Financial Statements

JEWISH FAMILY SERVICES OF GREATER ORLANDO, INC.

December 31, 2006

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(With Independent Auditors' Report Thereon)

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Independent Auditors' Report

The Board of Directors
Jewish Family Services of Greater Orlando, Inc.

We have audited the accompanying statement of financial position of Jewish Family Services of Greater Orlando, Inc. (the Organization) as of December 31, 2006, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on the financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jewish Family Services of Greater Orlando, Inc. as of December 31, 2006, and the changes in its net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Tschopp, Whitcomb & Orr, P.A.

April 18, 2007

JEWISH FAMILY SERVICES OF GREATER ORLANDO, INC

Statement of Financial Position

December 31, 2006

Assets

Cash and cash equivalents	$ 501,489
Accounts receivable	3,180
Investments held by T.O.P.	683,072
Food pantry inventory	3,901
Property and equipment (notes 2 and 3)	1,066,907
Other	1,700
Total assets	$ 2,260,249

Liabilities and Net Assets

Liabilities:	
Accounts payable and accrued expenses	$ 36,613
Mortgage payable (note 3)	105,010
Total liabilities	141,623
Net assets:	
Unrestricted	1,349,867
Temporarily restricted	508,859
Permanently restricted	259,900
Total net assets	2,118,626
Total liabilities and net assets	$ 2,260,249

See accompanying notes to financial statements.

JEWISH FAMILY SERVICES OF GREATER ORLANDO, INC.

Statement of Activities and Changes in Net Assets

Year ended December 31, 2006

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Public support and revenue:				
Public support:				
Contributions:				
Jewish Federation of Greater Orlando	$ 141,035	-	-	141,035
United Way	130,835	-	-	130,835
Individuals and others	472,581	286,487	-	759,068
In-kind contributions	64,981	-	-	64,981
Other	37,933	-	-	37,933
Special events (net of direct costs of $18,346)	185,785	-	-	185,785
Total public support	1,033,150	286,487	-	1,319,637
Revenue:				
Program fees	48,272	-	-	48,272
Kinneret	62,404	-	-	62,404
Financial assistance reimbursements	34,547	-	-	34,547
Investment income	20,234	-	-	20,234
Rental income	25,217	-	-	25,217
Income from T.O.P. investments	64,405	-	-	64,405
Total revenue	255,079	-	-	255,079
Net assets released from restrictions	184,261	(184,261)	-	-
Total public support and revenue	1,472,490	102,226	-	1,574,716
Program Expenses:				
Counseling	417,231	-	-	417,231
Kids Konnect	131,614	-	-	131,614
Emergency Services	485,942	-	-	485,942
Volunteers	71,175	-	-	71,175
Adoption	101,737	-	-	101,737
Chaplaincy	111,478	-	-	111,478
Total program expenses	1,319,177	-	-	1,319,177
Support services:				
Management and general	159,905	-	-	159,905
Fund raising	29,490	-	-	29,490
Total support services	189,395	-	-	189,395
Total expenses	1,508,572	-	-	1,508,572
Changes in net assets	(36,082)	102,226	-	66,144
Net assets, beginning of year	1,385,949	406,633	259,900	2,052,482
Net assets, end of year	$ 1,349,867	508,859	259,900	2,118,626

See accompanying notes to financial statements.

JEWISH FAMILY SERVICES OF GREATER ORLANDO, INC.

Statement of Functional Expenses

Year ended December 31, 2006

	Program Services							Supporting Services			
	Counseling	Kids Konnect	Emergency Services	Volunteers	Adoption	Chaplaincy	Total Programs	Management and General	Fund Raising	Total	Total Expenses
Salaries and related expenses	$ 321,458	78,466	207,556	59,904	81,841	94,497	843,722	129,040	19,852	148,892	992,614
Specific assistance to individuals	24,437	-	144,605	-	-	-	169,042	-	-	-	169,042
Food pantry	-	-	86,920	-	-	-	86,920	-	-	-	86,920
Service and supplies	4,132	40,034	2,610	1,259	6,218	1,188	55,441	-	-	-	55,441
Transportation	-	-	9,563	-	-	-	9,563	-	-	-	9,563
Professional fees	13,478	-	-	-	-	-	13,478	9,298	-	9,298	22,776
Interest expense	3,390	827	2,189	632	863	997	8,898	1,361	209	1,570	10,468
Telephone	3,067	749	1,980	572	781	902	8,051	1,231	189	1,420	9,471
Postage	1,773	433	1,145	330	451	521	4,653	712	110	822	5,475
Occupancy	13,364	3,262	8,629	2,490	3,402	3,929	35,076	5,365	825	6,190	41,266
Staff development	2,403	587	1,552	448	612	706	6,308	965	148	1,113	7,421
Depreciation	9,106	2,223	5,879	1,697	2,318	2,677	23,900	3,655	562	4,217	28,117
Insurance	2,761	674	1,783	515	703	812	7,248	1,108	171	1,279	8,527
Office expenses	14,642	3,574	9,454	2,729	3,728	4,304	38,431	5,878	7,224	13,102	51,533
Dues and licenses	3,220	785	2,077	599	820	945	8,446	1,292	200	1,492	9,938
Total expenses	$ 417,231	131,614	485,942	71,175	101,737	111,478	1,319,177	159,905	29,490	189,395	1,508,572

See accompanying notes to financial statements.

JEWISH FAMILY SERVICES OF GREATER ORLANDO, INC.

Statement of Cash Flows

Year ended December 31, 2006

Cash flows from operating activities:	
Change in net assets	$ 66,144
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	28,118
Donated inventory	3,950
Gain from T.O.P. investments	(64,405)
Contributions invested in T.O.P.	(30,600)
Net increase (decrease) in cash flows from changes in:	
Accounts receivable	(3,180)
Accounts payable and accrued expenses	7,175
Deferred revenue	(10,000)
Net cash provided by operating activities	(2,798)
Cash flows from investing activities:	
Purchase of property and equipment	(6,124)
Net cash used in investing activities	(6,124)
Cash flows from financing activities:	
Payments on mortgage note	(65,800)
Proceeds from T.O.P. grants	56,589
Net cash used in financing activities	(9,211)
Net increase in cash	(18,133)
Cash and cash equivalents, beginning of year	519,622
Cash and cash equivalents, ending of year	$ 501,489
Cash paid for interest	$ 10,468

See accompanying notes to financial statements.

(1) Organization and Summary of Significant Accounting Policies

(a) General

Jewish Family Services of Greater Orlando, Inc. (the "Organization") is a not-for-profit services organization, located in Winter Park, Florida, which provides crises, individual, marital and family counseling; non-medical services for the elderly; emergency assistance (food, rent, utilities); and resettlement services.

(b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(c) Net Asset Classes

The accompanying financial statements present information regarding the Organization's financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. The three classes are differentiated by donor restrictions.

- Unrestricted net assets may be designated for specific purposes by Jewish Family Services or may be limited by contractual agreements with outside parties.
- Temporarily restricted net assets are subject to donor stipulations that expire by the passage of time or can be fulfilled or removed by actions pursuant to the stipulations. Temporarily restricted net assets consist principally of gifts restricted by donors for funding of specified programs.
- Permanently restricted net assets are subject to donor stipulations requiring that they be maintained permanently, thereby restricting the use of principal. Usually, donor stipulations allow the income earned to be used currently for a designated purpose. Permanently restricted net assets consist principally of permanent endowment balances.

(Continued)

(1) Organization and Summary of Significant Accounting Policies (Continued)

(d) Cash

Cash includes all highly liquid debt instruments purchased with a maturity of three months or less (cash equivalents).

Jewish Family Services maintains its cash in bank and brokerage accounts, which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts nor does it believe it is exposed to any significant credit risk on cash.

(e) Investments held by T.O.P

Investments held by the Tampa - Orlando - Pinellas Jewish Foundation (T.O.P.) consist primarily of endowment funds and are recorded at their fair market value. T.O.P. invests funds it holds for the benefit of others in marketable securities on a pooled or segregated basis as appropriate to the fund (all Jewish Family Services funds are pooled).

(f) Inventory

Inventory of the food pantry is stated at estimated fair market value for donated food and lower of cost or market for purchased food.

(g) Property and Equipment

Property and equipment are stated at cost except for gifted property, which is stated at the estimated fair market value at the date of the gift. Depreciation is provided on straight-line and accelerated methods over the estimated useful lives of the assets.

(h) Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor or solicited for a restricted purpose.

(Continued)

(1) Organization and Summary of Significant Accounting Policies (Continued)

(i) Donated Goods and Services

Donated materials and equipment are reflected as gifts-in-kind in the accompanying statements at their estimated values at date of receipt. No amounts have been reflected in the statements for donated services because no objective basis is available to measure the value of such services; however, a substantial number of volunteers have donated significant amounts of their time in the Organization's program services and in its fund-raising campaigns.

(j) Income Taxes

Jewish Family Services is exempt from payment of federal and state income taxes under Internal Revenue Cost Section 501(c)(3).

(2) Property and Equipment

Major classifications of property and equipment at December 31, 2006 are summarized below:

Land	$ 412,680
Building	742,153
Furniture and fixtures	58,817
Office equipment	34,259
Automobile	7,375
	1,255,284
Accumulated depreciation and amortization	(188,377)
	$1,066,907

(3) Mortgage Payable

Jewish Family Services has a mortgage payable, collateralized by real property, due in monthly payments of interest only, at a rate of 2.5% over the LIBOR rate (7.85% at December 31, 2006) through December 2007.

(4) Temporarily Restricted Net Assets

At December 31, 2006, temporary restricted net assets are available for the following purposes:

Emergency assistance	$ 1,581
Building	54,949
Southwest Food Pantry	112,898
General endowment	34,487
Scholarship	46,431
Adoption Program	126,413
Family Stabilization Program	102,742
Retirement of debt	23,500
Other	5,858
Total	$ 508,859