

AIRBORNE AND SPECIAL OPERATIONS MUSEUM FOUNDATION

Fayetteville, North Carolina

FINANCIAL STATEMENTS

For the year ended September 30, 2006

AIRBORNE AND SPECIAL OPERATIONS MUSEUM FOUNDATION

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September 30, 2006

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AIRBORNE AND SPECIAL OPERATIONS MUSEUM FOUNDATION
Fayetteville, North Carolina

STATEMENT OF FINANCIAL POSITION
September 30, 2006

EXHIBIT A

ASSETS

Cash and cash equivalents	\$ 279,309.73
Prepaid expenses	18,489.53
Contributions receivable	119,448.91
Inventories	134,239.91
Endowment funds held by others	17,162.52
Property and equipment, net	<u>788,856.83</u>
Total assets	<u>\$ 1,357,507.43</u>

LIABILITIES AND NET ASSETS

Liabilities:	
Accounts payable	\$ 11,585.73
Accrued expenses	<u>17,590.20</u>
Total liabilities	<u>29,175.93</u>
Net assets:	
Unrestricted	1,208,882.59
Temporarily restricted	<u>119,448.91</u>
Total net assets	<u>1,328,331.50</u>
Total liabilities and net assets	<u>\$ 1,357,507.43</u>

AIRBORNE AND SPECIAL OPERATIONS MUSEUM FOUNDATION
Fayetteville, North Carolina

STATEMENT OF ACTIVITIES
For the year ended September 30, 2006

EXHIBIT B

	Unrestricted	Temporarily Restricted	Total
Support, revenues, gains and reclassifications:			
Pledges and contributions	\$ 369,419.67	\$ 164,825.91	\$ 534,245.58
Paver and memorial sales	76,888.50	-	76,888.50
Memberships	7,990.00	-	7,990.00
Governmental contracts and grants:			
Funding - Cumberland County	-	164,000.00	164,000.00
Use of museum facilities	39,153.55	-	39,153.55
Museum gift shop sales	585,881.69	-	585,881.69
Simulator / theatre ticket sales	117,020.79	-	117,020.79
Interest and dividends	181.47	-	181.47
Sales tax refunds	2,339.28	-	2,339.28
Net assets released from restrictions:			
Satisfaction of program restrictions	164,000.00	(164,000.00)	-
Expiration of time restrictions	57,977.00	(57,977.00)	-
Total support, revenues and gains	1,420,851.95	106,848.91	1,527,700.86
 Operating expenses:			
Program services	977,041.53	-	977,041.53
Administrative and general	168,090.35	-	168,090.35
Fundraising	93,756.75	-	93,756.75
Museum gift shop cost of sales	313,484.65	-	313,484.65
Total operating expenses	1,552,373.28	-	1,552,373.28
 Other gains/losses:			
Increase in fair value of funds held by others	1,137.27	-	1,137.27
Change in net assets	(130,384.06)	106,848.91	(23,535.15)
Net assets - beginning of year	1,339,266.65	12,600.00	1,351,866.65
Net assets - end of year	\$ 1,208,882.59	\$ 119,448.91	\$ 1,328,331.50

AIRBORNE AND SPECIAL OPERATIONS MUSEUM FOUNDATION
Fayetteville, North Carolina

STATEMENT OF CASH FLOWS
For the year ended September 30, 2006

EXHIBIT C

Cash flows from operating activities:	
Change in net assets	\$ (23,535.15)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	183,051.86
Unrealized gain on funds held by others	(1,137.27)
Changes in:	
Prepaid expenses	(900.56)
Contributions receivable	(106,848.91)
Grants receivable	82,000.00
Inventories	52,147.77
Accounts payable	1,219.84
Accrued expenses	6,100.30
Net cash used by operating activities	<u>192,097.88</u>
Cash flows from investing activities:	
Purchase of property and equipment	(1,996.53)
Contributions to funds held by others	(1,300.00)
Net cash used by investing activities	<u>(3,296.53)</u>
Net decrease in cash	188,801.35
Cash and cash equivalents - beginning of year	<u>90,508.38</u>
Cash and cash equivalents - end of year	<u>\$ 279,309.73</u>

AIRBORNE AND SPECIAL OPERATIONS MUSEUM FOUNDATION
Fayetteville, North Carolina

STATEMENT OF FUNCTIONAL EXPENSES
For the year ended September 30, 2006

EXHIBIT D

	Program Services	Administrative and General	Fundraising	Total
Advertising	\$ 220,311.52	\$ -	\$ -	\$ 220,311.52
In-kind advertising	-	-	40,632.00	40,632.00
Bank charges	14,721.36	-	-	14,721.36
Depreciation	177,852.24	4,495.70	703.92	183,051.86
Dues and subscriptions	2,755.00	400.00	-	3,155.00
Employee benefits	18,223.05	6,920.00	1,083.51	26,226.56
Exhibit expense	56,336.59	-	-	56,336.59
Bad debt expense	1,277.00	-	-	1,277.00
Fundraising expenses	-	-	12,483.15	12,483.15
Grounds maintenance	39,075.11	-	-	39,075.11
Insurance	50,411.09	-	-	50,411.09
Meetings and travel	576.85	-	-	576.85
Miscellaneous	69.15	360.23	-	429.38
Office expenses and equipment rental	3,610.41	3,510.95	-	7,121.36
Paver and memorial costs	-	-	14,576.75	14,576.75
Postage and shipping	8,074.56	2,843.23	4,183.51	15,101.30
Printing and supplies	3,092.98	5,223.07	44.98	8,361.03
Professional fees	-	13,130.00	-	13,130.00
Repairs and maintenance	24,717.32	2,941.15	-	27,658.47
Salaries and wages	245,970.46	93,404.70	14,624.88	354,000.04
Taxes	20,675.29	7,782.86	1,218.61	29,676.76
Telephone and utilities	10,612.62	4,031.27	626.08	15,269.97
Volunteer expenses	3,872.04	-	-	3,872.04
Ground lease	14,133.44	-	-	14,133.44
In-kind rent	60,673.45	23,047.19	3,579.36	87,300.00
Subtotal	<u>977,041.53</u>	<u>168,090.35</u>	<u>93,756.75</u>	<u>1,238,888.63</u>
Museum gift shop cost of sales	-	-	-	313,484.65
Total expenses	<u>\$ 977,041.53</u>	<u>\$ 168,090.35</u>	<u>\$ 93,756.75</u>	<u>\$ 1,552,373.28</u>