

Form

**990**Department of the Treasury  
Internal Revenue Service**Return of Organization Exempt From Income Tax**  
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung  
benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No. 1545-0047

**2005**Open to Public  
Inspection**A** For the 2005 calendar year, or tax year beginning **7/01/05**, and ending **6/30/06****B** Check if applicable:☐ Address change☐ Name change☐ Initial return☐ Final return☐ Amended return☐ Application pendingPlease  
use IRS  
label or  
print or  
type.  
See  
Specific  
Instruc-  
tions.**C** Name of organization**THE BROWNING SCHOOL**

Number and street (or P O box if mail is not delivered to street address)

**52 E. 62nd STREET**

Room/suite

City or town, state or country, and ZIP + 4

**NEW YORK****NY 10021-8024****D** Employer identification no.**13-1623918****E** Telephone number**212-838-6280****F** Accounting method: ☐ Cash☒ Accrual ☐ Other (specify)

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

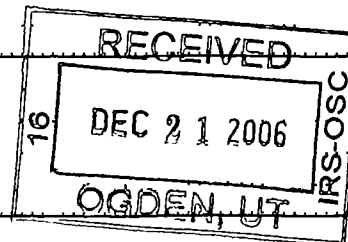
H and are not applicable to section 527 organizations. I

**H(a)** Is this a group return for affiliates? ☐ Yes ☒ No**H(b)** If "Yes," enter number of affiliates ▶**H(c)** Are all affiliates included? ☐ Yes ☐ No

(If "No," attach a list. See instr.)

**H(d)** Is this a separate return filed by anorganization covered by a group ruling? ☐ Yes ☐ No**I** Group Exemption Number ▶**M** Check ☐ if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF)**G** Website: ▶ **BROWNING.EDU/****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 chooses to file a return, be sure to file a complete return. Some states require a complete return.**L** Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **15,160,158****Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)**

<b>1</b> Contributions, gifts, grants, and similar amounts received				
<b>a</b> Direct public support	<b>1a</b>	<b>1,853,416</b>		
<b>b</b> Indirect public support	<b>1b</b>			
<b>c</b> Government contributions (grants)	<b>1c</b>			
<b>d</b> Total (add lines 1a through 1c) (cash \$ <b>1,736,983</b> noncash \$ <b>116,433</b> )	<b>1d</b>		<b>1,853,416</b>	
<b>2</b> Program service revenue including government fees and contracts (from Part VII, line 93)	<b>2</b>		<b>10,718,404</b>	
<b>3</b> Membership dues and assessments	<b>3</b>		<b>82,290</b>	
<b>4</b> Interest on savings and temporary cash investments	<b>4</b>			
<b>5</b> Dividends and interest from securities	<b>5</b>		<b>531,876</b>	
<b>6a</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>8a</b> Gross amount from sales of assets other than inventory	(A) Securities		(B) Other	
	<b>1,974,172</b>	<b>8a</b>		
<b>b</b> Less: cost or other basis and sales expenses	<b>1,936,350</b>	<b>8b</b>		
<b>c</b> Gain or (loss) (attach schedule)	<b>37,822</b>	<b>8c</b>		
<b>d</b> Net gain or (loss) (combine line 8c, columns (A) and (B))	<b>See Stmt 2</b>	<b>8d</b>	<b>37,822</b>	
<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>10a</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>		<b>13,223,808</b>	
<b>13</b> Program services (from line 44, column (B))	<b>13</b>		<b>7,511,012</b>	
<b>14</b> Management and general (from line 44, column (C))	<b>14</b>		<b>3,473,021</b>	
<b>15</b> Fundraising (from line 44, column (D))	<b>15</b>		<b>744,933</b>	
<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>		<b>11,728,966</b>	
<b>18</b> Excess or (deficit) for the year (subtract line 17 from line 12)	<b>18</b>		<b>1,494,842</b>	
<b>19</b> Net assets or fund balances at beginning of year (from line 73, column (A))	<b>19</b>		<b>17,603,508</b>	
<b>20</b> Other changes in net assets or fund balances (attach explanation)	<b>20</b>		<b>678,869</b>	
<b>21</b> Net assets or fund balances at end of year (combine lines 18, 19, and 20)	<b>21</b>		<b>19,777,219</b>	



**Part II Statement of Functional Expenses**

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22				
23 Specific assistance to individuals (attach schedule) <input type="checkbox"/>	23				
24 Benefits paid to or for members (attach schedule)	24				
25 Compensation of officers, directors, etc.	25				
26 Other salaries and wages	26	5,909,458	3,508,487	2,001,655	399,316
27 Pension plan contributions	27	275,527	183,226	72,204	20,097
28 Other employee benefits	28				
29 Payroll taxes	29	445,707	309,492	107,231	28,984
30 Professional fundraising fees	30				
31 Accounting fees	31	25,885		25,885	
32 Legal fees	32	22,928		22,928	
33 Supplies	33	73,009	65,595	3,707	3,707
34 Telephone	34	36,741		36,741	
35 Postage and shipping	35	47,673		47,673	
36 Occupancy	36				
37 Equipment rental and maintenance	37				
38 Printing and publications	38	37,661	37,661		
39 Travel	39				
40 Conferences, conventions, and meetings	40	7,020		7,020	
41 Interest	41	120,318		120,318	
42 Depreciation, depletion, etc. (attach schedule)	42	260,285		260,285	
43 Other expenses not covered above (itemize): a See Statement 4 b c d e f g	43a 43b 43c 43d 43e 43f 43g	4,466,754      	3,406,551      	767,374      	292,829      
44 Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	11,728,966	7,511,012	3,473,021	744,933

Joint Costs. Check ☐ if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?

☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs \$ \_\_\_\_\_

(ii) the amount allocated to Program services \$ \_\_\_\_\_

(iii) the amount allocated to Management and general \$ \_\_\_\_\_

and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_

**Part III Statement of Program Service Accomplishments (See the instructions.)**

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose?

**► OPERATION OF AN EDUCATIONAL INSTITUTION**

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) & (4) orgs., & 4947(a)(1) trusts, but optional for others.)

**a CHARTERED BOYS SCHOOL WITH GRADES FROM PRE-PRIMARY THROUGH FOURTH YEAR HIGH SCHOOL.**

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

**7,511,012**

**b**

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

**c**

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

**d**

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

**e Other program services (attach schedule)**

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

**f Total of Program Service Expenses (should equal line 44, column (B), Program services)**

**7,511,012**

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**Part IV Balance Sheets** (See the instructions.)**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only

		(A) Beginning of year		(B) End of year
<b>Assets</b>	45 Cash-non-interest-bearing	821,477	45	901,065
	46 Savings and temporary cash investments	849,545	46	1,009,957
	47a Accounts receivable	140,127		
	b Less: allowance for doubtful accounts	10,000	47c	130,127
	48a Pledges receivable			
	b Less: allowance for doubtful accounts		48c	
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a Other notes and loans receivable (attach schedule)			
	b Less: allowance for doubtful accounts		51c	
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges	48,103	53	41,033
	54 Investments-securities <b>See Statement 5</b> <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	7,890,604	54	10,298,517
	55a Investments-land, buildings, and equipment basis			
b Less: accumulated depreciation (attach schedule)		55c		
56 Investments-other (attach schedule)		56		
57a Land, buildings, and equipment basis	11,411,534			
b Less: accumulated depreciation (attach schedule) <b>See Statement 6</b>	5,111,717	57c	6,299,817	
58 Other assets (describe <b>See Statement 7</b> )	5,398,184	58	6,381,219	
59 <b>Total assets</b> (must equal line 74) Add lines 45 through 58	21,401,468	59	25,061,735	
<b>Liabilities</b>	60 Accounts payable and accrued expenses	847,545	60	719,230
	61 Grants payable		61	
	62 Deferred revenue <b>See Statement 8</b>	1,442,042	62	1,417,612
	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) <b>See Worksheet</b>	1,255,423	64b	2,994,388
	65 Other liabilities (describe <b>See Statement 9</b> )	252,950	65	153,286
66 <b>Total liabilities.</b> Add lines 60 through 65	3,797,960	66	5,284,516	
<b>Net Assets or Fund Balances</b>	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
	67 Unrestricted	12,213,956	67	14,025,208
	68 Temporarily restricted	1,547,310	68	2,294,640
	69 Permanently restricted	3,842,242	69	3,457,371
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 <b>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)	17,603,508	73	19,777,219
74 <b>Total liabilities and net assets/fund balances.</b> Add lines 66 and 73	21,401,468	74	25,061,735	

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

a	Total revenue, gains, and other support per audited financial statements	a	12,530,984
b	Amounts included on line a but not on Part I, line 12		
1	Net unrealized gains on investments	b1	446,767
2	Donated services and use of facilities	b2	
3	Recoveries of prior year grants	b3	
4	Other (specify)	b4	
	Add lines b1 through b4	b	446,767
c	Subtract line b from line a	c	12,084,217
d	Amounts included on Part I, line 12, but not on line a:		
1	Investment expenses not included on Part I, line 6b	d1	
2	Other (specify)	d2	See Stmt 10 1,139,591
	Add lines d1 and d2	d	1,139,591
e	Total revenue (Part I, line 12) Add lines c and d	e	13,223,808

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

a	Total expenses and losses per audited financial statements	a	10,589,375
b	Amounts included on line a but not Part I, line 17.		
1	Donated services and use of facilities	b1	
2	Prior year adjustments reported on Part I, line 20	b2	
3	Losses reported on Part I, line 20	b3	
4	Other (specify)	b4	
	Add lines b1 through b4	b	
c	Subtract line b from line a	c	10,589,375
d	Amounts included on Part I, line 17, but not on line a:		
1	Investment expenses not included on Part I, line 6b	d1	
2	Other (specify)	d2	See Stmt 11 1,139,591
	Add lines d1 and d2	d	1,139,591
e	Total expenses (Part I, line 17) Add lines c and d	e	11,728,966

**Part V-A Current Officers, Directors, Trustees, and Key Employees** (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contrib to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
JAMES S CHANOS 52 E. 62ND ST. NEW YORK NY 10021	PRESIDENT 0	0	0	0
PAUL J FRIBOURG 52 E. 62ND ST. NEW YORK NY 10021	VICE-PRES 0	0	0	0
SAMUEL J WEINHOFF 52 E. 62ND ST. NEW YORK NY 10021	VICE-PRES 0	0	0	0
LOIS L HUTZLER 52 E. 62ND ST. NEW YORK NY 10021	SECRETARY 0	0	0	0
R. THOMAS HERMAN 52 E. 62ND ST. NEW YORK NY 10021	ASST SEC 0	0	0	0
JOHN G LINDENTHAL 52 E. 62ND ST. NEW YORK NY 10021	TREASURER 0	0	0	0
RICHARD L WEAVER 52 E. 62ND ST. NEW YORK NY 10021	ASST TREAS 0	0	0	0

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

	Yes	No
<b>75a</b> Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings <span style="float: right;">▶</span>		
<b>b</b> Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)	<b>75b</b>	<b>X</b>
<b>c</b> Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to this organization through common supervision or common control? <b>Note.</b> Related organizations include section 509(a)(3) supporting organizations	<b>75c</b>	<b>X</b>
If "Yes," attach a statement that identifies the individuals, explains the relationship between this organization and the other organization(s), and describes the compensation arrangements, including amounts paid to each individual by each related organization		
<b>d</b> Does the organization have a written conflict of interest policy?	<b>75d</b>	<b>X</b>

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

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

(A) Name and address	(B) Loans and Advances	(C) Compensation	(D) Contrib to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
N/A				

**Part VI Other Information (See the instructions.)**

	Yes	No
<b>76</b> Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	<b>76</b>	<b>X</b>
<b>77</b> Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes	<b>77</b>	<b>X</b>
<b>78a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	<b>78a</b>	<b>X</b>
<b>b</b> If "Yes," has it filed a tax return on Form 990-T for this year?	<b>78b</b>	
<b>79</b> Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	<b>79</b>	<b>X</b>
<b>80a</b> 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?	<b>80a</b>	<b>X</b>
<b>b</b> If "Yes," enter the name of the organization <span style="float: right;">▶</span> and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
<b>81a</b> Enter direct and indirect political expenditures (See line 81 instructions)	<b>81a</b>	
<b>b</b> Did the organization file Form 1120-POL for this year?	<b>81b</b>	<b>X</b>

**Part VI Other Information (continued)**

		Yes	No
<b>82a</b>	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?		<b>X</b>
<b>b</b>	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III.)		
<b>82b</b>			
<b>83a</b>	Did the organization comply with the public inspection requirements for returns and exemption applications?	<b>X</b>	
<b>b</b>	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	<b>X</b>	
<b>83b</b>			
<b>84a</b>	Did the organization solicit any contributions or gifts that were not tax deductible?		<b>X</b>
<b>b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
<b>84b</b>			
<b>85</b>	501(c)(4), (5), or (6) organizations <b>a</b> Were substantially all dues nondeductible by members?	<b>N/A</b>	
<b>b</b>	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year	<b>N/A</b>	
<b>85a</b>			
<b>85b</b>			
<b>c</b>	Dues, assessments, and similar amounts from members		
<b>85c</b>			
<b>d</b>	Section 162(e) lobbying and political expenditures		
<b>85d</b>			
<b>e</b>	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
<b>85e</b>			
<b>f</b>	Taxable amount of lobbying and political expenditures (line 85d less 85e)		
<b>85f</b>			
<b>g</b>	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	<b>N/A</b>	
<b>85g</b>			
<b>h</b>	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	<b>N/A</b>	
<b>85h</b>			
<b>86</b>	501(c)(7) orgs Enter <b>a</b> Initiation fees and capital contributions included on line 12		
<b>86a</b>			
<b>b</b>	Gross receipts, included on line 12, for public use of club facilities		
<b>86b</b>			
<b>87</b>	501(c)(12) orgs Enter <b>a</b> Gross income from members or shareholders		
<b>87a</b>			
<b>b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
<b>87b</b>			
<b>88</b>	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		<b>X</b>
<b>89a</b>	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 <b>0</b> , section 4912 <b>0</b> , section 4955 <b>0</b>		
<b>b</b>	501(c)(3) and 501(c)(4) orgs Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		<b>X</b>
<b>89b</b>			
<b>c</b>	Enter Amount of tax imposed on the organization managers or disqualified persons during the year sections 4912, 4955, and 4958		<b>0</b>
<b>d</b>	Enter Amount of tax on line 89c, above, reimbursed by the organization		<b>0</b>
<b>90a</b>	List the states with which a copy of this return is filed <b>NY</b>		
<b>b</b>	Number of employees employed in the pay period that includes March 12, 2005 (See instructions.)	<b>90b</b>	<b>93</b>
<b>91a</b>	The books are in care of <b>GERARD PLASSE</b> <b>52 E. 62nd ST.</b> Located at <b>NEW YORK, NY</b>	Telephone no <b>212-838-6280</b>	ZIP + 4 <b>10021-8024</b>
<b>b</b>	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	<b>91b</b>	<b>X</b>
	If "Yes," enter the name of the foreign country		
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts		
	At any time during the calendar year, did the organization maintain an office outside of the United States?	<b>91c</b>	<b>X</b>
<b>c</b>	If "Yes," enter the name of the foreign country		
<b>92</b>	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	<b>92</b>	<input type="checkbox"/>

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

Note: Enter gross amounts unless otherwise

indicated

	Unrelated business income		Excluded by sec. 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a See Statement 12					10,718,404
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					82,290
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities					531,876
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					37,822
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0		0	11,370,392
105 Total (add line 104, columns (B), (D), and (E))					11,370,392

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I

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

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93a	ALL THE ABOVE ACTIVITIES ARE NECESSARY
96	FOR THE OPERATION OF A FULL FUNCTION
100	SCHOOL FROM GRADE K THROUGH GRADE 12.

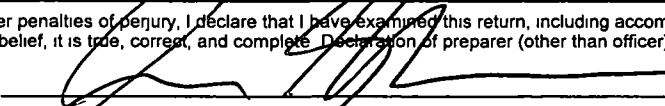
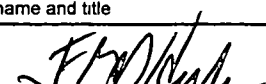
**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

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

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)

Please Sign Here	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 12/12/2006	
Type or print name and title James S. Chavos, President, Board of Trustees				
Paid Preparer's Use Only	Preparer's signature 	Date 11/06/06	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN (See Gen. Instr. W) 056-34-4124
	Firm's name (or yours if self-employed), address, and ZIP + 4 O'Keefe & Company 115 Broadway Hicksville, NY 11801	EIN 11-3058514	Phone no 516-935-1211	



**SCHEDULE A**  
**(Form 990 or 990-EZ)****Organization Exempt Under Section 501(c)(3)**(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n),  
or 4947(a)(1) Nonexempt Charitable Trust

OMB No 1545-0047

**2005**Department of the Treasury  
Internal Revenue Service**Supplementary Information-(See separate instructions.)**  
▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization

**THE BROWNING SCHOOL**Employer identification number  
**13-1623918****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) Comp	(d) Contrib to empl ben plans & deferred comp	(e) Expense account & other allowances
STEPHEN M CLEMENT III 52 E. 62ND ST. NEW YORK NY 10021	HEADMASTER 40	461,040	10,727	0
GERARD PLASSE 52 E. 62ND ST. NEW YORK NY 10021	FINANCE DIRECTOR 40	246,923	11,314	0
JACQUELINE CASEY 52 E. 62ND ST. NEW YORK NY 10021	DIR OF ADMISSIONS 40	158,020	7,875	0
MARTIN HAASE 52 E. 62ND ST. NEW YORK NY 10021	DIR OF DEVELOPMNT 40	150,495	7,500	0
LAURIE GRUHN 52 E. 62ND ST. NEW YORK NY 10021	ASST HEAD OF SCHOOL 40	137,814	6,825	0
Total number of other employees paid over \$50,000 ▶	<b>47</b>			

**Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services ▶		

**Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services**

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over \$50,000 for other services ▶		

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

Schedule A (Form 990 or 990-EZ) 2005

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

Yes No

- 1** During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ \_\_\_\_\_ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B)

1 X

Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.

- 2** During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)

- a** Sale, exchange, or leasing of property?  
**b** Lending of money or other extension of credit?  
**c** Furnishing of goods, services, or facilities?  
**d** Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?

2a X

2b X

2c X

2d X

**See Statement 13**

- e** Transfer of any part of its income or assets?

2e X

- 3a** Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)

**See Statement 14**

3a X

- b** Do you have a section 403(b) annuity plan for your employees?

3b X

- c** During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?

3c X

- 4a** Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?

4a X

- b** Do you provide credit counseling, debt management, credit repair, or debt negotiation services?

4b X

**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. Section 170(b)(1)(A)(i)  
**6** ☒ A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)  
**7** ☐ A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii)  
**8** ☐ A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v)  
**9** ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city,

and state ►

- 10** ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)  
**11a** ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)  
**11b** ☐ A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)  
**12** ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions-subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)  
**13** ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and 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). Check the box that describes the type of supporting organization: ☐ Type 1 ☐ Type 2 ☐ Type 3

Provide the following information about the supported organizations. (See page 6 of the instructions.)

(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) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
<b>15</b> Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)					
<b>16</b> Membership fees received					
<b>17</b> 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					
<b>18</b> 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					
<b>19</b> Net income from unrelated business activities not included in line 18					
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
<b>21</b> 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.					
<b>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.					
<b>23</b> Total of lines 15 through 22					
<b>24</b> Line 23 minus line 17					
<b>25</b> Enter 1% of line 23					
<b>26 Organizations described on lines 10 or 11:</b> a Enter 2% of amount in column (e), line 24					▶ <b>26a</b>
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 2001 through 2004 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					▶ <b>26b</b>
c Total support for section 509(a)(1) test. Enter line 24, column (e)					▶ <b>26c</b>
d Add: Amounts from column (e) for lines 18 _____ 19 _____ 22 _____ 26b _____					▶ <b>26d</b>
e Public support (line 26c minus line 26d total)					▶ <b>26e</b>
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					▶ <b>26f</b> %
<b>27 Organizations described on line 12:</b> 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					
(2004)	(2003)	(2002)	(2001)	<b>N/A</b>	
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 the amount on line 25 for the year or of (1) (2) \$5,000 (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year:					
(2004)	(2003)	(2002)	(2001)	<b>N/A</b>	
c Add: Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					▶ <b>27c</b>
d Add: Line 27a total _____ and line 27b total _____					▶ <b>27d</b>
e Public support (line 27c total minus line 27d total)					▶ <b>27e</b>
f Total support for section 509(a)(2) test. Enter amount from line 23, column (e)					▶ <b>27f</b>
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					▶ <b>27g</b> %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					▶ <b>27h</b> %
<b>28 Unusual Grants:</b> For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, 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.)  
**(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

	Yes	No
<b>29</b> 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?	<b>X</b>	
<b>30</b> 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?	<b>X</b>	
<b>31</b> 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 ) <b>ANNUALLY PUBLISH STATEMENT OF RACIALLY NON-DISCRIMINATORY POLICY IN THE "NEW YORK TIMES"</b>	<b>X</b>	
<b>32</b> Does the organization maintain the following:		
<b>a</b> Records indicating the racial composition of the student body, faculty, and administrative staff?	<b>X</b>	
<b>b</b> Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	<b>X</b>	
<b>c</b> Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	<b>X</b>	
<b>d</b> Copies of all material used by the organization or on its behalf to solicit contributions?	<b>X</b>	
If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement )		
<b>33</b> Does the organization discriminate by race in any way with respect to:		
<b>a</b> Students' rights or privileges?		<b>X</b>
<b>b</b> Admissions policies?		<b>X</b>
<b>c</b> Employment of faculty or administrative staff?		<b>X</b>
<b>d</b> Scholarships or other financial assistance?		<b>X</b>
<b>e</b> Educational policies?		<b>X</b>
<b>f</b> Use of facilities?		<b>X</b>
<b>g</b> Athletic programs?		<b>X</b>
<b>h</b> Other extracurricular activities?		<b>X</b>
If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement )		
<b>34a</b> Does the organization receive any financial aid or assistance from a governmental agency?	<b>X</b>	
<b>b</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		<b>X</b>
<b>35</b> 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	<b>X</b>	

See Statement 15

**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) **N/A**

Check <b>a</b>	if the organization belongs to an affiliated group	Check <b>b</b>	if you checked "a" and "limited control" provisions apply
----------------	--	----------------	---

<b>Limits on Lobbying Expenditures</b>		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term "expenditures" means amounts paid or incurred )			
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-			
If the amount on line 40 is-	The lobbying nontaxable amount is-		
Not over \$500,000	20% of the amount on line 40		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000		
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000		
Over \$17,000,000	\$1,000,000		
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44		

**Caution:** If there is an amount on either line 43 or line 44, you must file Form 4720

**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below

See the instructions for lines 45 through 50 on page 11 of the instructions )

Calendar year (or fiscal year beginning in) ►	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(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 11 of the instructions.) **N/A**

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

- a Volunteers
- b Paid staff or management (Include compensation in expenses reported on lines through c h.)
- c Media advertisements
- d Mailings to members, legislators, or the public
- e Publications, or published or broadcast statements
- f Grants to other organizations for lobbying purposes
- g Direct contact with legislators, their staffs, government officials, or a legislative body
- h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
- i Total lobbying expenditures (Add lines through c h.)

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

Yes	No	Amount

**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?

**a Transfers from the reporting organization to a noncharitable exempt organization of**

(i) **Cash**

**(ii) Other assets**

**b 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**

**c 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.

	Yes	No
51a(i)		<b>X</b>
a(ii)		<b>X</b>
b(i)		<b>X</b>
b(ii)		<b>X</b>
b(iii)		<b>X</b>
b(iv)		<b>X</b>
b(v)		<b>X</b>
b(vi)		<b>X</b>
c		<b>X</b>

[illegible]

**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

**b** If "Yes," complete the following schedule

[illegible]

Forms <b>990 / 990-PF</b>	<b>Mortgages and Other Notes Payable</b>	<b>2005</b>
For calendar year 2005, or tax year beginning <b>7/01/05</b> , and ending <b>6/30/06</b>		
Name  <b>THE BROWNING SCHOOL</b>		Employer Identification Number  <b>13-1623918</b>

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

Name of lender	Relationship to disqualified person
(1) MORTGAGE LOAN (1ST)-HSBC	
(2) MORTGAGE LOAN (2ND)-HSBC	
(3) NCB - 1st MORTGAGE	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

Security provided by borrower	Purpose of loan
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Consideration furnished by lender	Balance due at beginning of year	Balance due at end of year
(1)	829,800	
(2)	425,623	
(3)		2,994,388
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
<b>Totals</b>	<b>1,255,423</b>	<b>2,994,388</b>

13-1623918

**Federal Statements**

FYE: 6/30/2006

**Statement 1 - Form 990, Part I, Line 3 - Membership Dues and Assessments**

<u>Description</u>	<u>Amount</u>
PARENTS ASSOC DUES	\$ 82,290
Total	<u>\$ 82,290</u>



## Federal Statements

Statement 2 - Form 990, Part I, Line 8c - Sale of Assets Other Than Inventory - Securities

Desc		How Rec'd	Whom Sold	Date Acquired	Date Sold	Sale Price	Cost & Expense	Deprec	Gain/ -Loss
Publicly Traded Securities									
						\$1,974,172	\$1,936,350	\$	37,822
Total						\$1,974,172	\$1,936,350	\$0	37,822

**Federal Statements****Statement 3 - Form 990, Line 20 - Other Changes in Net Assets or Fund Balances**

<u>Description</u>	<u>Amount</u>
Net Unrealized Gains on Investments	\$ 446,767
PRIOR YEAR ADJUSTMENT	<u>232,102</u>
Total	<u>\$ 678,869</u>

13-1623918

**Federal Statements**

FYE: 6/30/2006

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

Description	Total Expenses	Program Service	Mgt & General	Fund- Raising
	\$	\$	\$	\$
Expenses				
PARENTS ASSOC EXPENSES	177,426	177,426		
INSURANCE	837,326	518,052	259,328	59,946
SCHOLARSHIP EXPENSE	1,139,591	1,139,591		
LUNCH EXPENSE	348,114	348,114		
REPAIRS & MAINTENANCE	231,829	185,463	23,183	23,183
TEXTBOOKS EXPENSE	170,209	170,209		
UTILITIES	128,983	103,187	12,898	12,898
FACULTY DEVELOPMENT	34,858	34,858		
ATHLETIC DEPT EXPENSE	89,148	89,148		
ART & SCIENCE DEPT EXPENSE	34,586	34,586		
PRIZES & AWARDS	9,099	9,099		
INTER-SCHOOL PROGRAM EXP	31,428	31,428		
SCHOOL TRIPS	-2,705	-2,705		
CONSULTING FEES	24,793	24,793		
LIBRARY EXPENSE	56,985	56,985		
RECEPTIONS	30,635	30,635		
COMPUTER INTERNET SVC	18,077	18,077		
COMPUTER SUPPLIES	36,473	36,473		
RECRUITING EXPENSE	22,664	22,664		
SUBSTITUTE TEACHER EXP	9,468	9,468		
CO-OP MTCE FEES (40 E 62 ST)	213,980	171,184	21,398	21,398
CO-OP MTCE SPEC ASSMT	155,750	124,600	15,575	15,575
SECURITY COSTS	12,493	12,493		
CHESS EXPENSES	11,545	11,545		
RANDALL'S ISLAND EXP	20,000	20,000		
STATIONERY & OFFICE SUPPLIES	93,292		93,292	
COPIER & COMPUTER SUPPLIS	34,362		34,362	
PROF. ASSOCIATIONS	32,936		32,936	
HEADMASTER EXPENSES	21,942		21,942	
ADMISSIONS OFFICE EXP	44,791		44,791	
BUSINESS OFFICE EXPENSES	38,533		38,533	
TRUSTEE EXPENSES	10,046		10,046	
AMORTIZATION EXPENSE	7,951		7,951	
PERSONNEL AGENCY FEES	17,230		17,230	
PARENTS ASSOC SPRING BENEFIT	118,462			118,462
MISC EXPENSES	142,609	29,178	72,064	41,367
MAINTENANCE CHGS-APT	26,447		26,447	
REAL ESTATE TAX- APT	15,868		15,868	
SPEC ASSESSMENT-APT	19,250		19,250	
OTHER-OTHER EXPENSES	280		280	
Total	\$ 4,466,754	\$ 3,406,551	\$ 767,374	\$ 292,829

13-1623918

**Federal Statements**

FYE: 6/30/2006

**Statement 5 - Form 990, Part IV, Line 54 - Investments in Securities**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>
US and State Government CATS SER A ZERO CPN BD 11/15/11	5,589	5,882	Market
Corporate Stock EQUITY FUNDS	4,670,270	5,274,039	Market
NCB STOCK		30,000	Market
Corporate Bonds BONDS & BOND FUNDS	3,214,745	3,210,319	Market
MUTUAL M/M BONDS		1,778,277	Market
	<u>7,890,604</u>	<u>10,298,517</u>	

**Statement 6 - Form 990, Part IV, Line 57 - Land, Buildings, and Equipment**

<u>Description</u>	<u>Beginning of Year</u>	<u>Accum Deprec</u>	<u>End of Year</u>	<u>Accum Deprec</u>
LAND & BLDG, 52 E. 62 ST., NY, NY	\$ 696,154	\$	\$ 696,154	\$
LAND & BLDG, 40 E. 62 ST., NY, NY	521,722		521,722	
LEASEHOLD (40 E. 62 ST)	738,222		738,222	
FURNITURE & EQUIPMENT	1,327,583		1,454,641	
SCHOOL IMPROVEMENTS	7,887,580		8,000,795	
ACCUMULATED DEPREC		4,851,431		5,111,717
Total	<u>\$11,171,261</u>	<u>\$ 4,851,431</u>	<u>\$11,411,534</u>	<u>\$ 5,111,717</u>

**Statement 7 - Form 990, Part IV, Line 58 - Other Assets**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
UNAMORTIZED MORTGAGE EXP	\$ 7,069	\$ 51,976
TENANT SECURITY	1,563	1,652
RESTRICTED FUNDS	5,389,552	6,327,591
Total	<u>\$ 5,398,184</u>	<u>\$ 6,381,219</u>

**Statement 8 - Form 990, Part IV, Line 62 - Deferred Revenue**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
DEFERRED REVENUE	\$ 1,442,042	\$ 1,417,612
Total	<u>\$ 1,442,042</u>	<u>\$ 1,417,612</u>

**Federal Statements****Statement 9 - Form 990, Part IV, Line 65 - Other Liabilities**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
RESERVE FOR FUTURE MEDICAL EXPS	\$ 251,387	\$ 151,634
TENANT SECURITY	1,563	1,652
Total	<u>\$ 252,950</u>	<u>\$ 153,286</u>

**Federal Statements****Statement 10 - Form 990, Part IV-A - Other Revenue Included on Return**

Description	Amount
SCHOLARSHIPS	\$ 1,139,591
Total	\$ 1,139,591

**Statement 11 - Form 990, Part IV-B - Other Expenses Included on Return**

Description	Amount
SCHOLARSHIPS	\$ 1,139,591
Total	\$ 1,139,591

## Federal Statements

**Statement 12 - Form 990, Part VII, Line 93 - Program Service Revenue**

Description	Business Code	Unrelated Amount	Exclusion Code	Exclusion Amount	Related Income
TUITION		\$		\$	\$ 9,722,904
LUNCHROOM INCOME					389,513
NYS ADMIN REIMBURSEMENTS					72,980
APPLICATION FEES					14,805
DISTR. OF TEXTBOOKS					264,800
GRADUATION FEES					4,200
FINANCE CHRGS (UNPAID BILLS					13,629
VALUE CHANGE-FUTURE MED PYT					99,753
RENT ON APARTMENTS					18,787
ENCORE AFTER SCHOOL PROGRAM					111,380
OTHER					5,653
Total		\$ 0		\$ 0	\$10,718,404

**Federal Statements****Statement 13 - Schedule A, Part III, Line 2d - Payment of Compensation / Reimbursement of Exp**Description

STEPHEN M CLEMENT III - PAID AS HEADMASTER, NOT AS OFFICER OR TRUSTEE.

**Statement 14 - Schedule A, Part III, Line 3a - Explanation of Grant / Loan Qualifications**Description

A COMMITTEE OF THE BOARD OF TRUSTEES DETERMINES IN A NON-DISCRIMINATORY MANNER, BASED ON FINANCIAL NEED, THE AMOUNT OF SCHOLARSHIP GRANT ALLOCATED TO EACH APPLICANT.



13-1623918

**Federal Statements**

FYE: 6/30/2006

**Schedule A, Part V, Line 31 - Publication of Nondiscriminatory Policy**

Description

ANNUALLY PUBLISH STATEMENT OF RACIALLY NON-DISCRIMINATORY  
POLICY IN THE "NEW YORK TIMES"

**Statement 15 - Schedule A, Part V, Line 34 - Governmental Financial Aid**

Description

RECEIVES REIMBURSEMENT FOR NEW YORK STATE FOR ATTENDANCE RECORD KEEPING,  
ETC.

Form **4562**  
(Rev. January 2006)  
Department of the Treasury  
Internal Revenue Service

**Depreciation and Amortization**  
(Including Information on Listed Property)

OMB No 1545-0172

**2005**Attachment  
Sequence No **67**

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

Name(s) shown on return

**THE BROWNING SCHOOL**Identifying number  
**13-1623918**

Business or activity to which this form relates

**Indirect Depreciation****Part I Election To Expense Certain Property Under Section 179****Note:** If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount See the instructions for a higher limit for certain businesses	1	<b>102,000</b>
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	<b>420,000</b>
4	Reduction in limitation Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instr	5	
(a) Description of property		(b) Cost (business use only)	(c) Elected cost
6			
7	Listed property Enter the amount from line 29	7	
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2004 Form 4562	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2006 Add lines 9 and 10, less line 12 ▶	13	

**Note:** Do not use Part II or Part III below for listed property. Instead, use Part V.**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)**

14	Special allowance for certain aircraft, certain property with a long production period, and qualified NYL or GO Zone property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	<b>260,285</b>

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

17	MACRS deductions for assets placed in service in tax years beginning before 2005	17	<b>0</b>
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ <input type="checkbox"/>		

**Section B-Assets Placed in Service During 2005 Tax Year Using the General Depreciation System**

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

**Section C-Assets Placed in Service During 2005 Tax Year Using the Alternative Depreciation System**

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

**Part IV Summary (see instructions)**

21	Listed property Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations-see instr	22	<b>260,285</b>
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Form **4562** (2005) (Rev. 1-2006)

DAA

**There are no amounts for Page 2**