

**Disabilities Resource Center, Inc.**

**Statement of Financial Position**

**September 30, 2006 with summarized  
comparative totals as of September 30, 2005**

<b>Assets</b>		
	<b>2006</b>	<b>2005</b>
<b>Current assets:</b>		
Cash	\$ 301,043	\$ 227,812
Investment	-	20,000
Program fee receivables, net of allowance for doubtful accounts	38,617	49,538
Contributions receivable	11,854	16,169
Grants receivable	-	30,290
Due from affiliates, net of allowance for doubtful reimbursement	19,230	20,237
Deferred charges	20,169	23,387
<b>Total current assets</b>	<b>390,913</b>	<b>387,213</b>
<b>Assets whose use is limited:</b>		
Representative payee trust funds	12,782	12,735
Refundable security deposits	12,909	8,722
Property and equipment, net of accumulated depreciation	555,710	566,843
<b>Total assets</b>	<b>\$ 972,314</b>	<b>\$ 975,513</b>
<b>Liabilities and Net Assets</b>		
<b>Current liabilities:</b>		
Current maturities of long-term debt and capital leases	\$ 32,673	\$ 23,664
Accounts payable	22,865	65,259
Accrued wages and related taxes	35,598	118,006
Asset retirement obligation on lease	7,532	7,173
Grants payable	9,556	-
Other liabilities	2,092	50
<b>Total current liabilities</b>	<b>110,336</b>	<b>214,152</b>
Representative payee trust funds	12,782	12,735
Long-term debt & capital leases, net of current maturities	537,476	505,365
<b>Total liabilities</b>	<b>660,594</b>	<b>732,252</b>
<b>Net assets:</b>		
Unrestricted	299,866	227,092
Temporarily restricted	11,854	16,169
<b>Total net assets</b>	<b>311,720</b>	<b>243,261</b>
<b>Total liabilities and net assets</b>	<b>\$ 972,314</b>	<b>\$ 975,513</b>

The accompanying notes are an integral part of these financial statements.

**Disabilities Resource Center, Inc.**

**Statement of Activities**

For the year ended September 30, 2006 with summarized  
comparative totals for the year ended September 30, 2005

	Unrestricted	Temporarily Restricted	2006 Total	2005 Total
<b>Revenues and other support</b>				
Operating grant - DDD	\$ 2,427,221	\$ -	\$ 2,427,221	\$ 2,370,337
Resident cost of care, maintenance, TI AP	107,433	-	107,433	103,947
DVR supported employment program income	145,416	-	145,416	145,096
DVR long-term income	49,104	-	49,104	61,666
Atlantic County supported work program income	107,749	-	107,749	109,793
Atlantic Cape May Career Centers supported work	3,392	-	3,392	21,885
DRBA retention program income	2,500	-	2,500	5,000
Other counseling and supported employment income	48,319	-	48,319	29,793
United Way support	1,505	13,114	14,619	19,550
Contributions, including in-kind of \$5,125 in 2005	10,310	9,000	19,310	12,110
Special events/fundraising	134,475	-	134,475	129,284
Management fee	13,148	-	13,148	12,196
Investment income	11,964	-	11,964	6,404
Bad debt recovery on HUD project	-	-	-	21,421
Loss on sale of assets	(1,838)	-	(1,838)	2,962
Other	86	-	86	18
Net assets released from restrictions:				
Satisfaction of program restrictions by payments	10,260	(10,260)	-	-
<b>Total revenues and other support</b>	<b>3,071,044</b>	<b>11,854</b>	<b>3,082,898</b>	<b>3,052,062</b>
<b>Expenses</b>				
<b>Program Services:</b>				
Residential	1,656,126	-	1,656,126	1,582,243
Respite/family support	124,593	-	124,593	110,433
Stipend	149,740	-	149,740	146,883
Supported employment	498,615	-	498,615	507,157
<b>Total program services expense</b>	<b>2,429,074</b>	<b>-</b>	<b>2,429,074</b>	<b>2,346,716</b>
<b>Supporting Services:</b>				
Management and general	535,468	-	535,468	542,488
Special events/fundraising	49,897	-	49,897	79,835
<b>Total expenses</b>	<b>3,014,439</b>	<b>-</b>	<b>3,014,438</b>	<b>2,968,039</b>
Change in net assets	56,605	11,854	68,459	83,023
Net assets at beginning of year	243,261	-	243,261	160,238
<b>Net assets at end of year</b>	<b>\$ 299,866</b>	<b>\$ 11,854</b>	<b>\$ 311,720</b>	<b>\$ 243,261</b>

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Disabilities Resource Center, Inc.

Statement of Functional Expenses

For the year ended September 30, 2006 with summarized  
comparative totals for the year ended September 30, 2005

	Program Services				Supporting Service		2006 Total	2005 Total
	Residential	Respite Family Support	Stand By	Supported Employment	Management and General	Special Events/VFR		
Salaries and wages	\$ 1,047,342	\$ 42,836	\$ 4,200	\$ 325,888	\$ 313,868	\$ 5,800	\$ 1,739,544	\$ 1,780,631
Payroll taxes	113,084	2,432	-	38,218	37,921	-	191,655	193,222
Employee benefits	162,871	6,246	-	53,995	50,464	-	273,579	229,333
Accounting and audit	-	-	-	-	11,714	-	11,714	13,633
Accelerator expense	-	-	-	-	-	359	-	359
Adaptive equipment	2,786	-	-	27	-	-	2,813	4,142
Advertising	1,745	132	-	4,157	309	-	6,346	5,655
Costing for clients	19	-	-	197	-	-	177	3,111
Computer service	22,169	319	-	5,530	(2,913)	-	25,505	12,111
Consultants	3,412	619	-	2,853	16,080	-	22,764	1,411
Criminal background check service	309	-	-	81	45	-	436	80
Depreciation	25,037	-	-	-	15,634	-	40,671	40,414
Dues, subscriptions, printing, fees	1,901	195	-	4,212	3,818	-	10,126	10,126
Food	47,189	-	-	-	-	-	47,189	47,711
Hepatitis immunization	140	-	-	-	-	-	140	1,211
Household supplies	6,065	-	-	-	1,879	-	7,764	9,211
In lieu of taxes/real estate taxes	50	-	-	-	-	-	50	(15,111)
Insurance	23,053	381	-	12,683	8,740	-	44,837	40,711
Interest expense	-	-	-	-	7,507	-	7,507	7,411
Legal and other professional	-	-	-	-	-	-	-	1,211
Leisure time activities - clients	1,276	-	-	771	-	-	2,047	3,211
Life hazard regist. and other fees	740	-	-	-	-	-	740	711
Maintenance & repair	17,321	-	-	3,502	5,593	-	26,516	29,711
Medical services	-	-	-	-	1,260	-	1,260	-
Office supplies and expenses	1,456	505	200	5,514	18,925	1,067	27,657	23,311
Payroll service bureau	4,059	75	-	663	(5,526)	-	(829)	7,911
Pest control	416	-	-	-	230	-	646	411
Postage	44	200	541	45	2,804	-	3,434	5,111
Program supplies	273	133	-	1,078	-	-	1,484	5,011
Rent	108,386	3,200	2,800	14,880	6,599	-	130,965	124,311
Spacial assistance	-	66,301	141,549	2,883	-	-	210,743	212,311
Special events costs	-	-	-	-	-	43,040	43,040	47,211
Telephone and communication	10,977	1,098	350	7,449	8,549	-	29,423	23,411
Training, conferences, & meetings	2,050	119	-	4,183	19,120	-	25,452	17,711
Travel and transportation	18,565	-	-	10,664	8,737	-	35,966	45,111
Utilities	35,286	-	-	2,272	5,052	-	42,610	37,311
<b>Total expenses</b>	<b>\$ 1,658,126</b>	<b>\$ 124,593</b>	<b>\$ 149,740</b>	<b>\$ 496,615</b>	<b>\$ 535,466</b>	<b>\$ 49,697</b>	<b>\$ 3,014,439</b>	<b>\$ 2,869,011</b>

The accompanying notes are an integral part of these financial statements.

**Disabilities Resource Center, Inc.**

**Statement of Cash Flows**

For the year ended September 30, 2006 with summarized  
comparative totals for the year ended September 30, 2005

<b>Cash flows from operating activities and gains and losses:</b>	<b>2006</b>	<b>2005</b>
Change in net assets	\$ 68,459	\$ 83,023
Noncash expenses, revenues, losses, and gains included in income:		
Depreciation	40,671	40,466
Accretion expense	359	342
Realized loss on sale of assets	1,838	(2,962)
Bad debt recovery	-	(21,421)
In-kind income	-	(5,125)
(Increase) decrease in:		
Grants receivable	30,290	40,188
Program fees receivable	10,921	(4,597)
Contributions receivable	4,315	(1,170)
Other receivables	-	-
Deferred charges	3,198	(5,581)
Increase (decrease) in:		
Accounts payable	(43,889)	(897)
Accrued wages and related taxes	(82,408)	17,537
Other liabilities	11,598	(3,588)
<b>Net cash provided by operating activities</b>	<b>45,352</b>	<b>136,215</b>
<b>Cash flows from investing activities:</b>		
Acquisition of fixed assets	(14,810)	(19,861)
Proceeds from investments	20,000	-
Acquisition of investments	-	(20,000)
Proceeds from the sale of fixed assets	975	2,962
Payments due from affiliates	4,891	(18,549)
Repayment from affiliate	(3,884)	23,118
Decrease (increase) in security deposits	(4,188)	1,710
<b>Net cash used in (provided by) investing activities</b>	<b>3,184</b>	<b>(30,720)</b>
<b>Cash flows from financing activities:</b>		
Borrowings from long-term debt	37,000	9,500
Repayment of long-term debt	(12,105)	(8,172)
<b>Net cash provided by financing activities</b>	<b>24,895</b>	<b>1,328</b>
Net increase in cash	73,431	106,823
Cash, beginning of year	227,612	120,789
<b>Cash, end of year</b>	<b>\$ 301,043</b>	<b>\$ 227,612</b>
<b>Supplementary disclosure of cash flow information:</b>		
Cash paid for interest expense	\$ 7,507	\$ 7,462
<b>Noncash investing and financing activities:</b>		
Acquisition of equipment via capital lease	-	\$ 21,335
Financing of fixed assets purchases	\$ 16,225	-
Acquisition of equipment included in accounts payable	\$ 1,515	-
In-kind contribution	-	\$ 5,125

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