by accounts receivable; payable monthly at \$486 including principal and interest at 8 5% per annum; due June 30, 2016.

36,595

People's Bank:

On August 25, 2006, Marrakech refinanced two prior People's Bank demand loans of \$121,276 and \$141,800 with an 8.45% per annum fixed rate note of \$263,076, repayable in equal monthly principal installments of \$4,385 plus interest through September 2011. This action was necessitated due to the commencement of scheduled 20% per annum reductions in the guarantees provided by the Connecticut Development Authority on the predecessor loans. At the date of refinance, the note was 60% guaranteed by the Connecticut Development Authority and secured by various non real estate assets of Marrakech's two group homes located at 20 Cortina Road, East Haven, Connecticut and 470 Stevenson Road, New Haven, Connecticut. As additional security, to compensate for the reduced Connecticut Development Authority's guarantees, Marrakech was also required to open and assign a \$100,000 certificate of deposit at People's Bank

219,230

State of Connecticut:

Various revolving loan funds with monthly installments currently totaling \$2,332 including principal and interest at an interest rate of 6% per annum, due dates ranging from July 2010 to October 2018.

103,379

Sovereign Bank:

Marrakech, Inc.'s various loans collateralized by automobiles with monthly installments currently totaling \$1,017 including principal and interest at rates ranging from 6 09% to 9.15% per annum; due dates ranging from October 2007 to December 2007.

5,064

**MARRAKECH, INC., MARRAKECH RESIDENTIAL SERVICES, INC.
MARRAKECH HOUSING OPTIONS, INC. AND MARRAKECH DAY SERVICES, INC.**

Exp. 23 - 714 85 33

Notes to Financial Statements, Continued

Loans payable, continued

Wachovia Bank:

On July 23, 2003, Marrakech, Inc. entered into a standby term loan agreement permitting it to borrow up to \$500,000 to finance the acquisition of vehicles and other items of personal property. As of the agreement expiration date in July 2004, three loans had been termed out under this arrangement as follows:

<u>Interest Rate</u>	<u>Balance 6/30/07</u>	<u>Monthly Payment</u>	<u>Date Due</u>
5.25	\$36,288	\$2,535	10/08
5.25	33,887	1,956	01/09
4.75	43,448	2,156	03/09

Each loan is secured by a perfected first lien interest in the Agency's property acquired.

\$ 113,623

New Alliance Bank:

On December 23, 2005, Marrakech, Inc. entered into a commercial term loan agreement for the purpose of financing the acquisition of vehicles and other items of personal property. A single loan of \$496,096 was taken under this arrangement which is being repaid in monthly principal and interest installments of \$9,867 through November 2010. The interest rate is fixed at 7.01%. The loan is secured by a first lien interest in the Agency's property acquired.

346,776

On May 11, 2007, Marrakech, Inc. entered into a commercial term loan agreement for the purpose of financing the acquisition of vehicles and other items of personal property and for general corporate purposes. A single loan of \$487,690 was taken under this arrangement which is being repaid in monthly principal and interest installments of \$9,680 through May 2012. The interest rate is fixed at 7.07%. The loan is secured by a first lien interest in the Agency's property acquired.

473,175

General Motors Acceptance Corp.:

Marrakech, Inc. maintains two loans collateralized by automobiles with monthly installments currently totaling \$1,134 including principal and interest at 9.15% each per annum; both loans are due November 2009.

28,492

Citizens Bank:

Marrakech, Inc. maintains a revolving line of credit of \$1,000,000 guaranteed by Marrakech Housing Options, Inc., Marrakech Residential Services, Inc. and Marrakech Day Services, Inc. Advances on this line of credit are payable on demand and bear interest at 9.25% per annum. The agreement expires on February 28, 2009.

-
1,464,334

**MARRAKECH, INC., MARRAKECH RESIDENTIAL SERVICES, INC.
MARRAKECH HOUSING OPTIONS, INC. AND MARRAKECH DAY SERVICES, INC.**

EIN: 23-7148533

Notes to Financial Statements, Continued

NOTE 11

MORTGAGES PAYABLE

At June 30, 2007, Marrakech, Inc. had mortgages payable as follows.

Citizens Bank:

Mortgage payable; collateralized by property located at 6 Lunar Drive, Woodbridge, Connecticut; payable monthly at \$2,880 including principal and interest at 5.9% per annum, due May 2012. The note specifies that interest is at a variable rate and may be adjusted every three years based on certain yields under United States Treasury Securities added to a base rate of 3.5%.	\$136,968
---	-----------

Mortgage payable, collateralized by property located at 514-526 Whalley Avenue, New Haven, Connecticut, payable monthly at \$2,844 including principal and interest at 6.5% per annum, due September 2010.	300,420
--	---------

CCO Mortgage Corp.:

Mortgage payable; collateralized by property located at 106-108 Hobart Street, New Haven, Connecticut; payable monthly at \$484 including principal and interest at 6.5% per annum, due September 2031.	70,733
---	--------

Mortgage payable; collateralized by property located at 615-617 Whalley Avenue, New Haven, Connecticut; payable monthly at \$338 including principal and interest at 8.25% per annum; due August 1, 2030.	41,853
---	--------

Mortgage payable; collateralized by property located at 60 Plainfield Avenue, West Haven, Connecticut; payable monthly at \$270 including principal and interest at 8.25% per annum; due July 2030.	33,443
---	--------

Mortgage payable; collateralized by property located at 106-108 Sherman Avenue, New Haven, Connecticut, payable monthly at \$903 including principal and interest at 4.25% per annum, due May 2018.	94,486
---	--------

Mortgage payable; collateralized by property located at 158R Meetinghouse Hill Road, Durham, Connecticut; payable monthly at \$1,416 including principal and interest at 5.5% per annum, due March 1, 2036.	245,073
---	---------

Mortgage payable; collateralized by property located at 27-29 Robbins Street, Waterbury, Connecticut; payable monthly at \$1,151 including principal and interest at 5.625% per annum; due May 1, 2036.	197,140
---	---------

Mortgage payable; collateralized by property located at 85 Talmadge Hill Road, Prospect, Connecticut; payable monthly at \$2,395 including principal and interest at 5.875% per annum; due August 2036.	400,680
---	---------

Mortgage payable; collateralized by property located at 88-90 Sherman Avenue, New Haven, Connecticut, payable monthly at \$1,891 including principal and interest at 5.625% per annum; due November 2036.	325,644
---	---------

Mortgage payable, collateralized by property located at 25 Kreger Drive, Wolcott, Connecticut; payable monthly at \$1,917 including principal and interest at 5.625% per annum, due June 2037	332,644
---	---------

Connecticut Housing Finance Authority:

Mortgage payable; collateralized by property located at 92 Hurd Road, Trumbull, Connecticut; payable monthly at \$1,734 including principal and interest at 6.63% per annum; due October 2030.	246,847
--	---------

Mortgage payable; collateralized by property located at 92 View Terrace, East Haven, Connecticut; payable monthly at \$1,740 including principal and interest at 6.63% per annum, due October 2030	247,727
--	---------

Mortgage payable; collateralized by property located at 2 Anton Circle, Bridgeport, Connecticut; payable monthly at \$2,425 including principal and interest at 5.75% per annum; due January 2033.	389,384
--	---------

**MARRAKECH, INC., MARRAKECH RESIDENTIAL SERVICES, INC.
MARRAKECH HOUSING OPTIONS, INC. AND MARRAKECH DAY SERVICES, INC.**

EIN: 23-748533

Notes to Financial Statements, Continued

Mortgages payable, continued

Mortgage payable; collateralized by property located at County Road, Guilford, Connecticut; payable monthly at \$2,509 including principal and interest at 5.75%, interest per annum; due January 2033. \$ 402,985

Mortgage payable; collateralized by property located at 21 Victor Hill Road, Branford, Connecticut, payable monthly at \$2,017 including principal and interest at 7.34% per annum; due September 2026 249,151

Mortgage payable; collateralized by property located at 33 Lake Street, West Haven, Connecticut; payable monthly at \$2,343 including principal and interest at 6.93% per annum; due August 2027. 304,868

Wachovia Bank:

Mortgage payable; collateralized by property located at 597 East Street, New Haven, Connecticut, 85% of the loan is guaranteed by the U.S. Small Business Administration; payable monthly at \$1,999 including principal and interest that varies with the published prime rate, currently at 6.66% per annum, due October 2016. 164,708

Mortgage payable; collateralized by property located at 118 Migeon Avenue, Torrington, Connecticut; payable monthly at \$1,242 including principal and interest at 6.25% per annum; due June 2018. 117,803

Mortgage payable, collateralized by property located at 450 Island Lane, West Haven, Connecticut; payable monthly at \$10,957 including principal and interest at 7.15% per annum, due October 2021 1,169,623

Mortgage payable, collateralized by property located at 615-617 Whalley Avenue, New Haven, Connecticut; payable monthly at \$1,141 including principal and interest at 7.25% per annum; due August 2019. 110,732

State of Connecticut Department of Mental Retardation:

Mortgage payable, collateralized by property located at 43 Ramsdell Street, New Haven, Connecticut; payable monthly at \$1,120 including principal and interest at 6% per annum; due March 2018. 106,283

Mortgage payable; collateralized by property located at 159 Osborn Avenue, New Haven, Connecticut; payable monthly at \$1,675 including principal and interest at 6% per annum; due June 2019. 171,490

TD Banknorth:

Mortgage payable; collateralized by property located in Bridgeport, Connecticut at 1041-1043 East Main Street, 1053-1057 East Main Street, 224 Beech Street and 426-436 Arctic Street payable monthly at \$3,210 including principal and interest at 7% per annum due December 2016 446,618

Community Capital Fund (CCF):

Mortgage payable; collateralized by property located in Bridgeport, Connecticut at 1041-1043 East Main Street, 1053-1057 East Main Street, 224 Beech Street and 426-436 Arctic Street payable monthly at \$1,054 including principal and interest at 3% per annum beginning February 1, 2008. The note calls for payments of interest only beginning on February 1, 2007. The note is due in January 2018

250,000
6,557,303

MARRAKECH, INC.
FORM 990
2006 (fiscal year ending 6/30/07)

EIN: 23-7148533

Schedule #1
Per 990 Part II Line 42

	year ended <u>6/30/2007</u>
Building, Land and Improvements	\$10,627,241
Vehicles	521,870
Furniture, fixtures and equipment	486,557
	<u>\$ 11,635,669</u>
Less accumulated depreciation	<u>2,120,497</u>
Fixed assets - net	<u><u>\$ 9,515,172</u></u>

The organization capitalizes all expenditures for property and equipment in excess of \$2,500, with a useful life greater than three years. Purchase property and equipment are carried at cost. Donated property and equipment are carried at the approximate value at the date of donation. Depreciation is computed using the straight - line method over the estimated lives from 3 to 30 years.

Depreciation expense was **\$250,072** for the year ended 6/30/07.

MARRAKECH, INC.

EIN:

23-7148533

FORM 990

2006 (fiscal year ending 6/30/07)

Schedule #2

Per 990 Part V-A

LIST OF OFFICERS, DIRECTORS, AND KEY EMPLOYEES

(non-compensated persons not listed in Part V-A, Page 5 of 990)

Name and Address*	Title	Avg Hours**	Compensation	Benefits	Expense Allowance
Moshe Siev, M.D	President	2	0	0	0
Steve Shwartz	Secretary	2	0	0	0
Mert Gollaher, Esq	Vice President	2	0	0	0
Jennifer Botwick, M.D	Director	2	0	0	0
S. Roosevelt Bowen	Director	2	0	0	0
Ada Lomax	Director	2	0	0	0
Sheila Masterson	Director	2	0	0	0
Gary Rappaport, M D	Director	2	0	0	0
John Russo	Director	2	0	0	0
Mimi Glenn	Director	2	0	0	0
Suzanne Letso	Director	2	0	0	0
Mark Robinson	Director	2	0	0	0

* All may be contacted c/o Marrakech, Inc
6 Lunar Drive
Woodbridge, CT 06525

**all serve as volunteers

MARRAKECH INC.
FORM 990
2006 (fiscal year ending 6/30/07)

EIN: 23-7148533

Schedule #3
Per 990 Part V-A

TOTAL COMPENSATION PACKAGE FOR KEY EMPLOYEES
 (compensated key employees listed on Part V-A, Page 5 of 990)

Name and Address	Title	Avg Hours	Name/EIN of Related Entity	Compensation	Benefits	Expense Allowance
	Executive Director Francis E. McCarthy	50	Marrakech, Inc EIN 23-7148533	46,024	5,539	-
C/O Marrakech, Inc 6 Lunar Dr Woodbridge, CT 06525			Marrakech Housing Options, Inc EIN 06-1319874	132,592	15,957	-
			Marrakech Day Services, Inc EIN 06-1319875	13,625	1,640	-
			Marrakech Residential Services, Ir EIN 06-1319876	19,561	2,354	-
			Total	211,802	25,489	-
	Director of Consumer Services Silvia Moscarello	45	Marrakech, Inc EIN 23-7148533	25,265	1,911	-
C/O Marrakech, Inc 6 Lunar Dr Woodbridge, CT 06525			Marrakech Housing Options, Inc EIN 06-1319874	72,787	5,506	-
			Marrakech Day Services, Inc EIN 06-1319875	7,480	566	-
			Marrakech Residential Services, Ir EIN 06-1319876	10,738	812	-
			Total	116,270	8,796	-
	Director of Administration Heather LaTorra	45	Marrakech, Inc EIN 23-7148533	25,214	4,045	-
C/O Marrakech, Inc 6 Lunar Dr Woodbridge, CT 06525			Marrakech Housing Options, Inc EIN 06-1319874	72,640	11,652	-
			Marrakech Day Services, Inc EIN 06-1319875	7,464	1,197	-
			Marrakech Residential Services, Ir EIN 06-1319876	10,716	1,719	-
			Total	116,034	18,613	-
	Finance Director Jeffrey L. Andrus	40	Marrakech, Inc EIN 23-7148533	26,753	4,091	-
C/O Marrakech, Inc 6 Lunar Dr Woodbridge, CT 06525			Marrakech Housing Options, Inc EIN 06-1319874	77,074	11,785	-
			Marrakech Day Services, Inc EIN 06-1319875	7,920	1,211	-
			Marrakech Residential Services, Ir EIN 06-1319876	11,370	1,739	-
			Total	123,118	18,826	-
Total All Entities				567,224	71,724	

Marrakech, Inc provides management services to Marrakech Housing Options, Inc, Marrakech Day Services, Inc and Marrakech Residential Services, Inc. The above key employees all receive 100% of their compensation through Marrakech, Inc. The time employees spend performing services to the related entities is then cross charged to the related entities and reported as management services expense or contract personnel expense on those respective entities.

Federal Statements**Statement 1 - Form 990, Part I, Line 6b - Rental Expenses**

<u>Description</u>	<u>Deduction</u>
RENTAL PROPERTY	
INTEREST	28,641
INSURANCE	4,672
REPAIRS	424
PROPERTY TAX	5,189
UTILITIES	25,005
DEPRECIATION	14,593
REPAIRS	2,112
TOTAL	<u>80,636</u>

Statement 2 - Form 990, Line 20 - Other Changes in Net Assets or Fund Balances

<u>Description</u>	<u>Amount</u>
NET ASSETS RELEASED FROM RESTRICTION	\$ 16,312
NET ASSETS RELEASED FROM RESTRICTIONS	-16,312
DONATED SERVICES & FACILITIES	-41,027
TOTAL	<u>\$ -41,027</u>

Federal Statements

Statement 3 - Form 990, Part II, Line 25a - Compensation of Current Officers

Name	Program Services	Management & General	Fundraising
EXPENSES	\$	\$	\$
COMPENSATION	123,256		
TOTAL	\$ 123,256	\$ 0	\$ 0

Federal Statements

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

Description	Total Expenses	Program Service	Mgt & General	Fund- Raising
	\$	\$	\$	\$
EXPENSES				
MANAGMENT FEES	607,263		607,263	
CONSULTANTS	101,358	101,358		
ADVERTISING	99,556	99,556		
INSURANCE	116,699	116,699		
DUES, FEES & LICENSES	16,508	16,508		
STAFF TRAINING	90,972	90,972		
BANK CHARGES	21,798	21,798		
PUBLIC RELATIONS	12,997	12,997		
PLANT MAINTENANCE & REPAIRS	216,015	216,015		
MISCELLANEOUS	91,053	91,053		
SMALL FURNITURE & EQUIPMENT	14,751	14,751		
PROPERTY TAXES	32,990	32,990		
TRANSPORTATION	41,985	41,985		
DATA PROCESSING EXPENSE	134,975	134,975		
BUILDING FUND EXPENSE	70,692	70,692		
BAD DEBT	7,992	7,992		
PROFESSIONAL FEES	1,895	1,895		
TOTAL	<u>\$ 1,679,499</u>	<u>\$ 1,072,236</u>	<u>\$ 607,263</u>	<u>\$ 0</u>

Federal Statements**Statement 5 - Form 990, Part IV, Line 57 - 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>
SEE SCHEDULE #1	\$ 6,278,519	\$ 1,934,355	\$10,620,409	\$ 2,120,497
	<u>1,015,260</u>		<u>1,015,260</u>	
TOTAL	<u>\$ 7,293,779</u>	<u>\$ 1,934,355</u>	<u>\$11,635,669</u>	<u>\$ 2,120,497</u>

Statement 6 - Form 990, Part IV, Line 58 - Other Assets

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
DEPOSITS	\$ 25,720	\$ 21,385
DEFERRED EXPENSES	9,856	5,493
OTHER ASSETS	57,641	8,624
DUE FROM 501(C)(3) AFFILIATE	2,717,804	1,959,625
DUE FROM 501(C)(3) WHALLEY HOUSING		342,252
TOTAL	<u>\$ 2,811,021</u>	<u>\$ 2,337,379</u>

Statement 7 - Form 990, Part IV, Line 62 - Deferred Revenue

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
DEFERRED REVENUE	\$ 13,000	\$ 267,291
TOTAL	<u>\$ 13,000</u>	<u>\$ 267,291</u>

Statement 8 - Form 990, Part IV, Line 65 - Other Liabilities

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
CAPITAL LEASES	\$ 38,128	\$ 2,925
SECURITY DEPOSITS		7,580
DUE TO HRS		41,921
TOTAL	<u>\$ 38,128</u>	<u>\$ 52,426</u>

Federal Statements**Statement 9 - Form 990, Part IV-A - Other Revenue Included on Financial Statements**

<u>Description</u>	<u>Amount</u>
NET ASSETS RELEASED FROM RESTRICTION	\$ 16,312
TOTAL	<u>\$ 16,312</u>

Statement 10 - Form 990, Part IV-B - Other Expenses included on Financial Statements

<u>Description</u>	<u>Amount</u>
NET ASSETS RELEASED FROM RESTRICTIONS	\$ 16,312
DONATED SERVICES & FACILITIES	<u>41,027</u>
TOTAL	<u>\$ 57,339</u>

711 MARRAKECH, INC.
23-7148533
FYE: 6/30/2007

Federal Statements

2/4/2008

Statement 11 - Form 990, Part V-A, Line 75c - Compensation from Related Organizations

Payee Name	Organization EIN	Related Organization Name1		Related Organization Name2		Compensation Description
		Relationship	Compensation	Benefits	Expenses	

SEE SCHEDULE # 4

711 MARRAKECH, INC.

23-7148533

FYE: 6/30/2007

2/4/2008

Federal Statements

Statement 12 - Form 990, Part VI, Line 80b - Name of Related Organization(s)

<u>Name of related organization(s)</u>	<u>Type</u>
MARRAKECH RESIDENTIAL SERVICES, INC.	EXEMPT
MARRAKECH HOUSING OPTIONS, INC.	EXEMPT
MARRAKECH DAY SERVICES, INC.	EXEMPT

711 MARRAKECH, INC.

23-7148533

FYE: 6/30/2007

2/4/2008

Federal Statements**Form 990, Part I, Line 1b - Direct Public Support**

Description	Cash	Noncash	Total
OTHER CONTRIBUTIONS	\$ 610,701	\$	\$ 610,701
CONTRIBUTIONS FROM SCHEDULE B	40,000		40,000
TOTAL	<u>\$ 650,701</u>	<u>\$ 0</u>	<u>\$ 650,701</u>

Form 990, Part I, Line 1c - Indirect Public Support

Description	Cash	Noncash	Total
DONATED SUPPLIE	\$	\$ 12,000	\$ 12,000
TOTAL	<u>\$ 0</u>	<u>\$ 12,000</u>	<u>\$ 12,000</u>

711 MARRAKECH, INC.

23-7148533

FYE: 6/30/2007

2/4/2008

Federal Statements

NUMBER OF EMPLOYEES

Description

THE ORGANIZATION HAS FYE 6/30/07 - HENCE THE NUMBER OF EMPLOYEES IS FOR
THE PERIOD INCLUDING MARCH 12, 2007.

• If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** and check this box ☒

Note Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

• If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1)

Part II Additional (not automatic) 3-Month Extension of Time. You must file original and one copy.

Type or print File by the extended due date for filing the return. See instructions.	Name of Exempt Organization MARRAKECH, INC.	Employer identification number 23-7148533
	Number, street, and room or suite no. If a P.O. box, see instructions 6 LUNAR DRIVE	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions WOODBIDGE CT 06525	

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

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

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

• The books are in the care of **JEFFREY ANDRUS**

Telephone No **203-389-2970**

FAX No

• If the organization does not have an office or place of business in the United States, check this box ☐

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box ☐ If it is for part of the group, check this box ☐ and attach a

with the names and EINs of all members the extension is for

- 4 I request an additional 3-month extension of time until **5/15/08**
- 5 For calendar year _____, or other tax year beginning **7/01/06**, and ending **6/30/07**
- 6 If this tax year is for less than 12 months, check reason ☐ Initial return ☐ Final return ☐ Change in accounting period

7 State in detail why you need the extension

ADDITIONAL TIME IS REQUESTED TO GATHER INFORMATION TO PREPARE A COMPLETE AND ACCURATE RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$

Signature and Verification

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

Signature  Title **CPA** Date **1/21/08**

Notice to Applicant. (To Be Completed by the IRS)

- ☐ We have approved this application. Please attach this form to the organization's return.
- ☐ We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return.
- ☐ We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.
- ☐ We cannot consider this application because it was filed after the extended due date of the return for which an extension was requested.
- ☐ Other

By _____

Director _____

Date _____

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

Type or print	Name GUILMARTIN, DIPIRO & SOKOLOWSKI, LLC
	Number and street (include suite, room, or apt. no.) or a P.O. box number 505 MAIN STREET
	City or town, province or state, and country (including postal or ZIP code) MIDDLETOWN CT 06457