

# Return of Organization Exempt From Income Tax

**2003**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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.

**A For the 2003 calendar year, or tax year beginning** 08/01, 2003, **and ending** 07/31/2004

- B** Check if applicable:
- Address change
  - Name change
  - Initial return
  - Final return
  - Amended return
  - Application pending

**C Name of organization**  
**FRANKLIN FURNACE ARCHIVE, INC.**

Number and street (or P.O. box if mail is not delivered to street address) Room/suite  
**C/O HECHT & CO., P.C., 111 W 40TH STREET**

City or town, state or country, and ZIP + 4  
**NEW YORK, NY 10018**

**D Employer identification number**  
**13-2879766**

**E Telephone number**  
**(212) 766-2606**

**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 I are not applicable to section 527 organizations.

- H(a)** Is this a group return for affiliates?  Yes  No
- H(b)** If "Yes," enter number of affiliates \_\_\_\_\_
- H(c)** Are all affiliates included? (If "No," attach a list. See instructions.)  Yes  No
- H(d)** Is this a separate return filed by an organization covered by a group ruling?  Yes  No

**G Website:** //WWW.FRANKLINFURNACE.ORG

**J Organization type** (check only one)  501(c)(3) (insert no.) 4947(a)(1) or 527

**K** Check here  if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

**I** Group Exemption Number \_\_\_\_\_

**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 **381,075.**

**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances** (See page 18 of the instructions.)

<b>Revenue</b>	<b>1</b> Contributions, gifts, grants, and similar amounts received:				
	<b>a</b> Direct public support	<b>1a</b>	126,239.		
	<b>b</b> Indirect public support	<b>1b</b>			
	<b>c</b> Government contributions (grants)	<b>1c</b>	79,100.		
	<b>d</b> Total (add lines 1a through 1c) (cash \$ 205,339. noncash \$ _____)	<b>1d</b>		205,339.	
	<b>2</b> Program service revenue including government fees and contracts (from Part VII, line 93)	<b>2</b>		32.	
	<b>3</b> Membership dues and assessments	<b>3</b>		76,387.	
	<b>4</b> Interest on savings and temporary cash investments	<b>4</b>			
	<b>5</b> Dividends and interest from securities	<b>5</b>		8,979.	
	<b>6 a</b> Gross rents	<b>6a</b>			
	<b>b</b> Less: rental expenses	<b>6b</b>			
	<b>c</b> Net rental income or (loss) (subtract line 6b from line 6a)	<b>6c</b>			
<b>7</b> Other investment income (describe _____)	<b>7</b>				
<b>8 a</b> Gross amount from sales of assets other than inventory	(A) Securities				
	<b>8a</b>	90,338.			
	<b>b</b> Less: cost or other basis and sales expenses	<b>8b</b>	91,147.		
	<b>c</b> Gain or (loss) (attach schedule) <b>STMT 13</b>	<b>8c</b>	-809.		
<b>d</b> Net gain or (loss) (combine line 8c, columns (A) and (B))	<b>8d</b>		-809.		
<b>9</b> Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>	<b>a</b> Gross revenue (not including \$ _____ of contributions reported on line 1a)	<b>9a</b>			
	<b>b</b> Less: direct expenses other than fundraising expenses	<b>9b</b>			
	<b>c</b> Net income or (loss) from special events (subtract line 9b from line 9a)	<b>9c</b>			
<b>10 a</b> Gross sales of inventory, less returns and allowances	<b>10a</b>				
	<b>b</b> Less: cost of goods sold	<b>10b</b>			
	<b>c</b> Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	<b>10c</b>			
<b>11</b> Other revenue (from Part VII, line 103)	<b>11</b>				
<b>12</b> Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	<b>12</b>		289,928.		
<b>Expenses</b>	<b>13</b> Program services (from line 44, column (B))	<b>13</b>		225,310.	
	<b>14</b> Management and general (from line 44, column (C))	<b>14</b>		78,942.	
	<b>15</b> Fundraising (from line 44, column (D))	<b>15</b>		9,002.	
	<b>16</b> Payments to affiliates (attach schedule)	<b>16</b>			
	<b>17</b> Total expenses (add lines 16 and 44, column (A))	<b>17</b>		313,254.	
<b>Net Assets</b>	<b>18</b> Excess or (deficit) for the year (subtract line 17 from line 12)	<b>18</b>		-23,326.	
	<b>19</b> Net assets or fund balances at beginning of year (from line 73, column (A))	<b>19</b>		354,214.	
	<b>20</b> Other changes in net assets or fund balances (attach explanation) <b>STMT 1</b>	<b>20</b>		12,251.	
	<b>21</b> Net assets or fund balances at end of year (combine lines 18, 19, and 20)	<b>21</b>		343,139.	

For Paperwork Reduction Act Notice, see the separate instructions.

**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 page 22 of the instructions.)

Do not include amounts reported on line 9b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ 101,034, noncash \$ <u>STMT 16</u> )	101,034.	101,034.		
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc.	62,723.	31,362.	28,225.	3,136.
26	Other salaries and wages	17,610.	8,805.	7,925.	880.
27	Pension plan contributions				
28	Other employee benefits	11,016.	5,508.	4,957.	551.
29	Payroll taxes	11,122.	5,561.	5,005.	556.
30	Professional fundraising fees				
31	Accounting fees				
32	Legal fees				
33	Supplies	10,087.	5,934.	4,153.	
34	Telephone	3,134.	1,409.	1,057.	668.
35	Postage and shipping	1,456.	40.	1,144.	272.
36	Occupancy				
37	Equipment rental and maintenance				
38	Printing and publications				
39	Travel				
40	Conferences, conventions, and meetings				
41	Interest	2,788.		2,788.	
42	Depreciation, depletion, etc. (attach schedule)	1,465.		1,465.	
43	Other expenses not covered above (itemize) <u>STMT 2</u>	90,819.	65,657.	22,223.	2,939.
b					
c					
d					
e					
44	<b>Total functional expenses</b> (add lines 22 through 43). <i>Organizations completing columns (B)-(D), carry these totals to lines 13-15.</i>	313,254.	225,310.	78,942.	9,002.

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 page 25 of the instructions.)

What is the organization's primary exempt purpose? STMT 3

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	<u>VISUAL ARTS PROGRAM - SEE STATEMENT 15</u>	(Grants and allocations \$ 93,034.)	204,282.
b	<u>EDUCATION - SEE STATEMENT 15</u>	(Grants and allocations \$ 8,000.)	21,028.
c		(Grants and allocations \$ )	
d		(Grants and allocations \$ )	
e	Other program services (attach schedule)	(Grants and allocations \$ )	
f	<b>Total of Program Service Expenses</b> (should equal line 44, column (B), Program services)		225,310.

**Part IV Balance Sheets** (See page 25 of 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	
45 Cash - non-interest-bearing			45		
46 Savings and temporary cash investments		111,556.	46	83,464.	
47a Accounts receivable		47a	NONE		
b Less: allowance for doubtful accounts		47b		1,000.	47c NONE
48a Pledges receivable		48a			
b Less: allowance for doubtful accounts		48b			48c
49 Grants receivable			37,000.	49	52,500.
50 Receivables from officers, directors, trustees, and key employees (attach schedule)				50	
51a Other notes and loans receivable (attach schedule)		51a			
b Less: allowance for doubtful accounts		51b			51c
52 Inventories for sale or use			20,800.	52	17,300.
53 Prepaid expenses and deferred charges			528.	53	2,500.
54 Investments - securities (attach schedule) STMT 5. <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV			253,121.	54	272,442.
55a Investments - land, buildings, and equipment: basis		55a			
b Less: accumulated depreciation (attach schedule)		55b			55c
56 Investments - other (attach schedule)				56	
57a Land, buildings, and equipment: basis STMT 6		57a	56,156.		
b Less: accumulated depreciation (attach schedule)		57b	53,464.	2,307.	57c 2,692.
58 Other assets (describe STMT 7 )			3,345.	58	8,357.
<b>59 Total assets</b> (add lines 45 through 58) (must equal line 74)			429,657.	59	439,255.
60 Accounts payable and accrued expenses			17,282.	60	25,508.
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)			46,754.	64b	61,144.
65 Other liabilities (describe STMT 8 )			11,407.	65	9,464.
<b>66 Total liabilities</b> (add lines 60 through 65)			75,443.	66	96,116.
Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.					
67 Unrestricted			317,214.	67	290,639.
68 Temporarily restricted			37,000.	68	52,500.
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	
<b>73 Total net assets or fund balances</b> (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)			354,214.	73	343,139.
<b>74 Total liabilities and net assets / fund balances</b> (add lines 66 and 73)			429,657.	74	439,255.

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.

Form 990 (2003)

**Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return** (See page 27 of the instructions.)

a	Total revenue, gains, and other support per audited financial statements . . . ▶	a	302,179.
b	Amounts included on line a but not on line 12, Form 990:		
	(1) Net unrealized gains on investments . . \$		
	(2) Donated services and use of facilities \$		
	(3) Recoveries of prior year grants . . . . \$		
	(4) Other (specify):		
	STMT 9 \$ 12,251.		
	Add amounts on lines (1) through (4) ▶	b	12,251.
c	Line a minus line b . . . . . ▶	c	289,928.
d	Amounts included on line 12, Form 990 but not on line a:		
	(1) Investment expenses not included on line 6b, Form 990 . . . \$		
	(2) Other (specify):		
	\$		
	Add amounts on lines (1) and (2) . . ▶	d	
e	Total revenue per line 12, Form 990 (line c plus line d) . . . . . ▶	e	289,928.

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

a	Total expenses and losses per audited financial statements . . . . ▶	a	313,254.
b	Amounts included on line a but not on line 17, Form 990:		
	(1) Donated services and use of facilities \$		
	(2) Prior year adjustments reported on line 20, Form 990 . . . . . \$		
	(3) Losses reported on line 20, Form 990 \$		
	(4) Other (specify):		
	\$		
	Add amounts on lines (1) through (4) . . ▶	b	
c	Line a minus line b . . . . . ▶	c	313,254.
d	Amounts included on line 17, Form 990 but not on line a:		
	(1) Investment expenses not included on line 6b, Form 990 . . . \$		
	(2) Other (specify):		
	\$		
	Add amounts on lines (1) and (2) . . ▶	d	
e	Total expenses per line 17, Form 990 (line c plus line d) . . . . . ▶	e	313,254.

**Part V List of Officers, Directors, Trustees, and Key Employees** (List each one even if not compensated; see page 27 of 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	(E) Expense account and other allowances
SEE STATEMENT 11		62,723.	NONE	NONE

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations?  Yes  No  
 If "Yes," attach schedule - see page 28 of the instructions.

Part VI Other Information (See page 28 of the instructions.)

76 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity... 77 Were any changes made in the organizing or governing documents but not reported to the IRS? ... 78 a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? ... 79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? ... 80 a 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? ... 81 a Enter direct and indirect political expenditures. See line 81 instructions. ... 82 a 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? ... 83 a Did the organization comply with the public inspection requirements for returns and exemption applications? ... 84 a Did the organization solicit any contributions or gifts that were not tax deductible? ... 85 501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members? ... 86 501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12 ... 87 501(c)(12) orgs. Enter: a Gross income from members or shareholders ... 88 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? ... 89 a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ... section 4912 ... section 4955 ... 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? ... c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ... d Enter: Amount of tax on line 89c, above, reimbursed by the organization ... 90 a List the states with which a copy of this return is filed ... b Number of employees employed in the pay period that includes March 12, 2003 (See instructions) ... 91 The books are in care of ... FRANKLIN FURNACE ARCHIVE, INC. ... Located at ... 80 HANSON PLACE #301, BROOKLYN, NY ... Telephone no. ... 718-398-7255 ... ZIP +4 ... 11217 ... 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 ... N/A

Part VII Analysis of Income-Producing Activities (See page 33 of the instructions.)

Note: Enter gross amounts unless otherwise indicated.

Table with 5 main columns: (A) Business code, (B) Amount, (C) Exclusion code, (D) Amount, (E) Related or exempt function income. Rows include 93 Program service revenue, 94 Membership dues and assessments, 95 Interest on savings, 96 Dividends, 97 Net rental income, 98 Net rental income from personal property, 99 Other investment income, 100 Gain or loss from sales, 101 Net income from special events, 102 Gross profit from sales, 103 Other revenue, 104 Subtotal, 105 Total.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 34 of the instructions.)

Table with 2 columns: 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.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of the instructions.)

Table with 5 columns: (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.

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

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. Signature of officer, Date, Preparer's signature, Date, Check if self-employed, Preparer's SSN or PTIN, Firm's name, address, and ZIP + 4, EIN, Phone no.

# Application for Extension of Time To File an Exempt Organization Return

Department of the Treasury  
Internal Revenue Service

▶ File a separate application for each return.

- If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box
- If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II (on page 2 of this form).

Note: Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

### Part I Automatic 3-Month Extension of Time - Only submit original (no copies needed)

Note: Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Type or print  File by the due date for filing your return. See instructions.	Name of Exempt Organization <b>FRANKLIN FURNACE ARCHIVE, INC.</b>	Employer identification number <b>13-2879766</b>
	Number, street, and room or suite no. If a P.O. box, see instructions. <b>C/O HECHT AND CO., P.C.</b>	
	<b>111 W. 40TH STREET</b>	
City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>NEW YORK, NY 10018</b>		

#### Check type of return to be filed (file a separate application for each return):

- |  |  |                                    |
|--|--|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation)                | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL         | <input type="checkbox"/> Form 990-T(sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ         | <input type="checkbox"/> Form 990-T (trust other than above)     | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF         | <input type="checkbox"/> Form 1041-A                             | <input type="checkbox"/> Form 8870 |

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_ . If this is for the whole group, check this box  . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-month, for 990-T corporation) extension of time until 03/15, 2005, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶  calendar year \_\_\_\_\_ or

▶  tax year beginning 08/01, 2003, and ending 07/31, 2004.

2 If this tax year is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions. \$ \_\_\_\_\_

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. \$ \_\_\_\_\_

c **Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions. \$ 0

#### Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ▶ *El* Title ▶ ATTY Date ▶ 12/10/04

For Paperwork Reduction Act Notice, see instruction Form 8868 (12-2000)

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Organization Exempt Under Section 501(c)(3)**

(Except Private Foundation) and Section 501(e), 501(f), 501(k),  
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

**Supplementary Information - (See separate instructions.)**

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No. 1545-0047

**2003**

Name of the organization

**FRANKLIN FURNACE ARCHIVE, INC.**

Employer identification number

**13-2879766**

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
(See page 1 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) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
<b>NONE</b>				
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-----				
Total number of other employees paid over \$50,000 . . . . . ▶		<b>NONE</b>		

**Part II 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
<b>NONE</b>		
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Total number of others receiving over \$50,000 for professional services . . . . . ▶		<b>NONE</b>



Part III Statements About Activities (See page 2 of the instructions.)

Table with 3 columns: Question, Yes, No. Rows include: 1. Lobbying activities (NONE); 2. Acts with contributors; 3a. Grants for scholarships; 3b. Section 403(b) annuity plan; 4. Separate account for donors.

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)

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.
6. A school.
7. A hospital or a cooperative hospital service organization.
8. A Federal, state, or local government or governmental unit.
9. A medical research organization operated in conjunction with a hospital.
10. An organization operated for the benefit of a college or university owned or operated by a governmental unit.
11a. [X] An organization that normally receives a substantial part of its support from a governmental unit or from the general public.
11b. A community trust.
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.
13. An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2).

Table with 2 columns: (a) Name(s) of supported organization(s), (b) Line number from above.

14. An organization organized and operated to test for public safety. Section 509(a)(4). (See page 6 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) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.) . . . . .	178,085.	153,900.	232,400.	270,300.	834,685.
16 Membership fees received . . . . .	57,265.	71,040.	58,297.	35,239.	221,841.
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 . . . . .	500.	27.	187.		714.
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 . . . . .	13,097.	21,484.	31,606.	20,222.	86,409.
19 Net income from unrelated business activities not included in line 18 . . . . .					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf . . . . .					
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 . . . . .					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets . . . . .					
23 Total of lines 15 through 22 . . . . .	248,947.	246,451.	322,490.	325,761.	1,143,649.
24 Line 23 minus line 17 . . . . .	248,447.	246,424.	322,303.	325,761.	1,142,935.
25 Enter 1% of line 23 . . . . .	2,489.	2,465.	3,225.	3,258.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 . . . . .				26a	22,859.
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 1999 through 2002 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts . . . . .				26b	251,915.
c Total support for section 509(a)(1) test: Enter line 24, column (e) . . . . .				26c	1,142,935.
d Add: Amounts from column (e) for lines: 18 <u>86,409.</u> 19 _____ . . . . .				26d	338,324.
22 _____ 26b <u>251,915.</u> . . . . .				26e	804,611.
e Public support (line 26c minus line 26d total) . . . . .				26f	70.3987 %
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) . . . . .					
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: (2002) _____ (2001) _____ (2000) <u>NOT APPLICABLE</u> (1999) _____					
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 11, 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: (2002) _____ (2001) _____ (2000) _____ (1999) _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ . . . . .				27c	
17 _____ 20 _____ 21 _____ . . . . .				27d	
d Add: Line 27a total _____ and line 27b total _____ . . . . .				27e	
e Public support (line 27c total minus line 27d total) . . . . .				27f	
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) . . . . .				27g	%
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) . . . . .				27h	%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) . . . . .					
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1999 through 2002, 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 7 of the instructions.) **NOT APPLICABLE**  
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		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 9 of the instructions.)

(To be completed **ONLY** by an eligible organization that filed Form 5768) **NOT APPLICABLE**

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 - <b>If the amount on line 40 is -</b> <b>The lobbying nontaxable amount is -</b>		
	Not over \$500,000 . . . . . 20% of the amount on line 40 . . . . .	41	
	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 11 of the instructions.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in) ▶	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(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 12 of the instructions.)

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:	Yes	No	Amount
a Volunteers . . . . .		X	
b Paid staff or management (Include compensation in expenses reported on lines c through h.) . . . . .		X	
c Media advertisements . . . . .		X	
d Mailings to members, legislators, or the public . . . . .		X	
e Publications, or published or broadcast statements . . . . .		X	
f Grants to other organizations for lobbying purposes . . . . .		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body . . . . .		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means . . . . .		X	
i Total lobbying expenditures (Add lines c through h.) . . . . .			NONE

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

Part VII

Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 12 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

Table with 3 columns: Question, Yes, No. Rows include: Transfers from the reporting organization to a noncharitable exempt organization of: (i) Cash, (ii) Other assets; Other transactions: (i) Sales or exchanges of assets with a noncharitable exempt organization, (ii) Purchases of assets from a noncharitable exempt organization, (iii) Rental of facilities, equipment, or other assets, (iv) Reimbursement arrangements, (v) Loans or loan guarantees, (vi) Performance of services or membership or fundraising solicitations; Sharing of facilities, equipment, mailing lists, other assets, or paid employees.

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received:

Schedule table with 4 columns: (a) Line no., (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Row 1 contains 'N/A'.

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? Yes No

Yes No (with checked 'No' box)

b If "Yes," complete the following schedule:

Schedule table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. Row 1 contains 'N/A'.

**Schedule of Contributors**

OMB No. 1545-0047

**2003**

Supplementary Information for  
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

Name of organization  
**FRANKLIN FURNACE ARCHIVE, INC.**

Employer identification number  
**13-2879766**

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3 ) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check box(es) for both the General Rule and a Special Rule - see instructions.)

**General Rule -**

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

**Special Rules -**

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) . . . . . ▶ \$ \_\_\_\_\_

**Caution:** Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 1 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

For Paperwork Reduction Act Notice, see the Instructions for Form 990 and Form 990-EZ.

Schedule B (Form 990, 990-EZ, or 990-PF) (2003)

If a section 501(c)(7), (8), or (10) organization received contributions or bequests for use exclusively for religious, charitable, etc., purposes (sections 170(c)(4), 2055(a)(3), or 2522(a)(3)) -

List in Part I each contributor whose contributions total more than \$1,000 during the year that were for a religious, charitable, etc., purpose. To determine the \$1,000, aggregate all of a contributor's gifts for the year (regardless of amount). For a noncash contribution, complete Part II.

All section 501(c)(7), (8), or (10) organizations that received **any** charitable contributions and listed **any** charitable contributors on Part I must also complete Part III.

If a section 501(c)(7), (8), or (10) organization received charitable gifts, but is not required to list **any** charitable contributors on Part I, check the box on line A at the top of Schedule B (Form 990 or 990-EZ) and enter the amount of charitable contributions received in the space provided. The organization need not complete and attach Part III.

### Specific Instructions

**Note:** You may duplicate Parts I, II, and III if more copies are needed. Number each page of each Part.

**Part I.** In column (a), identify the first contributor listed as no. 1 and the second contributor as no. 2, etc. Number consecutively. Show the contributor's name, address, aggregate contributions for the year; and the type of contribution (e.g., whether an individual, payroll, or noncash contribution). Report payroll contributions by listing the employer's name, address, and total amount given (unless an employee gave enough to be listed individually).

**Part II.** In column (a), show the number that corresponds to the contributor's number in Part I. Describe the noncash contribution fully. Report on property with readily determinable market value (i.e., market quotations for securities) by listing its fair market value (FMV). For marketable securities registered and listed on a recognized securities exchange, measure market value by the average of the highest and lowest quoted selling prices (or the average between the bona fide bid and asked prices) on the contribution date. See Regulations section 20.2031-2 to determine the value of contributed stocks and bonds. When market value cannot be readily determined, use an appraised or estimated value. To determine the amount of a noncash contribution that is subject to an outstanding debt, subtract the debt from the property's fair market value.

**Part III.** Section 501(c)(7), (8), or (10) organizations that received contributions or bequests for use exclusively for religious, charitable, etc., purposes must complete Parts I through III for those persons whose gifts totaled more than \$1,000 during the year. Show also, in the heading of Part III, total gifts that were \$1,000 or less and were for a religious, charitable, etc., purpose. *Complete this information only on the first Part III page.*

If an amount is set aside for a religious, charitable, etc., purpose, show in column (d) how the amount is held (e.g., whether it is mingled with amounts held for other purposes). If the organization transferred the gift to another organization, show the name and address of the transferee organization in column (e) and explain the relationship between the two organizations.

Name of organization **FRANKLIN FURNACE ARCHIVE, INC.**

Employer identification number

**13-2879766**

**Part I Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	NYC DEPT OF CULTURAL AFFAIRS 330 WEST 42ND STREET NEW YORK, N.Y. 10036	9,100.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	THE J.P. MORGAN CHASE FOUNDATION 270 PARK AVENUE -46TH FLOOR NEW YORK, N.Y. 10017	20,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	THE ANDY WARHOL FOUNDATION 65 BLEEKER ST., 7TH FLOOR NEW YORK, N.Y. 10012	50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	NYS COUNCIL ON THE ARTS 175 VARICK ST., 3RD FLR NEW YORK, N.Y. 10014	70,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)



FORM 990, PART I - OTHER INCREASES IN FUND BALANCES  
=====

DESCRIPTION -----	AMOUNT -----
UNREALIZED GAINS ON INVESTMENTS	12,251.
TOTAL	----- 12,251. =====

FORM 990, PART II - OTHER EXPENSES

DESCRIPTION	TOTAL	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING
CONSULTING	39,788.	34,384.	5,404.	
PUBLIC RELATIONS AND ADVERTISING	1,350.	1,350.		
UTILITIES	2,292.	801.	1,033.	458.
PROFESSIONAL FEES	14,119.	9,988.	4,131.	
INSURANCE	4,272.	2,178.	1,925.	169.
OFFICE EXPENSE	20,185.	10,092.	7,781.	2,312.
TRAVEL	2,635.	2,347.	288.	
STORAGE	4,500.	3,825.	675.	
MISCELLANEOUS	1,678.	692.	986.	
TOTALS	90,819.	65,657.	22,223.	2,939.

FORM 990, PART III - ORGANIZATION'S PRIMARY EXEMPT PURPOSE  
=====

TAXPAYER PROVIDES A PUBLIC ARCHIVE OF BOOKS PRODUCED BY ARTISTS AS  
ARTWORKS AND MAINTAINS AN EXHIBITION SPACE FOR SUCH WORKS.

FORM 990, PART IV - PREPAID EXPENSES AND DEFERRED CHARGES

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
PREPAID RENT	528.	1,670.
PREPAID ANNUITY		830.
	-----	-----
TOTALS	528.	2,500.
	=====	=====

FRANKLIN FURNACE ARCHIVE, INC.

FORM 990, PART IV - INVESTMENTS - SECURITIES  
=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
FED NATL MTG NOTES 10/08/2002	26,121.	NONE
FORD MTRS SR NOTES 2/23/2004	26,243.	NONE
AT&T CORP 3/15/2004	27,153.	26,463.
FORD MOTOR CREDIT 3/15/2005	25,605.	NONE
NORWEST FINANCIAL 9/30/2003	2,928.	3,712.
ALLIANCE WORLDWIDE CL B	13,103.	15,091.
BEAR STERNS SMALL CAP CL C	16,561.	19,528.
DELAWARE SMALL CAP CL B	15,341.	18,299.
SCUDDER HIGH RETURN CL B	4,135.	5,278.
NICOLAS APPELATE SMALL CAP	12,245.	16,866.
OPPENHEIMER QUEST CL B	14,685.	NONE
WASHINGTON MUTUAL INVESTORS	36,816.	39,237.
PIONEER BOND CL B	6,093.	6,762.
EATON VANCE TX MANAGED GROWTH	6,673.	7,819.
DAVIS NY VENTURE CL B	12,914.	14,026.
EVERGREEN SMALL GROWTH CL B	6,505.	52,592.
CASH MANAGEMENT FUND	NONE	12,624.
EVERGREEN EQUITY TR ASSET CL A	NONE	34,145.
PIMCO LOW DURATION FUND CL A	NONE	NONE
	-----	-----
TOTALS	253,121.	272,442.
	=====	=====

LAND, BUILDINGS, EQUIPMENT NOT HELD FOR INVESTMENT  
 =====

ACCUMULATED DEPRECIATION DETAIL

FIXED ASSET DETAIL

ASSET DESCRIPTION	METHOD/ CLASS	BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE	BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE
FURNITURE & FIXTURE	SL	18,427.			18,427.	18,426.			18,426.
OFFICE EQUIPMENT	SL	491.			491.	491.			491.
COMPUTER	SL	2,111.			2,111.	2,111.			2,111.
COMPUTER	SL	6,320.			6,320.	6,320.			6,320.
OFFICE EQUIPMENT	SL	855.			855.	855.			855.
FIXTURE - STELL SHF	DB	2,026.			2,026.	2,026.			2,026.
EQUIPMENT	DDB	5,884.			5,884.	5,325.			5,325.
OFFICE EQUIPMENT	SL	3,605.			3,605.	3,184.			3,184.
COMPUTER EQUIPMENTC	SL	6,884.			6,884.	6,884.			6,884.
COMPUTER EQUIPMENTC	SL	2,828.			2,828.	2,547.	162.		2,709.
COMPUTER EQUIPMENTC	SL	1,627.			1,627.	1,016.	187.		1,203.
DIGITAL VID CAMERAD	SL	2,296.			2,296.	987.	441.		1,428.
TAPE RESOURCE	SL	952.			952.	190.	305.		495.
SONY LAPTOP COMPUT	SL		1,850.		1,850.		370.		370.
TOTALS		54,306.			56,156.	50,362.			51,827.

FRANKLIN FURNACE ARCHIVE, INC.

FORM 990, PART IV - OTHER ASSETS

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
SECURITY DEPOSITS	3,345.	8,357.
TOTALS	----- 3,345.	----- 8,357.
	=====	=====

FORM 990, PART IV - OTHER LIABILITIES  
=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
PAYROLL TAXES PAYABLE	11,407.	9,464.
TOTALS	11,407.	9,464.
	=====	=====



FORM 990, PART IV-A - OTHER REVENUE ON BOOKS BUT NOT ON RETURN  
=====

DESCRIPTION -----	AMOUNT -----
UNREALIZED GAINS ON SECURITIES	12,251. -----
TOTAL	12,251. =====

FORM 990, PART V - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
SUSAN WIDERMAN BLOG 2 EAGLE HILL CT. HUNTINGTON, NY 11743	TREASURER AS REQ'D	NONE	NONE	NONE
JON HENDRICKS 488 GREENWICH ST. NY, NY 10013	DIRECTOR AS REQ'D	NONE	NONE	NONE
DAVID S. PERLMUTTER 37 LUDLOW DR. CHAPPAQUA, NY 10514	DIRECTOR/VICE CHAIR AS REQ'D	NONE	NONE	NONE
MARTHA WILSON 432 DEAN ST. BROOKLYN , NY 11217	DIRECTOR AS REQ'D	52,083.	NONE	NONE
DAVID CALE 504 E. 5TH ST. NEW YORK, N.Y. 10009	DIRECTOR AS REQ'D	NONE	NONE	NONE.
ADAM M. COHEN 1130 AVE. OF THE AMERICAS NEW YORK, N.Y. 10019	SECRETARY AS REQ'D	NONE	NONE	NONE
CHRISSE ILES 1575 LEXINGTON AVE NEW YORK, N.Y. 10029	DIRECTOR AS REQ'D	NONE	NONE	NONE
HARLEY SPILLER 501 E. 78TH STREET APT 2E	CHAIRMAN AS REQ'D	10,640.	NONE	NONE

FORM 990, PART V - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES  
=====

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
NEW YORK, N.Y. 10021				
JESSICA HANLON 152 ICELAND DRIVE HUNTINGTON STATION, NY 11746	DIRECTOR AS REQ'D	NONE	NONE	NONE
RUTH HARDINGER 20 N. MOORE STREET, #1E NEW YORK, NY 10013	DIRECTOR AS REQ'D	NONE	NONE	NONE
RUSSET LEDERMAN 161 WEST 75TH STREET NEW YORK, NY 10023	DIRECTOR AS REQ'D	NONE	NONE	NONE
GRAND TOTALS		62,723.	NONE	NONE

SCHEDULE A, PART III - EXPLANATION FOR LINE 3A  
=====

THE FRANKLIN FURNACE FUND FOR PERFORMANCE ART AWARDS GRANTS  
TO EMERGING PERFORMING ARTISTS TO ENABLE THEM TO  
PRODUCE MAJOR WORK FOR THE FIRST TIME AT ANY VENUE IN THE STATE OF  
NEW YORK. EACH YEAR, FRANKLIN FURNACE SELECTS A PANEL OF ARTISTS WHO  
REVIEW PROPOSALS RECEIVED FROM ALL PARTS OF THE WORLD.



FRANKLIN FURNACE ARCHIVE, INC.  
Schedule D Detail of Long-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
<b>POST-MAY 5TH CAPITAL GAINS (LOSSES)</b>					
FORD MTRS SR NOTES 5.75	05/06/1999	02/23/2004	25,000.	25,229.	-229.
NORWEST FIN'L INC 9/30/03	07/31/2000	09/30/2003	25,000.	24,468.	532.
A T & T 3/15/2004	07/31/2000	10/31/2003	25,520.	24,610.	910.
OPPENHEIMER QUEST CL B	05/06/1998	12/31/2003	13,483.	16,840.	-3,357.
<b>TOTAL POST-MAY 5TH CAPITAL GAINS (LOSSES)</b>			<b>89,003.</b>	<b>91,147.</b>	<b>-2,144.</b>
<b>CAPITAL GAINS (LOSSES) FROM SECURITIES</b>					
FORD MTRS SR NOTES 5.75	05/06/1999	02/23/2004	25,000.	25,229.	-229.
NORWEST FIN'L INC 9/30/03	07/31/2000	09/30/2003	25,000.	24,468.	532.
A T & T 3/15/2004	07/31/2000	10/31/2003	25,520.	24,610.	910.
OPPENHEIMER QUEST CL B	05/06/1998	12/31/2003	13,483.	16,840.	-3,357.
<b>TOTAL CAPITAL GAINS (LOSSES) FROM SECURITIES</b>			<b>89,003.</b>	<b>91,147.</b>	<b>-2,144.</b>
<i>TOTAL FROM PAGE 1</i>					
					<i>1,335</i>
					<i>(809)</i>
<b>Totals</b>			<b>89,003.</b>	<b>91,147.</b>	<b>-2,144.</b>

FRANKLIN FURNACE ARCHIVES, INC  
 Form 990 Part II Line 22  
 GRANTS PAID TO ARTISTS  
 FYE 7/31/2004

ID # 13-2879766

<u>ARTISTS' NAME</u>	<u>ADDRESS</u>	<u>AMOUNT</u>	<u>Visual Arts Program</u>	<u>Education Program</u>
Rev. Billy Talen	PO Box 1556 Canal St Station, NYC 10013	32,184	32,184	
Lois Weaver	25 E. 3rd St., NY NY 10003	5,000	5,000	
Adrienne Wortzel	19 East 7th St., NY NY 10003	5,000	5,000	
Tobaron Waxman	665 Empire Blvd #133, Brooklyn, NY 11213	5,000	5,000	
Kathleen Brandt.	37 Dove St., Albany, NY 11220	5,500	5,500	
Ron Littke	26 Riverside Ave., Haverstraw, NY 10927	4,000		4,000
Brody Condon	1729 Kent St., Los Angeles, CA 90026	5,000	5,000	
Benita Abrams	127 Stanton St., NY, NY 10002	2,000		2,000
Stephanie Trojan	Linprunstrasse21 80335 Munchen Germany	5,000	5,000	
Tana Hargest	253 Broadway Ave., Providence, RI 02903	3,000	3,000	
Lynn Cazabon	830 Powers St., Baltimore, MD 21211	3,000	3,000	
Brooke Singer	75 Roebling St., Brooklyn, NY 11211	3,000	3,000	
Harley Spiller	501 E. 78th St., NY, NY 10021	2,000		2,000
Sandra Levinson	Cuban Art Space 124 W 23 NYC 10011	100	100	
Conrad Gleber	2522 Marston Rd. Tallahassee, FL 32308	100	100	
Maria Finn Dominguez	234 N. 11th St Brooklyn, NY	100	100	
Holly Block	9-11 Maiden Lane, New York 10038	100	100	
William Pope	102 Nichols St., 2nd Flr., Lewiston, ME 04240	300	300	
Julia Heywood	59 Franklin Street New York 10013	300	300	
Zhang Ga	415 Grand St., Apt #1, Brooklyn, NY 11211	300	300	
Yael Kanarek	76 E. 7th St., NY, NY 10003	300	300	
Juana Valdes	219 E. 10th St., NY, NY 10003	300	300	
James Scruggs	209 Belmont Ave., Jersey City, NJ 07304	300	300	
Pat Oleszko	190 Duane St., NYC 10013	11,400	11,400	
Julie Tallon	426 Broome St NYC 10013	4,750	4,750	
Marie Sester	47 Ann St., 3F, NY, NY 10038	3,000	3,000	
		<u>101,034</u>	<u>93,034</u>	<u>8,000</u>

STATEMENT 14

FRANKLIN FURNACE ARCHIVE, INC. ID#13-2879766  
FORM 990  
STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS  
PART III  
JULY 31, 2004

VISUAL ARTS PROGRAM

EXPENSES----\$204,282

**The Future of the Present 2003** continues Franklin Furnace's pioneering exploration of the Internet as an art medium. Inaugurated in 1998 as a series of performance art netcasts for worldwide audiences, The Future of the Present has evolved into a sophisticated examination of issues raised by the Internet as an artistic medium and public venue. Franklin Furnace produces works of "live art on the Internet" in collaboration with an array of venues in New York such as Parsons School of Design, the Kitchen, DCTV, Eyebeam Atelier, Location One, Rhizome.org, Hunter College and Renssalaer Polytechnic Institute, as well as internationally in such places as Split, Croatia; Managua, Nicaragua; and Tokyo, Japan. In 2003, Franklin Furnace is presenting three artists who are well known within the increasingly influential, community of web-based artists. The three artists selected have helped establish the field of "NetArt" and have expanded the notion and breadth of art on the Internet: Mouchette, Ricardo Miranda Zuniga and Brody Condon.

**The Franklin Furnace Fund For Performance Art:** Since 1985, Franklin Furnace has annually awarded grants to artists selected by peer panel review to enable them to prepare major performance art works for presentation in New York. In 2003 Franklin Furnace made six \$5000 grants to individual artists Vivian Babuts, Stephanie Trojan, Tobaron Waxman, Lois Weaver/Helen Paris/Leslie Hill, Adrienne Wortzel, and Grupo 609. Artists who sat on the selection panel were Tiffany Ludwig, Franklin Furnace's webmistress from 1999 to 2003; performance artists Deborah Edmeades and William Pope.L; cyber-artist Ricardo Miranda Zuñiga, and Zhang Ga, artist and faculty at Parsons School of Design Digital Design Department. Franklin Furnace has no curator; each year a new panel of artists reviews all proposals. We believe that this peer panel system allows artists from all over the world an equal shot at presenting their work. Every year the panel changes, as the definitions of "emerging artist," the notion of "live art on the Internet," and "performance art" itself also change.

The Fund has consistently identified emerging talent in advance of wider artworld recognition: Karen Finley and Holly Hughes received support before the "culture wars" made their names household words; artists of color such as Papo Colo, Tanya Barfield and Patty Chang received support at crucial, early points in their careers, facilitating access to commercial venues. We believe this success is due to the composition of Franklin Furnace's peer panels, representing a diverse range of practice, ethnic and cultural background, sexual preference, age and physical ability, as well as familiarity with new technology.



FRANKLIN FURNACE ARCHIVE, INC. ID#13-2879766  
FORM 990  
STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS  
PART III  
JULY 31, 2004

VISUAL ARTS PROGRAM (CONTINUED)

**The Unwritten History Project** is Franklin Furnace's plan to make all of its archival event records accessible online. Franklin Furnace plans to continue the work of creating a permanent, accessible and ongoing record of its 27-year history of exhibitions of artists' books, temporary installations, performance art, netcasts, and works of live art on the Internet. The Unwritten History Project is creating a research resource that is electronically accessible from any point on the globe. Through linkage with the Conceptual and Intermedia Art Online (CIAO) consortium, Franklin Furnace will provide the contextual information of other collections of conceptual and intermedia art, facilitating research and understanding of the formal, social and political issues raised. Our goal is to make these works of art, which speak to an array of social issues, accessible to a wide audience beyond conventional art history classes, and to create a model for small arts organizations to participate fully and professionally in the development of museum standards that remain sensitive to the form in which artworks were originally conceived. In 2003-04 Franklin Furnace filed its first application with the National Endowment for the Humanities to catalogue its first ten years of event records and publish these records online.

**Art Spaces Archives Project (ASAP)** In 2003-04, Franklin Furnace served as the lead of six organizations comprising the Arts Spaces Archives Project (ASAP), which are spearheading a national effort to locate, document, preserve and make accessible the archives of art spaces which nurtured and presented art practice of the last four decades. In 2000, Franklin Furnace was awarded \$15,000 to develop a plan for The Archives of the Avant-Garde to survey the location, legal status, quantity and condition of archives of artists' groups that flourished during the 1970s, 80s and 90s in and around lower Manhattan; and to create a Location Database to serve as a model for other such efforts around the globe. This Location Database is now a continually updated component of Franklin Furnace's website, [www.franklinfurnace.org](http://www.franklinfurnace.org), which receives a voluminous amount of inquiries from artists, scholars and members of the international public. This database will become the basis of a national one being created for ASAP. In 2003-04, Franklin Furnace received \$15,000 from the New York State Council on the Arts, \$100,000 over two years from The Andy Warhol Foundation for the Visual Arts, Inc., and a pledge of \$30,000 from the National Endowment for the Arts in support of ASAP.

FRANKLIN FURNACE ARCHIVE, INC. ID#13-2879766  
FORM 990  
STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS  
PART III  
JULY 31, 2004

EDUCATION PROGRAM

EXPENSES-----\$21,028

**Sequential Art For Kids:** Since 1985, Franklin Furnace has sponsored arts-in-education workshops in New York City public schools, led by professional artists including book- and paper-makers, performance artists, collectors, videographers, photographers and animators. SAK continues to be a literacy program taught in NYC public schools by artists who use sequential art media -- artists' books, performance art, photography, film and video -- to enhance literacy and cognitive development among children. Franklin Furnace started planning a collaboration with P.S. 52, Sheepshead Bay, Brooklyn in 1997, introducing video artists Ron Littke and Benita Abrams to an environment which had \$80,000 of new video equipment and no staff to exploit its potential. Since 1997, these artists have worked with the English as a Second Language teacher, Odette Lozada, to create videotapes in workshops which make use of the children's Russian, Chinese and Middle Eastern heritage, and clearly show the delight of the children in learning and understanding a new language in a new environment. In the 2002-03 academic year, Franklin Furnace contracted for the services of an arts-in-education consultant; installed new tools for evaluation; and added Harley Spiller a.k.a. Inspector Collector to the roster of artist-educators. In 2003-04, Franklin Furnace served 208 students in ten-week video workshops, Benita Abrams teaching one for 2<sup>nd</sup> and 3<sup>rd</sup> grade, and Ron Littke two for 4<sup>th</sup> and 5<sup>th</sup> graders; and Harley Spiller taught two Kindergarten and one 2<sup>nd</sup> grade workshop.

FRANKLIN FURNACE ARCHIVE, INC.  
EXEC-7A FILE #46053

C/O HECHT AND COMPANY, P.C.  
111 WEST 40<sup>TH</sup> STREET  
NEW YORK, NEW YORK 10018

CERTIFICATION TO ACCOMPANY REPORT SUBMITTED  
ON FORMS OTHER THAN OFFICIAL ATTORNEY GENERAL REPORT FORMS

We swear under oath that the following documents attached hereto:

Form 990 CHAR Form 497 and CHAR Form 003

all of which comprise the annual periodic report for the year ended July 31, 2004 for **FRANKLIN FURNACE ARCHIVE, INC.** has been examined by us and to the best of our knowledge and belief the contents thereof are true, correct and complete.

State of New York )  
County of New York) SS.:

Sworn to before me this \_\_\_\_\_ day  
of \_\_\_\_\_ 20\_\_\_\_

\_\_\_\_\_  
Name Title

\_\_\_\_\_  
Notary Public

State of \_\_\_\_\_ )  
County of \_\_\_\_\_ ) SS.:

Sworn to before me this \_\_\_\_\_ day  
of \_\_\_\_\_ 20\_\_\_\_

**CLIENTS COPY**

\_\_\_\_\_  
Name Title

\_\_\_\_\_  
Notary Public

HECHT AND COMPANY, P.C.

BY: \_\_\_\_\_  
Preparer's Signature

HECHT AND COMPANY, P.C.  
111 West 40th Street  
New York, NY 10018

\_\_\_\_\_  
Preparer's Address Date

REMITTANCE ENCLOSED

FILING FEE  
NEW YORK STATE DEPARTMENT OF LAW

\$125.00

## Nazmul Miah

---

**From:** CharExt [Charities.Extensions@oag.state.ny.us]  
**Sent:** Tuesday, December 14, 2004 1:48 PM  
**To:** Nazmul Miah  
**Subject:** Re: Franklin Furnace Archive Inc., (FEIN 13-2879766, StateReg. #46053)

We have received your request for an extension. You may receive notification under separate cover if your request is denied.

Thank you for using email to request an extension.

Sincerely,

The Charities Bureau Registration Section

>>> "Nazmul Miah" <NMiah@hechtcpa.com> 12/14/2004 10:36:26 AM >>>  
December 14, 2004

New York Department of Law  
120 Broadway  
New York, NY 10271

Attention: Registration Section

Re: Franklin Furnace Archive, Inc.  
Report to Attorney General  
Period Ended July 31, 2004  
FEIN: 13-2879766  
State Reg. #46053

Gentlemen:

In connection with the above-referenced report for the period shown, we request a 3-month extension of time to file such report.

The reason why such extension is necessary is because information from sources outside taxpayer's control is still not available, and is not expected by the due date of the report.

Please acknowledge receipt of this e-mail and your approval thereof.

Very truly yours,

Hecht & Company, P.C.

<b>CHAR 497</b>	<b>2003</b>	STATE OF NEW YORK DEPARTMENT OF LAW CHARITIES BUREAU - REGISTRATION SECTION 120 BROADWAY New York, NY 10271 <a href="http://www.oag.state.ny.us/charities/charities.html">www.oag.state.ny.us/charities/charities.html</a>
<b>ANNUAL FINANCIAL REPORT</b> (Charitable Organizations)		
FOR THE YEAR ENDED <u>07/31/2004</u>		
FULL OFFICIAL NAME AND ADDRESS OF ORGANIZATION Official Name: <u>FRANKLIN FURNACE ARCHIVE, INC.</u>		ORGANIZATION'S MAIL ADDRESS, TELEPHONE NUMBER & EMAIL Street Address: <u>C/O HECHT &amp; CO., P.C., 111 W 40TH</u>
Street Address: <u>C/O HECHT &amp; CO., P.C., 111 W 40TH</u>		City: <u>NEW YORK</u> State: <u>NY</u> Zip: <u>10018</u>
City: <u>NEW YORK</u> State: <u>NY</u> Zip: <u>10018</u>		Phone Number: <u>(212) 766-2606</u> Ext: _____
		Email: <u>//WWW.FRANKLINFURNACE.ORG</u>
STATE REG. NO.  <b>46053</b>	FEDERAL I.D. NO.  <b>13-2879766</b>	Except for information treated as confidential by the United States Internal Revenue Service (for example, Schedule B to IRS Form 990), this form, including any attachments, is a public record and a copy will be provided upon request to any interested persons.
<input type="checkbox"/> <b>Executive Law Annual Filing Exemption:</b> "X" box if your total contributions did not exceed \$25,000 and you did not engage the services of a professional fund raiser or fund raising counsel during this fiscal year. (See page 7)		
<input type="checkbox"/> <b>EPTL Annual Filing Exemption:</b> "X" box if your total gross receipts for this fiscal year did not exceed \$25,000 and the assets (market value) of the organization did not exceed \$25,000 at any time during this fiscal year. (For dual registrants only - see page 7)		
<input type="checkbox"/> Is this a combined report for multiple organizations? (Use CHAR497-C. Do not use this form.)		

FINANCIAL SUMMARY	TOTAL
<b>Support and Revenue</b>	
1. Direct public support (line 14, Schedule 1, page 2)	126,239.
2. Indirect public support (line 18, Schedule 1, page 2)	
3. Government grants (line 20, Schedule 1, page 2)	79,100.
4. Program service revenue	32.
5. Other revenue <span style="float: right;"><b>SEE STATEMENT 1</b></span>	84,557.
6. Total support and revenue (add lines 1 through 5)	289,928.
<b>Expenses</b>	
<b>Program services (list individually):</b>	
7. <b>VISUAL ARTS PROGRAM</b>	204,282.
8. <b>EDUCATION</b>	21,028.
9.	
10.	
11. Public information combined with fund raising	
12. Payments to affiliates/services to affiliates	
13. Total program services (add lines 7 through 12)	225,310.
14. Management and general expenses	78,942.
15. Fund raising expenses	9,002.
16. Total expenses (add lines 13 through 15)	313,254.
17. Excess (deficit) of support and revenue over expenses (line 6 minus line 16)	-23,326.
18. Net assets at beginning of year	354,214.
19. Other changes in net assets (attach explanation) <span style="float: right;"><b>STMT 2</b></span>	12,251.
20. Net assets at end of year (add lines 17 through 19)	343,139.
<b>Summary of Balance Sheet (as of <u>07/31/2004</u>)</b>	
21. Assets	439,255.
22. Liabilities	96,116.
23. Net Assets (line 21 minus line 22)	343,139.
Explanation of income and expense items, if required: <b>N/A</b>	

CLIENT'S COPY

<b>SCHEDULE 1: CONTRIBUTIONS</b>		Total Amount	Portion Other Than Cash
NOTE: Do not report donated services or facilities in this schedule.			
<b>Direct Public Support</b>			
1.	Direct mail		
2.	Telephone solicitation campaigns		
3.	Commercial co-venturers (complete Schedule 4)		
4.	Door-to-Door		
5.	Special events (contribution portion only)		
6.	Telethon		
7.	Other (specify):		
8.	Other (specify):		
9.	Other (specify):		
10.	Total general public support (add lines 1 through 9)		
11.	Foundation and trust grants	126,239.	
12.	Corporate and other business grants		
13.	Legacies and bequests		
14.	Total direct public support (add lines 10 through 13) (Transfer total line 14 to page 1, line 1)	126,239.	
<b>Indirect Public Support</b>			
15.	From federated fund raising agencies (e.g., United Way)		
16.	From affiliates		
17.	From other fund raising agencies		
18.	Total indirect public support (add lines 15 through 17) (Transfer total line 18 to page 1, line 2)		
<b>Government Grants</b>			
19.	Specify Agency:		
	(a) NYC DEPT OF CULTURAL AFFAIRS	9,100.	
	(b) NYS COUNCIL ON THE ARTS	70,000.	
	(c)		
	(d)		
	(e) All other government grants		
20.	Total government grants (add lines 19(a) through 19(e)) (Transfer total line 20 to page 1, line 3)	79,100.	
21.	Total contributions (sum of lines 14, 18 and 20)	205,339.	

**SCHEDULE 2: PROFESSIONAL FUND RAISERS (PFR)**

Schedule 2, page \_\_\_ of \_\_\_

Did the organization contract with or use the services of any professional fund raisers for fund raising activity in New York State? . . . . .  YES  NO

• If YES, fill out the following schedule for each such arrangement. Use one sheet per arrangement.

1. PFR Contact Information	Name: _____ Address: _____ Phone: _____
2. Contract period	Start Date: _____ End Date: _____
3. Was the contract reviewed and approved by the organization's governing body?	<input type="checkbox"/> YES <input type="checkbox"/> NO
4. How many bids, if any, were reviewed by the organization's governing body prior to engaging the PFR?	
5. Describe the campaign, sale, event and/or services conducted by the PFR.	
6. Describe whether the contract provides for solicitations of new contributors or those who have previously contributed to the organization	
7. Total gross revenue (DO NOT exclude amounts paid to the PFR - i.e., amounts reported on line 8)	\$
8. Amount paid to the PFR	\$
9. Total expenses, other than payments to the PFR reported on line 8	\$
10. Total expenses (line 8 + line 9)	\$
11. Net proceeds retained by the organization (line 7 - line 10)	\$
12. Total uncollected pledges	\$
13. Accounting method used in preparing this report	<input type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other
14. Did the services result in solicitation in New York State?	<input type="checkbox"/> YES <input type="checkbox"/> NO

**SCHEDULE 3: FUND RAISING COUNSEL (FRC)**

Schedule 3, page \_\_\_ of \_\_\_

Did the organization contract with or use the services of any fund raising counsel for fund raising activity in New York State? . . . . .  YES  NO

• If YES, fill out the following schedule for each such arrangement. Use one sheet per arrangement.

1. FRC Contact Information	Name: _____ Address: _____ Phone: _____
2. Contract period	Start Date: _____ End Date: _____
3. Was the contract reviewed and approved by the organization's governing body?	<input type="checkbox"/> YES <input type="checkbox"/> NO
4. Describe the campaign, sale, event and/or services conducted by the FRC	
5. Amount paid to the FRC	\$ _____
6. Did the services result in solicitation in New York State?	<input type="checkbox"/> YES <input type="checkbox"/> NO



## SCHEDULE 4: COMMERCIAL CO-VENTURERS (CCV)

Schedule 4, page \_\_\_ of \_\_\_

Did the organization contract with or use the services of any commercial co-venturer for fund raising activity in New York State? . . . . .

YES  NO

• If YES, fill out the following schedule for each such arrangement. Use one sheet per arrangement.

1. CCV Contact Information	Name: _____ Address: _____ Phone: _____
2. Contract period	Start Date: _____ End Date: _____
3. Was the contract reviewed and approved by the organization's governing body?	<input type="checkbox"/> YES <input type="checkbox"/> NO
4. Describe the campaign, sale, event and/or services conducted by the CCV	
5. Describe briefly the financial terms and conditions of the written contract	
6. Did the organization receive an accounting from the CCV as required by § 173-a(3) of Article 7-A of the Executive Law?	<input type="checkbox"/> YES <input type="checkbox"/> NO

## SCHEDULE 5: ACTIVITY STATEMENTS

1. Have your books/records been audited by or for any government agency/funding source this fiscal year?

YES\*  NO

\*If YES, specify:

Agency/Funding Source: \_\_\_\_\_

Period audited: \_\_\_\_\_

2. Does your organization allocate costs of multipurpose activities among program services, management and general, and fund raising; i.e., Direct Mail, Telethon?

YES\*  NO

\*If YES, See IRS Instructions - Reporting Joint Costs of Multi-Purpose Activities.

3. Did your organization receive donated services or the use of materials, equipment or facilities at no charge or at substantially less than fair rental value?

YES\*  NO

\*If YES, indicate the value: \$ \_\_\_\_\_ . (Do not include this amount as support or as an expense.)

# DOCUMENT ATTACHMENT CHECK-OFF:

Check the boxes for the documents you are attaching:

Article 7-A Filing Fee (Submit only 1 check or money order for the total fee, including any applicable EPTL fee, payable to "NYS Department of Law")

- \$25.00 fee (total support & revenue more than \$250,000)
- \$10.00 fee (total support & revenue \$250,000 or less)
- No Article 7-A fee (total contributions less than \$25,000 and did not engage PFR or FRC) -  
Check Article 7-A Exemption Box on page 1 of CHAR497 or submit CHAR006 (Notice of Annual Filing Exemption)

## Independent Accountant's Report

- Audit Report (total support & revenue more than \$250,000)
- Review Report (total support & revenue \$100,001 to \$250,000)
- No Accountant's Report Required (total support & revenue not more than \$100,000 or contributions received not more than \$25,000 with no PFR/FRC)

## Completed Internal Revenue Service Forms

- |  |  |  |
|--|--|--|
| <input checked="" type="checkbox"/> IRS Form 990               | <input type="checkbox"/> IRS Form 990-EZ               | <input type="checkbox"/> IRS Form 990-PF               |
| <input checked="" type="checkbox"/> Schedule A to IRS Form 990 | <input type="checkbox"/> Schedule A to IRS Form 990-EZ | <input type="checkbox"/> Schedule B to IRS Form 990-PF |
| <input checked="" type="checkbox"/> Schedule B to IRS Form 990 | <input type="checkbox"/> Schedule B to IRS Form 990-EZ | <input type="checkbox"/> IRS Form 990-T                |
| <input type="checkbox"/> IRS Form 990-T                        | <input type="checkbox"/> IRS Form 990-T                |  |

## Additional Documents for Dual Registrants

- EPTL Filing Fee:
- \$25.00 (net worth of less than \$50,000)
  - \$50.00 (net worth of \$50,000 or more, but less than \$250,000)
  - \$100.00 (net worth of \$250,000 or more, but less than \$1,000,000)
  - \$250.00 (net worth of \$1,000,000 or more, but less than \$10,000,000)
  - \$750.00 (net worth of \$10,000,000 or more, but less than \$50,000,000)
  - \$1500.00 (net worth of \$50,000,000 or more)
  - No EPTL fee (total gross receipts less than \$25,000 and assets did not exceed \$25,000 at any time during year) -  
Check EPTL Exemption Box on page 1 of CHAR497 or submit CHAR006 (Notice of Annual Filing Exemption)

- CHAR003 (Securities Schedule) - required if securities are held at any time during the year

## Other Attachments (if any)

List: \_\_\_\_\_  
\_\_\_\_\_

NEW YORK 497 - LINE 5 - OTHER REVENUE

=====

MEMBERSHIP DUES AND ASSESSMENTS .....	76,387.
DIVIDENDS AND INTEREST FROM SECURITIES .....	8,979.
NET GAIN OR (LOSS) FROM SALE OF ASSETS .....	-809.
	-----
TOTAL OTHER REVENUE	84,557.
	=====

NEW YORK 497 - LINE 19 - CHANGES TO NET WORTH OR FUND BALANCES  
 =====

DESCRIPTION =====	AMOUNT =====
OTHER INCREASES IN FUND BALANCES -----	
UNREALIZED GAINS ON INVESTMENTS	12,251.
TOTAL	----- 12,251.
NET CHANGE FOR FUND BALANCES GRAND TOTAL	----- 12,251. =====



**FRANKLIN FURNACE ARCHIVE, INC.**

**FINANCIAL STATEMENTS**

**JULY 31, 2004**

**FRANKLIN FURNACE ARCHIVE, INC.**

**Table of Contents**

**July 31, 2004 and 2003**

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# HECHT AND COMPANY, P.C.

Certified Public Accountants

111 West 40th Street  
New York, NY 10018  
(212) 819-8000  
Fax: (212) 302-0973

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Franklin Furnace Archive, Inc.

We have audited the accompanying statements of financial position of Franklin Furnace Archive, Inc. as of July 31, 2004 and 2003 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of Franklin Furnace Archive, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 audits provide 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 Franklin Furnace Archive, Inc. as of July 31, 2004 and 2003 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

January 13, 2005

Hecht And Company P.C.

**FRANKLIN FURNACE ARCHIVE, INC.**  
**Statements of Financial Position**  
**July 31, 2004 and 2003**

	<u>2004</u>	<u>2003</u>
<b>ASSETS</b>		
Cash	\$ 33,464	\$ 61,556
Certificate of deposit (Note 5)	50,000	50,000
Grants receivable (Note 2)	52,500	37,000
Investment in securities (Note 3)	272,442	253,121
Due from employee	-	1,000
Prepaid expenses	2,500	528
Works of art	17,300	20,800
Property and equipment, at cost, less accumulated depreciation (Note 4)	2,692	2,307
Security deposits	<u>8,357</u>	<u>3,345</u>
Total assets	<u>\$ 439,255</u>	<u>\$ 429,657</u>
<b>LIABILITIES</b>		
Note payable (Note 5)	\$ 61,144	\$ 46,754
Accounts payable and other liabilities	25,508	17,282
Payroll taxes payable	<u>9,464</u>	<u>11,407</u>
Total liabilities	<u>96,116</u>	<u>75,443</u>
<b>Commitments and contingencies (Note 6)</b>		
<b>NET ASSETS</b>		
Unrestricted	290,639	317,214
Temporarily restricted	<u>52,500</u>	<u>37,000</u>
Total net assets	<u>343,139</u>	<u>354,214</u>
Total liabilities and net assets	<u>\$ 439,255</u>	<u>\$ 429,657</u>

**FRANKLIN FURNACE ARCHIVE, INC.**  
**Statements of Activities**  
**For the Years Ended July 31, 2004 and 2003**

	<u>2004</u>	<u>2003</u>
<b>Changes in unrestricted net assets</b>		
Unrestricted revenues and gains (losses)		
Foundations and corporations	\$ 73,739	\$ 65,500
Government grants	79,100	38,585
Membership and individual	76,387	57,265
Interest, dividends and other income	9,011	13,597
Unrealized gain on securities	12,251	15,806
Realized losses on securities, net	(809)	(1,321)
Total unrestricted revenues and gains	<u>249,679</u>	<u>189,432</u>
Net assets released from restrictions		
Satisfaction of program restrictions	<u>37,000</u>	<u>55,500</u>
Total unrestricted revenues and other support	<u>286,679</u>	<u>244,932</u>
Expenses		
Visual arts	204,282	158,240
Education	21,028	23,909
Management and general	78,942	79,590
Fund raising	9,002	13,681
Total expenses	<u>313,254</u>	<u>275,420</u>
Decrease in unrestricted net assets	<u>(26,575)</u>	<u>(30,488)</u>
<b>Changes in temporarily restricted net assets</b>		
Foundation grants	52,500	37,000
Net assets released from restrictions	<u>(37,000)</u>	<u>(55,500)</u>
Increase (decrease) in temporarily restricted net assets	<u>15,500</u>	<u>(18,500)</u>
Decrease in net assets	(11,075)	(48,988)
Net assets - beginning	<u>354,214</u>	<u>403,202</u>
Net assets - end	<u>\$ 343,139</u>	<u>\$ 354,214</u>

**FRANKLIN FURNACE ARCHIVE, INC.**  
**Statements of Cash Flows**  
**For the Years Ended July 31, 2004 and 2003**

	<u>2004</u>	<u>2003</u>
<b>Cash flows from operating activities</b>		
Decrease in net assets	\$ (11,075)	\$ (48,988)
Adjustments to reconcile decrease in net assets to net cash used in operating activities:		
Depreciation	1,465	2,042
Unrealized gain on securities	(12,251)	(15,806)
Realized loss from securities	809	1,321
Changes in operating assets and liabilities:		
Decrease (increase) in grants receivable	(15,500)	18,500
Decrease (increase) in due from employee	1,000	(400)
Increase in prepaid expenses	(1,972)	(528)
Decrease in works of art	3,500	24,000
Increase in security deposits	(5,012)	-
Increase (decrease) in payroll taxes payable	(1,943)	7,166
Increase (decrease) in accounts payable other liabilities	8,226	(48,735)
Total adjustments	<u>(21,678)</u>	<u>(12,440)</u>
Net cash used in operating activities	<u>(32,753)</u>	<u>(61,428)</u>
<b>Cash flows from investing activities</b>		
Acquisition of property and equipment	(1,850)	(952)
Purchase of marketable securities	(97,759)	-
Proceeds from sale of marketable securities	89,880	124,052
Net cash provided by (used in) investing activities	<u>(9,729)</u>	<u>123,100</u>
<b>Cash flows from financing activities</b>		
Proceeds of note payable	26,000	-
Payment of note payable	(11,610)	(746)
Net cash provided by (used in) financing activities	<u>14,390</u>	<u>(746)</u>
<b>Net increase (decrease) in cash</b>	(28,092)	60,926
<b>Cash - beginning</b>	<u>61,556</u>	<u>630</u>
<b>Cash - end</b>	<u>\$ 33,464</u>	<u>\$ 61,556</u>
<b>Supplemental disclosures of cash flow information</b>		
Interest paid	<u>\$ 2,290</u>	<u>\$ 4,767</u>

**FRANKLIN FURNACE ARCHIVE, INC.**  
**Notes to Financial Statements**  
**July 31, 2004 and 2003**

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**Note 1 - Summary of Significant Accounting Policies**

**Business**

Franklin Furnace Archive, Inc. (the "Organization") is a non-profit corporation chartered by the State of New York. Franklin Furnace Archive, Inc. provides a public archive of books produced by artists as artworks, and maintains an exhibition space for such works; catalogs and preserves examples of artists' books; curates and rents traveling exhibits of artists' books; exhibits rare artists' books and collections seldom seen by the public; provides performance space for artist-writers; provides information and encourages exchange of information between the artistic community and the public. The Organization receives its funding primarily from government, foundation and corporate sponsors.

**Fair Value of Financial Instruments**

The carrying amount of cash, certificate of deposit, grants receivable and accounts payable and other liabilities reported in the statement of financial position approximates fair value due to the short-term maturity of these financial instruments. The carrying amount of note payable approximates fair value as it bears market interest rates.

**Promises To Give**

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The Organization uses the allowance method to determine uncollectible promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

**FRANKLIN FURNACE ARCHIVE, INC.**  
**Notes to Financial Statements**  
**July 31, 2004 and 2003**

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**Note 1 - Summary of Significant Accounting Policies (continued)**

**Investment in Securities**

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statement of financial position. Unrealized gains or losses are included in the statement of activities.

**Property and Equipment**

Property and equipment are stated at cost. Depreciation is provided by the straight-line or accelerated method over the estimated useful lives of the assets.

**Concentration of Credit Risk**

Financial instruments that potentially subject the Organization to credit risk consist principally of cash in financial institutions, which from time to time, exceeds Federal deposit insurance limits.

**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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Income Taxes**

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

**Note 2 - Grants Receivable**

Grants receivable consist of the following:

	<u>2004</u>	<u>2003</u>
The Andy Warhol Foundation for the Visual Arts, Inc.	\$ 50,000	\$ -
Altria Group	2,500	-
Jerome Foundation	-	37,000
	<u>\$ 52,500</u>	<u>\$ 37,000</u>

**FRANKLIN FURNACE ARCHIVE, INC.**  
**Notes to Financial Statements**  
**July 31, 2004 and 2003**

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**Note 3 - Investment in Securities**

As of July 31, 2004, investments are stated at fair value and consist of the following:

	<u>Cost</u>	<u>Fair Value</u>
Corporate bonds	\$ 26,082	\$ 26,463
International bonds	73,871	73,382
Mutual funds	133,508	120,005
Cash management fund	52,592	52,592
	<u>\$ 286,053</u>	<u>\$ 272,442</u>

**Note 4 - Property and Equipment**

Property and equipment consist of the following:

	<u>2004</u>	<u>2003</u>
Office equipment	\$ 7,851	\$ 6,001
Furniture and fixtures	20,453	20,453
Computer and video equipment	27,852	27,852
	<u>56,156</u>	<u>54,306</u>
Accumulated depreciation	53,464	51,999
	<u>\$ 2,692</u>	<u>\$ 2,307</u>

**Note 5 - Note Payable**

In May 2004, the Organization refinanced its existing obligation with the Nonprofit Finance Fund, which is payable in 60 monthly payments, through May 1, 2009, with interest at the rate of 1% per annum. The obligation is collateralized by a \$50,000 certificate of deposit.

**FRANKLIN FURNACE ARCHIVE, INC.**  
**Notes to Financial Statements**  
**July 31, 2004 and 2003**

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**Note 5 - Note Payable (continued)**

Maturities of note payable for the next five years are as follows:

<u>Year ending July 31,</u>	<u>Amount</u>
2005	\$ 12,632
2006	12,759
2007	12,887
2008	13,017
2008	9,849
	<u>\$ 61,144</u>

**Note 6 - Commitments and Contingencies**

**Leases**

The Organization conducts its operations from facilities leased under operating leases expiring through September 2014. Future minimum annual payments required under the noncancelable operating leases having terms in excess of one year as of July 31, 2004 for each of the next five years and in the aggregate are:

<u>Year ended July 31,</u>	<u>Amount</u>
2005	\$ 29,107
2006	20,549
2007	21,166
2008	21,801
2009	22,455
Subsequent to 2009	127,151
Total minimum future rental payments	<u>\$ 242,229</u>

Rent expense for the years ended July 31, 2004 and 2003 amounted to \$18,725 and \$16,409 respectively.

**Governmental Projects**

Government supported projects are subject to audit by the applicable government granting agencies.



**SUPPLEMENTARY INFORMATION**

**FRANKLIN FURNACE ARCHIVE, INC.**  
**Schedule of Functional Expenses**  
**For the Year Ended July 31, 2004**

	Visual Arts	Education	Management and General	Fund Raising	Total
Salaries and payroll taxes	\$ 40,989	\$ 10,247	\$ 46,112	\$ 5,123	\$ 102,471
Honoraria	93,034	8,000	-	-	101,034
Consulting	34,384	-	5,404	-	39,788
Public relations and advertising	1,350	-	-	-	1,350
Utilities	801	-	1,033	458	2,292
Postage and printing	40	-	1,144	272	1,456
Supplies	5,934	-	4,153	-	10,087
Telephone	1,096	313	1,057	668	3,134
Professional fees	9,988	-	4,131	-	14,119
Insurance	2,178	-	1,925	169	4,272
Office expense and maintenance	8,074	2,018	7,781	2,312	20,185
Documentation	692	-	-	-	692
Travel	2,347	-	288	-	2,635
Storage	3,375	450	675	-	4,500
Interest, fees and bank charges	-	-	2,788	-	2,788
Miscellaneous	-	-	986	-	986
Expenses before depreciation	204,282	21,028	77,477	9,002	311,789
Depreciation	-	-	1,465	-	1,465
Total functional expenses	\$ 204,282	\$ 21,028	\$ 78,942	\$ 9,002	\$ 313,254

**FRANKLIN FURNACE ARCHIVE, INC.**  
**Schedule of Functional Expenses**  
**For the Year Ended July 31, 2003**

	Visual Arts	Education	Management and General	Fund Raising	Total
Salaries and payroll taxes	\$ 32,072	\$ 14,661	\$ 41,235	\$ 3,665	\$ 91,633
Honoraria	68,390	6,296	-	-	74,686
Consulting	20,485	-	1,590	-	22,075
Public relations and advertising	2,132	-	-	5,011	7,143
Utilities	734	-	947	420	2,101
Postage and printing	1,608	-	1,621	1,280	4,509
Supplies	16,958	-	7,766	-	24,724
Telephone	1,888	539	1,824	1,148	5,399
Professional fees	-	-	8,328	-	8,328
Insurance	1,432	-	1,266	111	2,809
Office expense and maintenance	6,834	1,708	6,586	1,957	17,085
Documentation	334	-	-	-	334
Travel	1,871	-	29	-	1,900
Storage	2,206	653	1,111	-	3,970
Interest, fees and bank charges	-	-	5,032	-	5,032
Miscellaneous	1,296	52	213	89	1,650
Expenses before depreciation	158,240	23,909	77,548	13,681	273,378
Depreciation	-	-	2,042	-	2,042
Total functional expenses	\$ 158,240	\$ 23,909	\$ 79,590	\$ 13,681	\$ 275,420

*See Independent Auditor's Report*