

CHANGE IN ACCOUNTING PERIOD

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 1/01/06, and ending 6/30/06

- 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
Serene Harbor, Inc.

Number and street (or P O box if mail is not delivered to street address) Room/suite
P.O. Box 100039

City or town, state or country, and ZIP + 4
Palm Bay FL 32910-0039

D Employer identification number
59-3115093

E Telephone number
321-726-8282

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** 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 **I**
- 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

G Website: sereneharbor.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

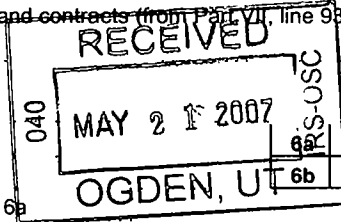
I Group Exemption Number **I**

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 12 441,404

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 Contributions to donor advised funds	1a			
	b Direct public support (not included on line 1a)	1b		115,036	
	c Indirect public support (not included on line 1a)	1c		62,628	
	d Government contributions (grants) (not included on line 1a)	1d		213,111	
	e Total (add lines 1a through 1d) (cash \$ <u>354,821</u> noncash \$ <u>35,954</u>)	1e			390,775
	2 Program service revenue including government fees and contracts (from Part VII, line 9b)	2			
	3 Membership dues and assessments	3			
	4 Interest on savings and temporary cash investments	4			269
	5 Dividends and interest from securities	5			
	6a Gross rents				
	b Less: rental expenses				
	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				
	8b		33		
	8c		-33		
d Net gain or (loss) Combine line 8c, columns (A) and (B)	8d		See Stmt 1	-33	
9 Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>	a Gross revenue (not including \$ <u>58,324</u> of contributions reported on line 1b)	9a	See Worksheet		
	b Less: direct expenses other than fundraising expenses	9b			
	c Net income or (loss) from special events Subtract line 9b from line 9a	9c			-9,268
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			381,743	
Expenses	13 Program services (from line 44, column (B))	13		260,953	
	14 Management and general (from line 44, column (C))	14		26,262	
	15 Fundraising (from line 44, column (D))	15		17,981	
	16 Payments to affiliates (attach schedule)	16			
	17 Total expenses. Add lines 16 and 44, column (A)	17			305,196
Net Assets	18 Excess or (deficit) for the year Subtract line 17 from line 12	18		76,547	
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19		309,850	
	20 Other changes in net assets or fund balances (attach explanation)	20			
	21 Net assets or fund balances at end of year Combine lines 18, 19, and 20	21			386,397



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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) Stmt 2	23	11,304	11,304		
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	36,250	21,750	7,250	7,250
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	137,087	129,053	6,617	1,417
27 Pension plan contributions not included on lines 25a, b, and c	27	9,820	8,543	786	491
28 Employee benefits not included on lines 25a - 27	28	11,788	10,256	943	589
29 Payroll taxes	29	15,736	13,690	1,259	787
30 Professional fundraising fees	30				
31 Accounting fees	31				
32 Legal fees	32				
33 Supplies	33	1,415	1,031	384	
34 Telephone	34	3,619	3,149	289	181
35 Postage and shipping	35	328	164	164	
36 Occupancy	36				
37 Equipment rental and maintenance	37	23,592	21,312	2,280	
38 Printing and publications	38	721	577	144	
39 Travel	39	4,964	4,411	553	
40 Conferences, conventions, and meetings	40				
41 Interest	41	1,828	1,645	183	
42 Depreciation, depletion, etc (attach schedule)	42	8,321	6,906	1,415	
43 Other expenses not covered above (itemize): a See Statement 4	43a	38,423	27,162	3,995	7,266
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	305,196	260,953	26,262	17,981

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?

▶ Assist victims of domestic violence

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 Provide shelter, food, and clothing for victims of domestic violence; number sheltered, 61
Provide crisis line; answered 495 calls

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

238,653

b Outreach services; provide counseling for victims of domestic violence
Provide information and referral calls from the community; answered 1,403 calls

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

22,300

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)

260,953

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	64,479	45	82,933
	46	Savings and temporary cash investments	8,932	46	50,269
	47a	Accounts receivable			
	b	Less: allowance for doubtful accounts	22,409	47c	
	48a	Pledges receivable			
	b	Less: allowance for doubtful accounts	59,153	48c	59,153
	49	Grants receivable	28,131	49	30,257
	50a	Receivables from current and former officers, directors, trustees, and key employees (attach schedule)	46,660	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	4,646	53	6,984
	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	304,220		
b	Less: accumulated depreciation (attach schedule) See Statement 5	71,666	57c	232,554	
58	Other assets, including program-related investments (describe ► See Statement 6)	1,836	58	1,496	
59	Total assets (must equal line 74) Add lines 45 through 58	397,254	59	463,646	
Liabilities	60	Accounts payable and accrued expenses	24,621	60	17,544
	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	62,783	64b	59,705
	65	Other liabilities (describe ►)		65	
66	Total liabilities. Add lines 60 through 65	87,404	66	77,249	
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	281,719	67	327,244
	68	Temporarily restricted	28,131	68	59,153
	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)	309,850	73	386,397	
74	Total liabilities and net assets/fund balances. Add lines 66 and 73	397,254	74	463,646	

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	381,776
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). See Statement 7	b4	33	
	Add lines b1 through b4		b	33
c	Subtract line b from line a		c	381,743
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	381,743

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

a	Total expenses and losses per audited financial statements		a	305,229
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). See Statement 8	b4	33	
	Add lines b1 through b4		b	33
c	Subtract line b from line a		c	305,196
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	305,196

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
See Statement 9				

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

		Yes	No
75a	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings ▶ 12		
b	Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s) See Statement 10	X	
c	Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization" If "Yes," attach a statement that includes the information described in the instructions		X
d	Does the organization have a written conflict of interest policy?	X	

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits

(If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(A) Name and address	(B) Loans and Advances	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
N/A				

Part VI Other Information (See the instructions.)

		Yes	No
76	Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
b	If "Yes," has it filed a tax return on Form 990-T for this year?		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?		X
b	If "Yes," enter the name of the organization ▶ and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
81a	Enter direct and indirect political expenditures (See line 81 instructions)		
b	Did the organization file Form 1120-POL for this year?		X

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)		
	82b		
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		
83b			
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		
84b			
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		
	N/A		
85a			
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		
85b			
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		
85g			
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		
85h			
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		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		X
	▶		
88b			
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		X
89b			
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		
89c			
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
89e			
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
89f			
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?		X
89g			
90a	List the states with which a copy of this return is filed ▶ FL		
b	Number of employees employed in the pay period that includes March 12, 2006 (See instructions)		
	90b		
91a	The books are in care of ▶ Serene Harbor, Inc. P.O. Box 100039 Located at ▶ Palm Bay, FL		
	Telephone no. ▶ 321-726-8282		
	ZIP + 4 ▶ 32910-0039		
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		
	91b	Yes	No
			X

Part VI Other Information (continued)

Yes No

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

91c

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 _____					
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	269	
96 Dividends and interest from securities					
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					-33
101 Net income or (loss) from special events			1	-9,268	
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0		-8,999	-33
105 Total (add line 104, columns (B), (D), and (E))					-9,032

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).
▼	
N/A	

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

(a) Did the organization, during the year, receive any funds, directly or indirectly, from any individual who is a substantial contributor?
 (b) Did the organization, during the year, pay premiums, directly or indirectly, for any life insurance policy?
 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

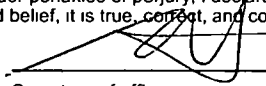
	(A) Name, address, of each controlled entity	(B) Employer ID Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

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

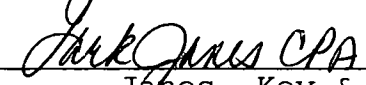
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here

Signature of officer:  Date: 5/11/07

Type or print name and title: **Melody Keeth Executive Director**

Paid Preparer's Use Only

Preparer's signature:  Date: 5/10/07

Check if self-employed:

Preparer's SSN or PTIN (See Gen Instr X): P00115966

Firm's name (or yours if self-employed), address, and ZIP + 4: Jones, Key & Dinho, PA 2717 North Wickham Road Suite 3 Melbourne, FL 32935

EIN: 59-3268022

Phone no: 321-752-6000

**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

2006

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

Serene Harbor, Inc.

Employer identification number

59-3115093

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 ▶				

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 ▶		

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 i of Part VI-B)		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?		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)? See Part V, Form 990	X	
e	Transfer of any part of its income or assets?		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)		X
b	Did the organization have a section 403(b) annuity plan for its employees?		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		X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?		X
4a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g If "No," complete lines 4f and 4g		X
b	Did the organization make any taxable distributions under section 4966?		
c	Did the organization make a distribution to a donor, donor advisor, or related person?		
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.)	593,454	474,896	418,686	428,214	1,915,250
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	48,471	46,928	107,354	62,850	265,603
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	292	372	692	808	2,164
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. Stmt 11	50,305	11,248	1,407	1,280	64,240
23 Total of lines 15 through 22	692,522	533,444	528,139	493,152	2,247,257
24 Line 23 minus line 17	644,051	486,516	420,785	430,302	1,981,654
25 Enter 1% of line 23	6,925	5,334	5,281	4,932	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 ▶					26a 39,633
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 ▶					26b 190,544
c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶					26c 1,981,654
d Add: Amounts from column (e) for lines: 18 <u>2,164</u> 19 _____ 22 <u>64,240</u> 26b <u>190,544</u> ▶					26d 256,948
e Public support (line 26c minus line 26d total) ▶					26e 1,724,706
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) ▶					26f 87.0337%
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) N/A					
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) N/A					
c Add Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ ▶					27c _____
d Add Line 27a total _____ and line 27b total _____ ▶					27d _____
e Public support (line 27c total minus line 27d total) ▶					27e _____
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) ▶					27f _____
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) ▶					27g _____ %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) ▶					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-																
<table border="0"> <tr> <td>If the amount on line 40 is-</td> <td>The lobbying nontaxable amount is-</td> <td></td> </tr> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 40</td> <td rowspan="5">}</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </table>	If the amount on line 40 is-	The lobbying nontaxable amount is-		Not over \$500,000	20% of the amount on line 40	}	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000	41	
If the amount on line 40 is-	The lobbying nontaxable amount is-															
Not over \$500,000	20% of the amount on line 40	}														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000															
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000															
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000															
Over \$17,000,000	\$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.)

	Yes	No	Amount
a			
b			
c			
d			
e			
f			
g			
h			
i			

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	2006
For calendar year 2006, or tax year beginning 1/01/06 , and ending 6/30/06		
Name Serene Harbor, Inc.		Employer Identification Number 59-3115093

Form 990, Part IV, Line 64b - Additional Information

Name of lender	Relationship to disqualified person
(1) Community Educators Credit Union	none - mortgage note payable
(2) Riverside Bank	none
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1) 54,411	12/04/03	12/04/08	\$611 p&i monthly	6.250
(2) 17,957	8/05/05	8/19/11	\$309 p&i monthly	7.193
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

Security provided by borrower	Purpose of loan
(1) real estate	purchase real estate
(2) Vehicle	purchase vehicle
(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)	45,587	43,761
(2)	17,196	15,944
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Totals	62,783	59,705

Federal Statements

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

<u>Desc</u>	<u>How Rec'd</u>	<u>Whom Sold</u>	<u>Date Acquired</u>	<u>Date Sold</u>	<u>Sale Price</u>	<u>Cost & Expense</u>	<u>Deprec</u>	<u>Gain/-Loss</u>
Kitchenaid washing machine	Purchase		12/31/95	6/30/06	\$	\$ 399	\$ 366	\$ -33
EGP copier	Purchase		11/04/98	1/09/06		4,585	4,585	
Total					\$ 0	\$ 4,984	\$ 4,951	\$ -33

Statement 2 - Form 990, Part II, Line 23 - Specific Assistance to Individuals

<u>Description</u>	<u>Amount</u>
Assist victims of domestic violence	\$ <u>11,304</u>
Total	\$ <u><u>11,304</u></u>

Federal Statements

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

<u>Name</u>	<u>Program Services</u>	<u>Management & General</u>	<u>Fundraising</u>
Expenses	\$	\$	\$
Melody Keeth Compensation	21,750	7,250	7,250
Total	\$ <u>21,750</u>	\$ <u>7,250</u>	\$ <u>7,250</u>

Federal Statements

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

Description	Total Expenses	Program Service	Mgt & General	Fund- Raising
	\$	\$	\$	\$
Expenses				
Amortization	339	339		
Dues and subscriptions	517	414		103
Food	5,497	5,497		
Fundraising	6,136			6,136
Insurance	10,125	8,656	1,160	309
Licenses and permits	186	186		
Miscellaneous	4,198	3,336	459	403
Professional fees	4,500	2,385	1,800	315
Training	1,398	1,319	79	
Utilities	5,527	5,030	497	
Personnel costs				
Total	<u>\$ 38,423</u>	<u>\$ 27,162</u>	<u>\$ 3,995</u>	<u>\$ 7,266</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>
Property and equipment	\$ 212,600	\$ 68,297	\$ 212,364	\$ 71,666
Construction in progress	38,109		54,107	
Land	37,749		37,749	
Total	<u>\$ 288,458</u>	<u>\$ 68,297</u>	<u>\$ 304,220</u>	<u>\$ 71,666</u>

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

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
Loan costs net of amortization	\$ 1,836	\$ 1,496
Total	<u>\$ 1,836</u>	<u>\$ 1,496</u>

Statement 7 - Form 990, Part IV-A - Other Revenue Included on Financial Statements

<u>Description</u>	<u>Amount</u>
Loss on disposal of assets	\$ <u>33</u>
Total	\$ <u><u>33</u></u>

Statement 8 - Form 990, Part IV-B - Other Expenses included on Financial Statements

<u>Description</u>	<u>Amount</u>
Loss on disposal of assets	\$ <u>33</u>
Total	\$ <u><u>33</u></u>

Federal Statements

Statement 9 - Form 990, Part V-A - List of Officers, Directors, Trustees, and Key Employees

<u>Name and Address</u>	<u>Title</u>	<u>Average Hours</u>	<u>Compensation</u>	<u>Benefits</u>	<u>Expenses</u>
Kathleen Casey 1745 Las Palmos Dr SW Palm Bay FL 32908	Director	var	0	0	0
Ronald Caswell 5075 Riverdedge Dr Titusville FL 32899	Vice-Preside	var	0	0	0
Dottie Gatti 722 Loggerhead Island Dr Satellite Beach FL 32937	Treasurer	var	0	0	0
Stuart Borton 950 US Hwy 1 Malabar FL 32950	Director	var	0	0	0
Joseph Hemple 471 Oleander Ct Satellite Beach FL 32937	Director	var	0	0	0
Shawn Crouch 4781 Honeyridge Ln Merritt Island FL 32952	Director	var	0	0	0
Patsy Kurth 2540 Rocky Point Rd Malabar FL 32950	Director	var	0	0	0
Dawn Ostovich 313 Trinidad Dr Satellite Beach FL 32937	Director	var	0	0	0
Mischel Ostovich 216 Waterside Dr Indian Harbor Beach FL 32937	President	var	0	0	0

Federal Statements

Statement 9 - Form 990, Part V-A - List of Officers, Directors, Trustees, and Key Employees (continued)

<u>Name and Address</u>	<u>Title</u>	<u>Average Hours</u>	<u>Compensation</u>	<u>Benefits</u>	<u>Expenses</u>
Melody Keeth 1745 Las Palmos Dr SW Palm Bay FL 32908	Executive Di	40	36,250	5,382	0
Carolyn Carlsen 575 Jackson Ave Satellite Beach FL 32937	Director	var	0	0	0
Steve Bunker 150 University Blvd Melbourne FL 32935	Director	var	0	0	0
Michael Demorat 724 Carriage Ln Merrit Island FL 32953	Director	var	0	0	0

Federal Statements

Statement 10 - Form 990, Part V-A, Line 75b - Related Party Information

<u>Related Party One</u>	<u>Related Party Two</u>	<u>Relationship</u>
Mischel Ostovich Board Pres	Dawn Ostovich Board member	parent/daughter

Statement 11 - Schedule A, Part IV-A, Line 22 - Other Income

<u>Description</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Miscellaneous	\$	\$	\$	\$
Insurance proceeds	50,305	11,248	1,407	1,280
Total	<u>\$ 50,305</u>	<u>\$ 11,248</u>	<u>\$ 1,407</u>	<u>\$ 1,280</u>

Form **4562**
 Department of the Treasury
 Internal Revenue Service

Depreciation and Amortization
 (Including Information on Listed Property)

OMB No 1545-0172

2006

Attachment
 Sequence No **67**

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return Serene Harbor, Inc. Identifying number 59-3115093

Business or activity to which this form relates
Indirect Depreciation

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	108,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	430,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2005 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2007. Add lines 9 and 10, less line 12	13	

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

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

14	Special allowance for qualified New York Liberty or Gulf Opportunity Zone property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	6,697

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

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2006	17	0
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B-Assets Placed in Service During 2006 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only-see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs.	MM	S/L	
			27 5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

Section C-Assets Placed in Service During 2006 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (see instructions)

21	Listed property. Enter amount from line 28	21	1,624
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations-see instr	22	8,321
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Form **4562** (2006)

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable

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

24a Do you have evidence to support the business/investment use claimed?				Yes	No	24b If "Yes," is the evidence written?				Yes	No
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost			
25 Special allowance for qualified New York Liberty or Gulf Opportunity Zone property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)								25			
26 Property used more than 50% in a qualified business use											
Dodge	Caravan 05 used	100.00%	16,240	16,240	5.0	S/L-HY	1,624				
	8/05/05										
27 Property used 50% or less in a qualified business use:											
		%				S/L-					
		%				S/L-					
28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1								28	1,624		
29 Add amounts in column (i), line 26 Enter here and on line 7, page 1										29	

Section B-Information on Use of Vehicles

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

30 Total business/investment miles driven during the year (do not include commuting miles)	(a)		(b)		(c)		(d)		(e)		(f)	
	Vehicle 1	Vehicle 2	Vehicle 3	Vehicle 4	Vehicle 5	Vehicle 6						
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

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

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

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2006 tax year (see instructions)					
43 Amortization of costs that began before your 2006 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report					44

Federal Asset Report
Form 990, Page 1

Asset	Description	Date In Service	Cost	Bus %	Sec 179B	Bonus	Basis for Depr	Per Conv	Meth	Prior	Current
Other Depreciation:											
1	Nissan Quest	10/26/94	20,926				20,926	5	MO S/L	20,926	0
3	Kitchenaid washing machine	12/31/95	399				399	12	MO S/L	349	17
	Sold/Scrapped	6/30/06									
7	Whirlpool dryer	3/27/95	329				329	12	MO S/L	288	14
9	Reverse osmosis	9/28/99	1,000				1,000	5	MO S/L	1,000	0
14	Screened porch	11/27/98	3,952				3,952	20	MO S/L	1,400	98
15	Site drainage	3/31/98	6,634				6,634	20	MO S/L	2,571	165
16	Printer	1/01/94	317				317	5	MO S/L	317	0
21	EGP copier	11/04/98	4,585				4,585	7	MO S/L	4,585	0
	Sold/Scrapped	1/09/06									
24	Playground	3/20/97	1,324				1,324	7	MO S/L	1,324	0
25	Storage shed	5/14/98	2,240				2,240	7	MO S/L	2,240	0
26	Water Pump - Gould	10/07/99	1,070				1,070	5	MO S/L	1,070	0
30	Land - shelter	11/01/95	37,749				37,749	0	-- Land	0	0
31	Desk - back office	5/21/01	534				534	5	MO S/L	489	45
32	Desk - lobby	5/22/01	948				948	5	MO S/L	869	79
33	Desk - Lobby	5/22/01	266				266	5	MO S/L	244	22
34	Fax machine	5/29/01	264				264	5	MO S/L	242	22
35	Photo printer	6/11/01	300				300	5	MO S/L	275	25
36	Computer	6/15/01	1,810				1,810	5	MO S/L	1,659	151
37	Hutch	6/20/01	350				350	5	MO S/L	315	35
38	Desk	6/20/01	338				338	5	MO S/L	304	34
39	Lateral file - Cypress	6/20/01	1,005				1,005	5	MO S/L	905	100
40	VCR/Camera (part of security system)	7/17/01	611				611	5	MO S/L	540	61
41	Pedestal desk #1	6/20/01	350				350	5	MO S/L	315	35
42	Pedestal desk #2	6/20/01	350				350	5	MO S/L	315	35
43	Pedestal desk #3	6/20/01	350				350	5	MO S/L	315	35
44	Hutch #1	6/20/01	278				278	5	MO S/L	250	28
45	Hutch #2	6/20/01	278				278	5	MO S/L	250	28
46	Security System	5/15/01	4,327				4,327	5	MO S/L	4,039	288
47	Accordian storm shutters	6/18/01	2,952				2,952	10	MO S/L	1,328	148
48	Windows	6/25/01	6,590				6,590	15	MO S/L	1,977	220
49	Bunk bed set #1	6/27/01	412				412	5	MO S/L	370	42
50	Bunk bed set #2	6/27/01	412				412	5	MO S/L	370	42
51	Bunk bed set #3	6/27/01	412				412	5	MO S/L	370	42
53	Mural	6/27/01	440				440	3	MO S/L	440	0
54	Flooring	6/11/01	6,626				6,626	5	MO S/L	6,074	552
57	Camera for Security System	5/15/01	280				280	3	MO S/L	280	0
58	GE washing machine	5/31/02	390				390	5	MO S/L	280	39
59	Water heater	8/20/02	661				661	5	MO S/L	441	66
60	Office XP software	6/25/02	348				348	3	MO S/L	348	0
62	HP CPU (Nancy's)	1/16/03	700				700	3	MO S/L	681	19
63	Frigidaire Refrigerator	4/11/03	304				304	5	MO S/L	167	31
64	Whirlpool upright freezer	4/11/03	393				393	5	MO S/L	216	39
65	Phone system	11/15/03	3,000				3,000	7	MO S/L	929	214
66	HP 6110 color printer (MK's)	8/22/03	287				287	3	MO S/L	223	48
69	Repiping of Shelter	2/24/03	3,173				3,173	40	MO S/L	225	39
70	Dell computer	4/16/04	776				776	5	MO S/L	259	77
71	Dell computer	4/16/04	776				776	5	MO S/L	259	77
72	Carpeting	10/06/04	1,723				1,723	3	MO S/L	718	287
73	Alarm	10/15/04	1,695				1,695	3	MO S/L	706	283
74	Carpeting	10/25/04	558				558	3	MO S/L	217	93
75	Sears Refrigerator	7/28/04	680				680	5	MO S/L	193	68
76	Bunk beds #5	10/28/04	598				598	2	MO S/L	349	149
77	Water pump	8/05/04	835				835	3	MO S/L	394	139
78	Water pump and relay box	11/29/04	601				601	3	MO S/L	217	100
80	Compaq computer (MK)	3/21/05	2,499				2,499	5	MO S/L	375	250
81	Sears elec range	1/21/05	563				563	7	MO S/L	74	40
82	Sears dishwasher	3/10/05	288				288	5	MO S/L	48	29
83	A/C	7/28/05	2,100				2,100	5	MO S/L	175	210
84	roof on shelter	10/27/05	5,500				5,500	27	MO S/L	33	100
85	Shelter facility after impairment loss 10-06	10/25/05	94,656				94,656	29	MO S/L	544	1,632
86	Sears Washing Machine	6/10/06	590				590	5	MO S/L	0	10
87	EGP Copier (Donated)	1/17/06	1,100				1,100	3	MO S/L	0	153
88	Three Mattresses (Donated)	3/22/06	547				547	3	MO S/L	0	46
89	Kid's Table & two chairs	4/21/06	536				536	3	MO S/L	0	30
90	A/C unit	4/27/06	1,975				1,975	5	MO S/L	0	66

Federal Asset Report

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Asset	Description	Date In Service	Cost	Bus Sec % 179 Bonus	Basis for Depr	PerConv Meth	Prior	Current
Total Other Depreciation			238,860		238,860		66,676	6,697
Total ACRS and Other Depreciation			238,860		238,860		66,676	6,697
Listed Property:								
79	Dodge Caravan 05 used	8/05/05	16,240		16,240	5 HY S/L	1,624	1,624
			16,240		16,240		1,624	1,624
Grand Totals			255,100		255,100		68,300	8,321
Less: Dispositions			4,984		4,984		4,934	17
Net Grand Totals			250,116		250,116		63,366	8,304