

# JCI (JUNIOR CHAMBER INTERNATIONAL, INC.)

## Statements of Financial Position

December 31, 2004 and 2003

	2004	2003
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 414,747	\$ 1,087,629
Accounts receivable, net of allowance for doubtful accounts of \$25,000	197,221	156,039
Other receivable	11,500	-
Current portion of long-term note receivable	47,905	-
Due from officers and employees	15,741	2,324
Inventories, net	58,987	60,984
Prepaid expenses	11,617	10,450
Other assets	54,095	-
<b>Total Current Assets</b>	<b>811,813</b>	<b>1,317,426</b>
Restricted cash	24,353	24,353
Less allowance for possible nonavailability	(24,353)	(24,353)
Property and Equipment, net	2,332,206	1,469,891
<b>Other Assets</b>		
Long-term note receivable, less current portion	2,252,095	2,300,000
Long-term investments	69,195	66,622
<b>TOTAL ASSETS</b>	<b>\$ 5,465,309</b>	<b>\$ 5,153,939</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Line-of-credit	\$ -	\$ -
Accounts payable and accrued expenses	222,963	278,525
Accrued liabilities	93,240	110,188
Due to related party	70,432	2,760
Congress and conference bid bonds	41,990	59,990
Deferred income	162,039	-
Accrued development grants	99,531	73,040
<b>Total Current Liabilities</b>	<b>690,195</b>	<b>524,503</b>
<b>Net Assets</b>		
Unrestricted	4,717,544	4,571,866
Temporarily restricted	11,607	11,607
Permanently restricted	45,963	45,963
<b>Total Net Assets</b>	<b>4,775,114</b>	<b>4,629,436</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 5,465,309</b>	<b>\$ 5,153,939</b>

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

# JCI (JUNIOR CHAMBER INTERNATIONAL, INC.)

## Statements of Activities

Years ended December 31, 2004 and 2003

	2004	2003
<b>Change in unrestricted net assets:</b>		
Revenue and support (see page 11)	\$ 3,753,746	\$ 4,074,662
Expenses (see page 12)	(3,738,926)	(4,419,828)
<b>Change in unrestricted net assets before interest income and unusual or nonrecurring items</b>	<b>14,820</b>	<b>(345,166)</b>
Interest income	130,858	174,825
<b>Change in unrestricted net assets before unusual or nonrecurring items</b>	<b>145,678</b>	<b>(170,341)</b>
<b>Unusual or nonrecurring revenue (expense):</b>		
Termination payments to former Secretary General	-	(249,438)
	-	(249,438)
<b>CHANGE IN NET ASSETS, AS RESTATED FOR 2003</b>	<b>145,678</b>	<b>(419,779)</b>
Net assets, beginning of year, as previously reported for 2003	4,629,436	5,060,107
Prior period adjustment (Note I)	-	(10,892)
Net assets, beginning of year, as restated	4,629,436	5,049,215
Net assets, end of year, as restated	\$ 4,775,114	\$ 4,629,436

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

# JCI (JUNIOR CHAMBER INTERNATIONAL, INC.)

## Statements of Cash Flows

Years ended December 31, 2004 and 2003

	2004	2003
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 145,678	\$ (419,779)
Adjustments to reconcile change in net assets to cash used in operating activities:		
Depreciation and amortization	65,350	15,606
Interest reinvested	(2,573)	-
(Increase) decrease in operating assets:		
Accounts receivable	(41,182)	406,295
Other receivables	(11,500)	2,410
Inventories	1,997	(40,315)
Due from/to related party	67,672	139,929
Due from officers and employees	(13,417)	25,591
Prepaid expenses	(1,167)	(947)
Other assets	(54,095)	-
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	(72,510)	(483,727)
Congress and conference bid bonds	(18,000)	24,990
Deferred income	162,039	-
Accrued development grants	26,491	73,040
<b>Net cash provided by (used in) operating activities</b>	<b>254,783</b>	<b>(256,907)</b>
<b>Cash flows from investing activities:</b>		
Purchases of property and equipment	(927,665)	(1,389,212)
Purchases of investments	-	(1,175,900)
Proceeds from sale of investments	-	3,841,690
<b>Net cash provided by (used in) investing activities</b>	<b>(927,665)</b>	<b>1,276,578</b>
<b>Cash flows from financing activities:</b>		
Payments on long-term debt	-	(17,199)
<b>Net cash used in financing activities</b>	<b>-</b>	<b>(17,199)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(672,882)</b>	<b>1,002,472</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>1,087,629</b>	<b>85,157</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 414,747</b>	<b>\$ 1,087,629</b>

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