

The Ambrose Monell Foundation

**Financial Statements and Supplemental Schedule
December 31, 2006**

The Ambrose Monell Foundation

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December 31, 2006

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Report of Independent Auditors

To the Board of Directors of
The Ambrose Monell Foundation

We have audited the accompanying statement of assets and net assets arising from cash transactions of The Ambrose Monell Foundation (the "Foundation") as of December 31, 2006, and the related statement of revenues collected, expenses paid, and changes in net assets for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit 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 the Foundation's management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 2, these financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and net assets arising from cash transactions of The Ambrose Monell Foundation at December 31, 2006, and its revenue collected, expenses paid, and change in net assets for the year then ended, on the basis of accounting described in Note 2.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of marketable securities at December 31, 2005 and 2004 and for the year ended December 31, 2006 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information in such schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements; and, in our opinion, except for the effects on the schedule, which has been prepared on the basis of cash receipts and disbursements as explained in the second preceding paragraph, such information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

PricewaterhouseCoopers LLP

May 23, 2007

The Ambrose Monell Foundation
Statement of Assets and Net Assets Arising From Cash Transactions
December 31, 2006

Assets

Cash and cash equivalents (Note 2)	
JPMorgan Chase checking and money market accounts	\$ 193,532
Citibank cash accounts	142,667
Northern Trust cash and investment accounts	<u>4,907,078</u>
	5,243,277
Marketable securities, at book basis (Notes 2 and 3)	
Common stocks (market value \$212,991,417)	48,853,218
Debt securities (market value \$29,346,917)	<u>29,169,468</u>
	78,022,686
Net assets (unrestricted)	<u>\$ 83,265,963</u>

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

The Ambrose Monell Foundation
Statement of Revenues Collected, Expenses Paid and Change in Net Assets
Year Ended December 31, 2006

	Unrestricted
Revenues collected	
Dividends	
Common stock	\$ 3,796,544
Cash in lieu of stock dividend	90,750
Interest	
Debt securities	1,968,265
Citibank checking and money market accounts	467,313
JP Morgan Chase checking and money market accounts	321
Northern Trust CIA	30,057
Miscellaneous revenue	902
Net realized gain on disposition of marketable securities	6,945,069
Total receipts	<u>13,299,221</u>
Expenses paid	
Grants (Note 4)	10,500,833
General and administrative expenses and taxes	1,148,598
Total disbursements	<u>11,649,431</u>
Change in net assets - excess of revenues collected over expenses paid	1,649,790
Net assets	
Beginning of year	<u>81,616,173</u>
End of year	<u>\$ 83,265,963</u>

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

The Ambrose Monell Foundation

Supplemental Schedule of Marketable Securities

December 31, 2006 and 2005

1. Business and Tax Status

The Ambrose Monell Foundation (the "Foundation") was incorporated on March 7, 1955, under the laws of the State of New York, as a nonprofit membership corporation for voluntarily aiding and contributing to religious, charitable, scientific, literary and educational uses and purposes, in New York, elsewhere in the United States and throughout the world. The funds of the Foundation may be expended for the purposes and objectives stated.

The Foundation is a tax-exempt organization pursuant to Section 501(c)(3) of the Internal Revenue Code, and, accordingly is not subject to federal income tax. However, the Foundation is classified as a private foundation and, therefore, is subject to an annual federal excise tax not to exceed 2% on net investment income including dividends, interest and net realized gains on security transactions, reduced by related expenses.

2. Summary of Significant Accounting Policies

The financial statements and accounts of the Foundation are prepared on the cash receipts and disbursements basis; consequently, certain revenues, principally investment income, and related assets are recognized when received and expenses are recognized when paid. Under generally accepted accounting principles, revenues and assets are accrued when earned and expenses are recognized when the obligations are incurred. In addition, marketable securities are reported at cost rather than at market value. Under generally accepted accounting principles, marketable securities are reported at market value.

Cash and cash equivalents consist of bank checking accounts and money market funds. Cash in financial institutions at times may be in excess of the Federal Deposit Insurance Corporation insurance limit. Management of the Foundation does not consider any such amounts to be at risk.

3. Marketable Securities

The book basis of securities received from Mrs. Maude Monell Vetlesen on March 3, 1952, from the Estate of Mrs. Vetlesen on December 16, 1958, October 28, 1959, November 28, 1973, February 4, 1977, and February 22, 1978 and from trusts established for the benefit of Barbara Monell Ory on February 22, 1986, and Margaret M. O'Donnell on January 21, 1988 is at market value as of the dates received. Securities purchased are stated at cost. The cost of securities sold is determined on the average-cost basis.

The market valuations of marketable securities are based on published closing prices on December 31, 2006. Changes in market values of the marketable securities will affect future grants. At December 31, 2006, concentrations in marketable securities (5% or more of total market value of marketable securities) included the following common stock investments at quoted market values:

Exxon Mobil Corp	\$ 33,717,200
International Flavors & Fragrances	35,837,640
Murphy Oil Corp	43,099,900
	<u>\$ 112,654,740</u>

The Ambrose Monell Foundation
Supplemental Schedule of Marketable Securities
December 31, 2006 and 2005

4. Grants

Grants paid in 2006 were as follows:

Organization	Purpose	Amount
Alvin Ailey American Dance Theater	General operating	\$ 25,000
Alzheimer's Disease and Related Disorders Association	General operating	25,000
American Enterprise Institute for Public Policy Research	General operating	100,000
American Federation for Aging Research	General operating	25,000
American Foundation for AIDS Research	General operating	25,000
American Museum of Natural History	\$300,000 for general operating and \$100,000 for application to the Institute for Comparative Genomics	400,000
Animal Medical Center	General operating	25,000
Arthritis Foundation	General operating	25,000
Audubon Society	General operating	10,000
Bascom Palmer Eye Institute	General operating	100,000
Big Brothers/Big Sisters of New York City	General operating	10,000
Biloxy Relief Recovery and Revitalization Center	General operating	25,000
The Bone Marrow Foundation	General operating	10,000
Boy Scouts of America/Greater New York Councils	General operating	25,000
Brady Urological Institute, John Hopkins Medical Institute	Patrick C. Walsh Prostate Cancer Research Fund	50,000
Breast Cancer Research Foundation	General operating	50,000
Bronx Charter School for Children	General operating	25,000
Brookdale University Hospital and Medical Center	Emergency department	200,000
Brookings Institution	General operating	25,000
Brooklyn Academy of Music	General operating	50,000
Brooklyn Botanic Garden	General operating	50,000
Brooklyn Museum	General operating	50,000
Brooklyn Public Library Foundation	General operating	10,000
Calvary Hospital	General operating	25,000
Cancer Research Institute	General operating	25,000
Carnegie Institution of Washington	\$125,000 for giant Magellan Telescope and \$100,000 for general operating	225,000
Center for Creative Education	Capital campaign	25,000
Central Park Conservancy	General operating	50,000
Chess in the Schools	General operating	10,000
Children's Aid Society	General operating	25,000
Children Health Fund	General operating	25,000
Children's Home Society of Florida, South Coastal Division	General operating	25,000
Children's Hospital Boston	Folkman Angiogenesis Research Institute	50,000

The Ambrose Monell Foundation
Supplemental Schedule of Marketable Securities
December 31, 2006 and 2005

Organization	Purpose	Amount
City Harvest	General operating	25,000
Coalition for the Homeless	General operating	25,000
College Fund/UNCF	General operating	125,000
Columbia University International Family AIDS Program	Dr. Stephen Nicholas's pediatric work in the Dominican Republic	50,000
Community Foundation for Palm Beach and Marin Counties	Environmental programs	25,000
Community League of West 159th Street	Predevelopment costs of the Lucille Bulger Center for Community Life	25,000
Comprehensive Development	Student Life Center	50,000
Croton Watershed Coalition	General operating	15,000
Dana Farber Cancer Center	General operating	100,000
Dance Theater of Harlem	General operating	25,000
Deafness Research Foundation	General operating	50,000
Educational Broadcasting Company	General operating	300,000
Emory Vaccine Center	Dr. Rafi Ahmed's HIV vaccine program	25,000
Foundation Center	Membership	2,500
Foundation Fighting Blindness	General operating	25,000
Foundation for Teaching Economics	General operating	25,000
Fountain House	General operating	100,000
Fresh Air Fund	General operating	25,000
Girl Scouts of the U.S.A.	General operating	25,000
God's Love We Deliver	General operating	25,000
Green Chimneys	General operating	25,000
HHC Foundation of New York City	General operating	100,000
Haan Foundation for Children	General operating	10,000
Harlem RBI	General operating	15,000
Harvard School of Public Health	General operating	500,000
Healthcare Chaplaincy	General operating	50,000
Hoover Institution	General operating	100,000
Horticultural Society of New York	GreenHouse on Rikers Island program	10,000
Hospital Audiences	General operating	10,000
Hospital for Special Surgery	General operating	100,000
Howard University, College of Medicine	Scholarships at the College of Medicine	50,000
The Independent Institute	General operating	10,000
International Center for the Disabled	General operating	10,000
Inner City Scholarship Fund	General operating	10,000
Institute for Advanced Study	Schools of Natural Sciences and Mathematics	350,000

The Ambrose Monell Foundation
Supplemental Schedule of Marketable Securities
December 31, 2006 and 2005

Organization	Purpose	Amount
Institute of Medicine of The National Academies	W.K. Kellogg Foundation Challenge Grant	125,000
International Center for Journalists	General operating	25,000
International Tennis Hall of Fame	General operating	20,000
Jewish Guild for the Blind	General operating	25,000
Juilliard School	General operating	25,000
Kennedy Krieger Institute	General operating	50,000
Kingsborough Community College	General operating	50,000
Lee, Robert E., Memorial Association	General operating	2,500
Legal Aid Society	General operating	50,000
Lenox Hill Hospital	Installation of the iSTAT system in the ER	200,000
Lenox Hill Neighborhood House	Youth Center	10,000
Lexington School for the Deaf	General operating	25,000
Lighthouse International	General operating	10,000
Lincoln Center for the Performing Arts	General operating	50,000
Lincoln Center for the Performing Arts	Capital campaign	250,000
Lincoln Center Jazz	General operating	50,000
Lincoln Center Theater	General operating	50,000
Long Island University, Post College	General operating	20,000
Lupus Foundation (S.L.E. Foundation)	General operating	25,000
Lutheran Medical Center	General operating	50,000
Maimonides Medical Center	General operating	50,000
Make-A-Wish Foundation	Wish Sponsorship Program	25,000
Manhattan Institute	General operating	50,000
Manhattan School of Music	General operating	25,000
Mannes College of Music	General operating	25,000
Manpower Demonstration Research	Dissemination of the information generated	10,000
Marshall, George C. Foundation	General operating	10,000
Marymount Manhattan College	General operating	25,000
Massachusetts General Hospital, MGH Cancer Center	General operating	250,000
Mayo Foundation	Research to be conducted at the Mayo Clinic Hospital in Jacksonville, FL	50,000
Memorial Sloan-Kettering Cancer Center	General operating	100,000
Mental Disability Rights International	General operating	25,000

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December 31, 2006 and 2005

Organization	Purpose	Amount
Metropolitan Museum of Art	General operating	50,000
Metropolitan Opera Association	General operating	250,000
MFY Legal Services	Adult Home Advocacy Project	25,000
Monell Chemical Senses Center	\$333,333 for renovation of the 3rd and 4th floor of 3588 Market Street, \$625,000 for general operating support and \$50,000 for Morley Care Fund	1,008,333
Montclair State University	Center for Science Teaching and Learning	25,000
Montefiore Medical Center	General operating	50,000
Mount Sinai Hospital	General operating	50,000
Museum of Art and Design	General operating	25,000
Museum of the City of New York	General operating	10,000
Museum of Modern Art	General operating	25,000
Museum of Television and Radio	General operating	25,000
National Dance Theater of New Mexico	General operating	10,000
National Down Syndrome Society	General operating	5,000
National Jewish Center for Immunology and Respiratory Medicine	General operating	100,000
National Multiple Sclerosis Society	General operating	25,000
National Public Radio	General operating	10,000
New 42nd Street	General operating	25,000
New York Academy of Medicine	General operating	25,000
New York Botanical Garden	\$150,000 for general operating and \$100,000 for Plant Genomics Program	250,000
New York City Ballet	General operating	150,000
New York City Opera	General operating	50,000
New York Eye and Ear Infirmary	Microsurgical Center	50,000
New York Foundling Hospital	General operating	100,000
New York Historical Society	General operating	25,000
New York Landmarks Conservancy	General operating	25,000
New York Lawyers for the Public Interest	General operating	25,000
New York Presbyterian Hospital	General operating	50,000
New York Public Library	General operating	100,000
New York Road Runners Foundation	General operating	25,000
New York University Hospital Center	General operating	50,000
Admiral Nimitz Foundation	General operating purposes of the Museum of the Pacific War	25,000

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Supplemental Schedule of Marketable Securities
December 31, 2006 and 2005

Organization	Purpose	Amount
North Shore-Long Island Jewish Health System Foundation	General operating	50,000
Philharmonic-Symphony Society of New York	General operating	50,000
Phipps Houses	General operating	25,000
Pierpont Morgan Library	General operating	100,000
Planting Fields	General operating	5,000
Prep for Prep	General operating	10,000
Recording for the Blind and Dyslexic	General operating	25,000
Resources for Children with Special Needs	General operating	5,000
Rockefeller University	General operating	50,000
Rockefeller University Hospital	General operating	50,000
St. George's School	Chapel Renovation Campaign	50,000
St. John the Divine, The Cathedral Church of	General operating	25,000
St. Luke's-Roosevelt Hospital Center	Language assistance program	50,000
St. Luke's Wood River Foundation	St. Luke's Wood River Medical Center	25,000
St. Vincent's Hospital and Medical Center	Emergency Department	100,000
SCAN New York Volunteer Parent-Aides Association	General operating	25,000
School of American Ballet	General operating	75,000
Senior Action in a Gay Environment	General operating	25,000
Shake-a-Leg	General operating	10,000
Smithsonian Cooper-Hewitt National Design Museum	General operating	50,000
Society of the Four Arts	General operating	10,000
Thirteen WNET New York	New York Voices program focusing on The New York Botanical Garden	37,500
Trudeau Institute	General operating	25,000
United Neighbours of East Midtown	General operating	10,000
United States Military Academy, Association of Graduates	USMA Preparatory School	125,000
USTA Tennis Foundation	College Education Scholarship Program	50,000
University of Rhode Island, Graduate School of Oceanography	Purchase of a high resolution gas chromatograph mass spectrometer	150,000
Volunteer Lawyers for the Arts	General operating	25,000
Webb Institute	General operating	10,000
West Tisbury School	After school social skills program	15,000
Whitney Museum	Youth Insights program	25,000
Wildlife Conservation Society	Development of new pathological laboratory	250,000
Wings of America	General operating	25,000
Women's Prison Association	General operating	100,000
Yale School of Medicine	Dr. Aksoy research on "New Strategies for African Trypanosomiasis Control"	100,000
Yellowstone Park Foundation	General operating	10,000
YMCA of Greater New York	General operating	25,000
Young Audiences	General operating	10,000
Young Women's Christian Association of the City of New York	General operating	25,000
Total grants		<u>\$ 10,500,833</u>

The Ambrose Monell Foundation
Supplemental Schedule of Marketable Securities
December 31, 2006 and 2005

At December 31, 2006 the Foundation had commitments to make future grants, aggregating \$2,375,000, as follows:

Grants to be paid in 2007

Organization	Purpose	Amount (\$)
Biloxy Relief Recovery and Revitalization Center	General operating	\$ 25,000
Bronx Charter School for Children	General operating	25,000
Carnegie Institution of Washington	Gian Magellan Telescope project	125,000
HHC Foundation of New York City	General operating	100,000
Healthcare Chaplaincy	General operating	50,000
Institute of Medicine of The National Academies	W.K. Kellogg Foundation Challenge Grant	150,000
Lincoln Center for the Performing Arts	Capital campaign	250,000
Monell Chemical Senses Center	General operating	625,000
New York Botanical Garden	Plant Genomics Program	100,000
Volunteer Lawyers for the Arts	General operating	25,000
Wildlife Conservation Society	Development of new pathological laboratory	250,000
Total Grants		<u>\$ 1,725,000</u>

Grants to be paid in 2008

Organization	Purpose	Amount (\$)
Healthcare Chaplaincy	General operating	\$ 50,000
HHC Foundation of New York City	General operating	100,000
Lincoln Center for the Performing Arts	Capital campaign	250,000
Wildlife Conservation Society	Development of new pathological laboratory	250,000
Total Grants		<u>\$ 650,000</u>

5. Related Party Transactions

Individual members of the Foundation's Board of Directors serve on the boards of directors or similar boards of a number of its grantees, including the Monell Chemical Senses Center, New York Botanical Garden, the Metropolitan Opera, Wildlife Conservation Society, New York City Ballet, Rockefeller University, Hoover Institution, Community Foundation for Palm Beach and Marin Counties and Lincoln Center for the Performing Arts. None of the directors receive any compensation for their services as such.

The Ambrose Monell Foundation
Supplemental Schedule of Marketable Securities
December 31, 2006 and 2005

	Held at December 31, 2005		Additions		Sales and Other Dispositions				Held at December 31, 2006			
	Shares or Principal Amount	Book Basis	Shares or Principal Amount	Book Basis	Shares or Principal Amount	Book Basis	Proceeds	Gain (Loss)	Shares or Principal Amount	Book Basis	Market Value 12/31/2006	Dividends or Interest Received
Common Stocks:												
3M Co Com			10,000	\$ 799,407					10,000	\$ 799,407	\$ 779,300	
Advanced Micro Devices Inc			16,500	545,427	3,116	\$ 103,003	\$ 65,465	\$ (37,538)	13,384	442,424	272,364	
Apple Computer Inc.			8,000	542,746	1,511	102,511	132,737	30,226	6,489	440,235	550,527	
Applied Materials Inc	44,000	\$ 984,500			44,000	984,500	784,254	(200,246)	-			\$ 1,320
Automatic Data Processing	14,500	492,506			2,738	92,999	135,386	42,387	11,762	399,507	579,278	10,730
Bank of America			22,019	1,019,825				-	22,019	1,019,825	1,175,594	41,179
Bank of New York	40,000	1,217,516						-	40,000	1,217,516	1,574,800	34,400
BP Amoco PLC-Spons ADR	65,600	921,961			12,389	174,118	846,768	672,650	53,211	747,843	3,570,458	151,142
Bristol Myers - Squibb Co.	52,000	363,323						-	52,000	363,323	1,368,640	58,240
CAP Fincl Corp.			16,000	1,200,861				-	16,000	1,200,861	1,229,120	
Citigroup Inc	72,656	289,327						-	72,656	289,327	4,046,939	142,405
Coach Inc.			34,000	1,164,874				-	34,000	1,164,874	1,460,640	
CVS Corp	110,800	2,929,623						-	110,800	2,929,623	3,424,828	17,174
Duke Energy Corp	13,800	440,214						-	13,800	440,214	458,296	17,388
Eli Lilly & Co.	180,000	444,079			8,993	22,187	489,939	467,752	171,007	421,892	8,909,465	288,000
EMC Corp. Mass Com	55,000	409,250	55,000	762,272				-	110,000	1,171,522	1,452,000	
Exxon Mobil Corp.	440,000	1,588,284						-	440,000	1,588,284	33,717,200	563,200
Federal National Mortgage Co.	24,000	1,584,851			24,000	1,584,851	1,293,514	(291,337)	-			6,240
General Electric Corp Com	56,000	2,035,524						-	56,000	2,035,524	2,083,760	56,000
Hilton Hotels			25,000	716,790				-	25,000	716,790	872,500	998
Idearc Inc			900	25,586	170	4,834	4,646	(188)	730	20,752	20,915	
International Business Machs Corp (IBM)	12,000	1,289,845						-	12,000	1,289,845	1,165,800	13,200
International Flavors and Fragrances	829,000	580,433			100,000	70,016	3,486,352	3,416,336	729,000	510,417	35,837,640	557,960
International Paper Co.	120,000	1,215,502			22,662	229,548	764,835	535,287	97,338	985,954	3,319,228	120,000
J.P Morgan Chase	174,720	917,740			7,996	42,000	374,450	332,450	166,724	875,740	8,052,769	237,619
Johnson & Johnson	51,000	3,311,767						-	51,000	3,311,767	3,367,020	74,205
MBNA Corporation	22,000	517,440			22,000	517,440	517,440	-	-			
McGraw Hill Companies Inc	34,000	1,064,228						-	34,000	1,064,228	2,312,680	24,684
Medtronic Inc			33,000	1,681,819				-	33,000	1,681,819	1,765,830	8,319
Merck & Co.	238,000	273,676			14,946	17,186	664,118	646,932	223,054	256,490	9,725,154	361,760
Metlife	20,000	801,580	6,223	363,201				-	26,223	1,164,781	1,547,419	11,800
Microsoft	120,000	3,121,763						-	120,000	3,121,763	3,583,200	44,400
Motorola Inc			23,000	491,287				-	23,000	491,287	472,880	-
Murphy Oil Corp.	860,000	1,218,654			12,411	17,587	662,757	645,170	847,589	1,201,067	43,099,900	451,500
Nokia Corp Spnsd Adr	73,000	1,150,422			73,000	1,150,422	1,419,398	268,976	-			33,271
Oracle Corp			30,000	531,783				-	30,000	531,783	514,200	
Pepsico Inc Com	20,000	1,167,308	6,223	395,635				-	26,223	1,562,943	1,640,249	22,400
Procter & Gamble Company Com	25,000	1,376,473	5,279	336,020				-	30,279	1,712,493	1,946,031	30,250
SBC Communications Inc (AT&T)	30,000	867,546						-	30,000	867,546	1,072,500	39,900
SPX Corp. Com	152,000	1,037,208			8,705	59,401	534,761	475,360	152,000	977,807	8,763,922	152,000
Staples Inc.			30,000	788,730				-	30,000	788,730	801,000	
Stryker Corp Com	23,000	987,546						-	23,000	987,546	1,267,530	2,530
TJX Cos Inc.			25,000	702,990				-	25,000	702,990	713,000	
United Technologies Corp.	86,400	200,000						-	86,400	200,000	5,401,728	87,696
Verizon Communications	18,000	697,909				25,586	25,586	-	18,000	672,323	670,320	29,160
Wachovia Corp			6,500	372,450				-	6,500	372,450	370,175	
Wal-Mart Stores			13,000	592,700	2,455	111,929	113,951	2,022	10,545	480,771	486,968	6,533
Wellpoint Inc	33,000	2,136,468	14,000	972,860				-	47,000	3,109,328	3,698,430	
Wells Fargo & Company	22,000	981,640	20,000	1,286,074				-	42,000	2,267,714	2,987,040	80,320
Zimmer Holdings Inc.	11,000	253,891						-	11,000	253,891	862,180	
Miscellaneous dividends								-	-			18,621
Total Common Stocks		\$ 38,869,996		\$ 15,293,337		\$ 5,310,118	\$ 12,316,357	\$ 7,006,239		\$ 48,853,218	\$ 212,991,417	\$ 3,796,544

The Ambrose Monell Foundation
Supplemental Schedule of Marketable Securities
December 31, 2006 and 2005

	Held at December 31, 2005		Additions		Sales and Other Dispositions				Held at December 31, 2006			Dividends or Interest Received 2006	
	Shares or Principal Amount	Book Basis	Shares or Principal Amount	Book Basis	Shares or Principal Amount	Book Basis	Proceeds	Gain/(Loss)	Shares or Principal Amount	Book 1	Market Value 12/31/2006		
Debt Securities:													
Bell South Corporation, 6.000%, 10/15/2011	2,000,000	\$ 2,031,940		\$		\$	\$	\$	2,000,000	\$ 2,031,940	\$ 2,051,948	\$ 120,000	
Chubb Corp, 6.00%, 11/12/2011	2,000,000	2,011,460						-	2,000,000	2,011,460	2,052,788	110,000	
Dupont El Nemour NTS, 6.875%, 10/15/2009	2,000,000	2,203,120						-	2,000,000	2,203,120	2,087,964	137,500	
Fed Natl Mtg Assn, 2.125%, 4/15/2006	2,000,000	1,999,058			2,000,000	1,999,058	2,000,000	942	-	-	-	21,250	
Fed Natl Mtg Assn, 3.250%, 1/15/2008	2,000,000	2,009,236						-	2,000,000	2,009,236	1,960,982	65,000	
Federal Home Ln Banks, 2.25%, 5/15/2003	2,000,000	2,004,370			2,000,000	2,004,370	2,000,000	(4,370)	-	-	-	22,500	
GE Cap Credit Card MST NT 2.9696% 3/15/2013	2,000,000	2,000,000						-	2,000,000	2,000,000	2,003,146	94,197	
General Electric Cap CRP GE, 6.50%, 12/10/07	1,500,000	1,550,145						-	1,500,000	1,550,145	1,516,453	97,500	
Goldman Sachs Group Inc., 6.600%, 1/15/2012	2,000,000	2,040,960						-	2,000,000	2,040,960	2,114,314	132,000	
Household FinL, 6.50%, 1/24/2006	1,500,000	1,502,895			1,500,000	1,502,895	1,500,000	(2,895)	-	-	-	48,750	
Kraft Foods Inc., 5.625%, 11/1/2011	2,000,000	1,978,500						-	2,000,000	1,978,500	2,021,258	112,500	
MBNA Cr Card MST Note 2.59% 5/16/11	2,000,000	2,007,109						-	2,000,000	2,007,109	2,005,812	86,458	
McDonalds Corp Medium Term Notes, 6.5%, 8/1/2007	1,500,000	1,559,430						-	1,500,000	1,559,430	1,506,945	97,500	
Merrill Lynch, 6.15%, 1/26/2006	1,500,000	1,496,175			1,500,000	1,496,175	1,500,000	3,825	-	-	-	46,125	
National Rural Utilities, 6.2%, 2/1/2008	1,500,000	1,484,535						-	1,500,000	1,484,535	1,514,223	93,000	
Procter & Gamble Co, 4.750%, 6/15/2007	2,000,000	2,010,820						-	2,000,000	2,010,820	1,996,604	95,000	
SLMA SER 2005 - A3 FLTG RT 2.79% 7/25/2014	2,000,000	2,000,000				547,440	547,440	547,440	-	1,452,560	1,452,560	1,454,019	101,209
Target Corp, 5.400%, 10/1/2008	2,000,000	2,003,960						-	2,000,000	2,003,960	2,008,928	108,000	
US Treasury Bills DTD 11/17/05	3,000,000	2,946,612			3,000,000	2,946,612	2,946,612	-	-	-	-	53,388	
US Treasury Bonds, 10.375%, 11/15/2012	1,000,000	870,313						-	1,000,000	870,313	1,044,453	103,750	
US Treasury Notes, 5.625%, 2/15/2006	2,000,000	2,058,672			2,000,000	2,058,672	2,000,000	(58,672)	-	-	-	109,638	
Verizon Pennsylvania, 5.650%, 11/15/2011	2,000,000	1,955,380						-	2,000,000	1,955,380	2,007,080	113,000	
Total Debt Securities		<u>\$ 41,724,690</u>		<u>\$ -</u>		<u>\$ 12,555,222</u>	<u>\$ 12,494,052</u>	<u>\$ (61,170)</u>		<u>\$ 29,169,468</u>	<u>\$ 29,346,917</u>	<u>\$ 1,968,265</u>	
Total Marketable Securities		<u>\$ 80,594,686</u>		<u>\$ 15,293,337</u>		<u>\$ 17,865,340</u>	<u>\$ 24,810,409</u>	<u>\$ 6,945,069</u>		<u>\$ 78,022,686</u>	<u>\$ 242,338,334</u>	<u>\$ 5,764,809</u>	

- A MBNA Corporation – In connection with the merger of MBNA Corporation with Bank of America, received 22,019 shares of Bank of America Corp at an adjusted cost basis of \$517,402 on January 3, 2006
- B Verizon Communications – In connection with a spin-off, received 900 shares of IDEARC Inc. at a cost basis of \$25,586 on November 24, 2006 reducing the number of Verizon shares by this same amount.
- C Wells Fargo & Company – There was a 2 for 1 split on August 11, 2006.