

Return of Organization Exempt from Income Tax

2004

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

A For the 2004 calendar year, or tax year beginning, 2004, and ending

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

Please use IRS label or print or type. See specific instructions.

New York State Academy of Family Physicians, Inc. 260 Osborne Road Loudonville, NY 12211

D Employer Identification Number 15-0524107
E Telephone number 489-8945
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?
H (b) If 'Yes,' enter number of affiliates.
H (c) Are all affiliates included?
H (d) Is this a separate return filed by an organization covered by a group ruling?

G Web site: N/A

J Organization type (check only one): 501(c) 6

K Check here if the organization's gross receipts are normally not more than \$25,000.

I Group Exemption Number
M Check if the organization is not required to attach Schedule B

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 820,752.

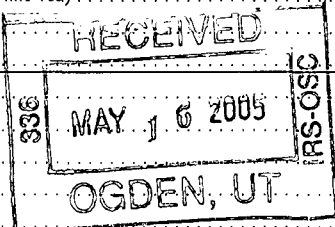
Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Instructions)

Table with 21 rows and 4 columns: Description, Sub-column, Amount, Total. Includes revenue from contributions, program services, membership dues, and expenses for program services, management, and fundraising.

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EXPENSES

ASSETS



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.

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 (att sch) (cash \$ _____ non-cash \$ _____)	22				
23 Specific assistance to individuals (att sch)	23				
24 Benefits paid to or for members (att sch)	24				
25 Compensation of officers, directors, etc	25	168,386.	137,542.	30,844.	
26 Other salaries and wages	26	26,311.	19,733.	6,578.	
27 Pension plan contributions	27	21,021.	15,766.	5,255.	
28 Other employee benefits	28	7,889.	5,917.	1,972.	
29 Payroll taxes	29	17,149.	12,862.	4,287.	
30 Professional fundraising fees	30				
31 Accounting fees	31				
32 Legal fees	32				
33 Supplies	33				
34 Telephone	34	8,086.	6,064.	2,022.	
35 Postage and shipping	35	5,138.	3,853.	1,285.	
36 Occupancy	36	20,213.		20,213.	
37 Equipment rental and maintenance	37				
38 Printing and publications	38				
39 Travel	39				
40 Conferences, conventions, and meetings	40	138,332.	138,332.		
41 Interest	41				
42 Depreciation, depletion, etc (attach schedule)	42	3,929.		3,929.	
43 Other expenses not covered above (itemize):					
a See Statement 3	43a	259,126.	196,073.	63,053.	
b	43b				
c	43c				
d	43d				
e	43e				
44 Total functional expenses (add lines 22 - 43). Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44	675,580.	536,142.	139,438.	0.

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

What is the organization's primary exempt purpose? See Statement 4

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) & (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants & allocations to others.)

Program Service Expenses
(Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; but optional for others.)

a See Statement 5					
		(Grants and allocations \$ _____)			536,142.
b		(Grants and allocations \$ _____)			
c		(Grants and allocations \$ _____)			
d		(Grants and allocations \$ _____)			
e Other program services		(Grants and allocations \$ _____)			
f Total of Program Service Expenses (should equal line 44, column (B), Program services)					536,142.

Part IV Balance Sheets (See 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
ASSETS	45 Cash – non-interest-bearing	26,185.	45	72,305.
	46 Savings and temporary cash investments	230,391.	46	193,971.
	47 a Accounts receivable	9,754.		
	b Less: allowance for doubtful accounts		47 c	9,754.
	48 a Pledges receivable			
	b Less: allowance for doubtful accounts		48 c	
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51 a Other notes & loans receivable (attach sch.)			
	b Less: allowance for doubtful accounts		51 c	
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges	9,798.	53	15,400.
	54 Investments – securities (attach schedule)	484,225.	54	535,522.
	55 a Investments – land, buildings, & equipment: basis			
b Less: accumulated depreciation (attach schedule)		55 c		
56 Investments – other (attach schedule)		56		
57 a Land, buildings, and equipment: basis	137,840.			
b Less: accumulated depreciation (attach schedule)	Statement 6	9,918.	57 c	12,022.
58 Other assets (describe ▶ See Statement 7)	11,180.	58	36,151.	
59 Total assets (add lines 45 through 58) (must equal line 74)	782,632.	59	875,125.	
LIABILITIES	60 Accounts payable and accrued expenses	69,227.	60	63,038.
	61 Grants payable		61	
	62 Deferred revenue	142,811.	62	190,494.
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64 a Tax-exempt bond liabilities (attach schedule)		64 a	
	b Mortgages and other notes payable (attach schedule)		64 b	
	65 Other liabilities (describe ▶)		65	
66 Total liabilities (add lines 60 through 65)	212,038.	66	253,532.	
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted	569,719.	67	619,781.
	68 Temporarily restricted	875.	68	1,812.
	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	
73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)	570,594.	73	621,593.	
74 Total liabilities and net assets/fund balances (add lines 66 and 73)	782,632.	74	875,125.	

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.

BAA

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

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

a	Total revenue, gains, and other support per audited financial statements	a	729,787.
b	Amounts included on line a but not on line 12, Form 990:		
(1)	Net unrealized gains on investments \$ 37,785.		
(2)	Donated services and use of facilities \$		
(3)	Recoveries of prior year grants \$		
(4)	Other (specify):		
	See Stmt 8 \$ 4,145.		
	Add amounts on lines (1) through (4)	b	41,930.
c	Line a minus line b	c	687,857.
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	687,857.

a	Total expenses and losses per audited financial statements	a	678,788.
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):		
	See Stmt 9 \$ 3,208.		
	Add amounts on lines (1) through (4)	b	3,208.
c	Line a minus line b	c	675,580.
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	675,580.

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see 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 and deferred compensation	(E) Expense account and other allowances
See Statement 10		168,386.	14,153.	0.

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 instructions.

Part VI Other Information (See 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? ... 78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? ... 78b If 'Yes,' has it filed a tax return on Form 990-T for this year? ... 79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement ... 80a 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? ... 80b If 'Yes,' enter the name of the organization - See Statement 11 - and check whether it is [X] exempt or [] nonexempt. ... 81a Enter direct and indirect political expenditures. See line 81 instructions. 81a 0. ... 81b Did the organization file Form 1120-POL for this year? ... 82a 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? ... 82b 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.) ... 82b N/A ... 83a Did the organization comply with the public inspection requirements for returns and exemption applications? ... 83a X ... 83b Did the organization comply with the disclosure requirements relating to quid pro quo contributions? ... 83b X ... 84a Did the organization solicit any contributions or gifts that were not tax deductible? ... 84a X ... 84b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? ... 84b N/A ... 85 501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members? ... 85a X ... 85b Did the organization make only in-house lobbying expenditures of \$2,000 or less? ... 85b X ... 85c Dues, assessments, and similar amounts from members. ... 85c N/A ... 85d Section 162(e) lobbying and political expenditures. ... 85d N/A ... 85e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices. ... 85e N/A ... 85f Taxable amount of lobbying and political expenditures (line 85d less 85e). ... 85f N/A ... 85g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? ... 85g N/A ... 85h 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? ... 85h N/A ... 86 501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12. ... 86a N/A ... 86b Gross receipts, included on line 12, for public use of club facilities. ... 86b N/A ... 87 501(c)(12) organizations. Enter: a Gross income from members or shareholders. ... 87a N/A ... 87b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) ... 87b N/A ... 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? If 'Yes,' complete Part IX. ... 88 X ... 89a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 - N/A ; section 4912 - N/A ; section 4955 - N/A ... 89a N/A ... 89b 501(c)(3) and 501(c)(4) organizations. 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. ... 89b N/A ... c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958. ... N/A ... d Enter: Amount of tax on line 89c, above, reimbursed by the organization. ... N/A ... 90a List the states with which a copy of this return is filed - New York ... 90a ... 90b Number of employees employed in the pay period that includes March 12, 2004 (See instructions.) ... 90b 3 ... 91 The books are in care of - Patricia Poklemba Telephone number - 489-8945 Located at - 260 Osborne Road, Loudonville, NY ZIP + 4 - 12211 ... 91 ... 92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here. ... N/A ... 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 instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 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 Advertising	541800				17,396.
b Conventions, Meetings					117,840.
c FMIG					7,000.
d Other Income					3,714.
e Sale of Endorsement	900004				26,650.
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					487,227.
95 Interest on savings & temporary cash invmnts			14	4,294.	
96 Dividends & interest from securities			14	16,029.	
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 pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					2,207.
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))				20,323.	662,034.
105 Total (add line 104, columns (B), (D), and (E))					682,357.

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 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).
▼	See Statement 12

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

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.

Please *Wita A. Hagan* Date 5/10/05

Wita A. Hagan Date _____ Check if _____ Preparer's SSN or PTIN (See General Instructions.)

3/10/05

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Statement 1
Form 990, Part I, Line 8
Net Gain (Loss) from Noninventory Sales

Publicly Traded Securities

Gross Sales Price: 135,102.
Cost or Other Basis: 132,895.

Total Gain (Loss) Publicly Traded Securities \$ 2,207.

Total Net Gain (Loss) From Noninventory Sales \$ 2,207.

Statement 2
Form 990, Part I, Line 20
Other Changes in Net Assets or Fund Balances

Contributions to Segregated PAC.....	\$ 4,145.
Expenses of Segregated PAC Fund.....	-3,208.
Unrealized Gains on Investments.....	37,785.
Total	\$ <u>38,722.</u>

Statement 3
Form 990, Part II, Line 43
Other Expenses

	(A)	(B)	(C)	(D)
	<u>Total</u>	<u>Program Services</u>	<u>Management & General</u>	<u>Fundraising</u>
Board of Directors/Officer Exp	26,136.	26,136.		
Committee Expenses	33,335.	33,335.		
Legislative Activities	31,905.	31,905.		
Miscellaneous	6,461.		6,461.	
Newsletters	17,523.	17,523.		
Office Expense	41,157.		41,157.	
Other Program Expenses	5,697.	5,697.		
President's Expenses	6,533.	6,533.		
Professional Fees	26,387.	18,102.	8,285.	
Resident and Student Expenses	38,418.	38,418.		
Travel	18,424.	18,424.		
UBIT and Sales Tax	7,150.		7,150.	
Total	\$ <u>259,126.</u>	\$ <u>196,073.</u>	\$ <u>63,053.</u>	\$ <u>0.</u>

Statement 4
Form 990, Part III
Organization's Primary Exempt Purpose

To promote health and the practice of family medicine in New York State.

3/10/05

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Statement 5
Form 990, Part III, Line a
Statement of Program Service Accomplishments

Description	Grants and Allocations	Program Service Expenses
The objectives of the academy are to encourage the improvement of the health of the public, to promote the art and science of family practice and to represent the interest of members of the profession to the members which it serves.		536,142.
	<u>\$ 0.</u>	<u>\$ 536,142.</u>

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

Category	Basis	Accum. Deprec.	Book Value
Furniture and Fixtures	\$ 102,459.	\$ 90,437.	\$ 12,022.
Machinery and Equipment	35,381.	35,381.	0.
Total	<u>\$ 137,840.</u>	<u>\$ 125,818.</u>	<u>\$ 12,022.</u>

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

Due from Related Party.....	\$ 36,151.
Total	<u>\$ 36,151.</u>

Statement 8
Form 990, Part IV-A, Line b(4)
Other Amounts

PAC Contributions in Segregated Fund.....	\$ 4,145.
Total	<u>\$ 4,145.</u>

Statement 9
Form 990, Part IV-B, Line b(4)
Other Amounts

Political Expenses from Segregated Fund.....	\$ 3,208.
Total	<u>\$ 3,208.</u>

3/10/05

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Statement 10
Form 990, Part V
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compen- sation	Contri- bution to EBP & DC	Expense Account/ Other
Vito Grasso 260 Osborne Road Loudonville, NY 12211	Executive VP 40	\$ 113,500.	\$ 9,650.	\$ 0.
Patricia Poklemba 260 Osborne Road Loudonville, NY 12211	Finance Dir. 40	54,886.	4,503.	0.
Maggie Blackburn MD 260 Osborne Road Loudonville, NY 12211	Alt Del AAFP As Needed	0.	0.	0.
Jose David, MD 260 Osborne Road Loudonville, NY 12211	Director As Needed	0.	0.	0.
Philip Kaplan, MD 260 Osborne Road Loudonville, NY 12211	Director As Needed	0.	0.	0.
Denis Chagnon, MD 360 Osborne Road Loudonville, NY 12211	Del. AAFP As Needed	0.	0.	0.
Mark Krotowski, MD 260 Osborne Road Loudonville, NY 12211	Del. MSSNY As Needed	0.	0.	0.
Margaret Donat 260 Osborne Road Loudonville, NY 12211	Director As Needed	0.	0.	0.
James Greenwald, MD 260 Osborne Road Loudonville, NY 12211	Treasurer As Needed	0.	0.	0.
Wendy Vanbellingham, MD 260 Osborne Road Loudonville, NY 12211	Vice Speaker As Needed	0.	0.	0.
Meg Rosenberg, MD 260 Osborne Road Loudonville, NY 12211	Director As Needed	0.	0.	0.
Marianne Labarbera, MD 260 Osborne Road Loudonville, NY 12211	President Elect As Needed	0.	0.	0.

3/10/05

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Statement 10 (continued)
Form 990, Part V
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compen- sation	Contri- bution to EBP & DC	Expense Account/ Other
S. Ramalingam, MD 260 Osborne Road Loudonville, NY 12211	Speaker As Needed	\$ 0.	\$ 0.	\$ 0.
Mark Josefski, MD 260 Osborne Road Loudonville, NY 12211	Director As Needed		0.	0.
Larry Novak, MD 260 Osborne Road Loudonville, NY 12211	Director As Needed		0.	0.
Martin Mahoney, MD 260 Osborne Road Loudonville, NY 12211	Director As Needed		0.	0.
Leon Zoghlin 260 Osborne Road Loudonville, NY 12211	Director As Needed		0.	0.
Tochi Iroku-Malize, MD 260 Osborne Road Loudonville, NY 12211	Director As Needed		0.	0.
Scott Kirsch, MD 260 Osborne Road Loudonville, NY 12211	Delegate AAFP As Needed		0.	0.
Norman Wetterau, MD 260 Osborne Road Loudonville, NY 12211	Alt Del MSSNY As Needed		0.	0.
Nereida Correa, MD 260 Osborne Road Loudonville, NY 12211	Director As Needed		0.	0.
Andrew Merritt, MD 260 Osborne Road Loudonville, NY 12211	President As Needed		0.	0.
George F. Dunn, MD 260 Osborne Road Loudonville, NY 12211	Secretary As Needed		0.	0.
Henry E. Francis, MD 260 Osborne Road Loudonville, NY 12211	Past President As Needed		0.	0.

3/10/05

02:22PM

Statement 10 (continued)
Form 990, Part V
List of Officers, Directors, Trustees, and Key Employees

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compen- sation</u>	<u>Contri- bution to EBP & DC</u>	<u>Expense Account/ Other</u>
Alexis DiMaio 260 Osborne Road Loudonville, NY 12211	Student Rep As Needed	\$ 0.	\$ 0.	\$ 0.
Richard Bonanno, MD 260 Osborne Road Loudonville, NY 12211	Director As Needed	0.	0.	0.
		Total \$ 168,386.	\$ 14,153.	\$ 0.

Statement 11
Form 990, Part VI, Line 80b
Related Organizations

<u>Name of Organization</u>	<u>Exempt</u>	<u>Nonexempt</u>
Foundation, Inc. NYS Academy of Family Physicians	X X	

Statement 12
Form 990, Part VIII
Relationship of Activities to the Accomplishment of Exempt Purposes

<u>Line #</u>	<u>Explanation of Activities</u>
93	Contributed toward cost of seminars and other activities designed to promote physical health education.
94	Members are physicians who benefit from education programs, publications and information provided by the academy.
93	Other income used to support other member services.

NYS Academy of Family Physicians
Investments - Exeter Trust Company
12/31/04

Attachment to 990 and CHAR 500

Description	12/31/03			Purchases			Sales			December 31, 2004			Unrealized (Gain) Loss	
	# of Shares	Cost	Market Value	# of Shares	Cost	Market Value	# of Shares	Sales Price	Basis	Realized (Gain) Loss	# of Shares	Cost		Market Value
Applera	175	3,814.11	3,624.25	100	1,903.98		175	3,770.78	3,814.11	(43.33)	100	1,903.98	2,189.00	(285.02)
AGCO Corporation	-	-	-	150	2,045.39		-	-	-	-	150	2,045.39	2,956.50	(911.11)
Allegheny Energy Corp	275	4,630.88	4,947.25	-	-		-	-	-	-	275	4,630.88	5,348.75	(717.87)
Time Warner	25	1,366.80	1,329.25	-	-		-	-	-	-	25	1,366.80	2,059.50	(692.70)
Amerada Hess Corp	75	1,546.69	2,628.00	-	-		50	1,845.79	1,031.13	814.66	25	515.56	942.50	(426.94)
Aracruz Celulose SA-Spon ADR	125	3,388.17	4,020.00	-	-		-	-	-	-	125	3,388.17	5,333.75	(1,945.58)
Baker Hughes	-	-	-	75	2,259.62		-	-	-	-	75	2,259.62	2,506.50	(246.88)
Bank of NY	-	-	-	100	2,085.37		-	-	-	-	100	2,085.37	2,490.00	(404.63)
Cable Vision	-	-	-	50	2,351.28		-	-	-	-	50	2,351.28	2,381.41	(30.13)
Carrefour SA	-	-	-	-	-		25	1,127.85	976.49	151.36	50	1,162.76	2,881.50	(1,718.74)
Carnival Corp	50	1,162.76	1,986.50	-	-		-	-	-	-	25	1,440.33	1,345.25	95.08
Club Med	25	976.49	933.12	75	2,196.73		-	-	-	-	75	2,196.73	3,006.00	(809.27)
Cooper Cameron Corp	25	1,440.33	1,165.00	50	1,951.53		50	1,951.53	2,127.00	175.47	50	1,951.53	2,127.00	(175.47)
CSX Corp	-	-	-	-	-		-	-	-	-	-	-	-	-
First Data Corp	-	-	-	75	2,196.73		-	-	-	-	25	1,440.33	1,345.25	95.08
Kimberly Clarke	75	3,626.41	4,431.75	50	1,951.53		-	-	-	-	75	2,196.73	3,006.00	(809.27)
Kroger Co	100	1,468.01	1,851.00	-	-		75	4,883.56	3,626.41	1,257.15	50	1,436.91	2,288.50	(851.59)
Lauder Esteo Cos	50	1,436.91	1,963.00	100	1,496.89		100	1,496.89	1,468.01	28.88	-	-	-	-
Lucent Technologies	725	3,535.83	2,059.00	-	-		75	2,830.61	3,535.83	(705.22)	50	1,436.91	2,288.50	(851.59)
Millipore	100	2,901.69	4,305.00	-	-		50	2,527.78	1,450.85	1,076.93	-	-	-	-
Mineral Technologies	25	1,140.39	1,481.25	-	-		-	-	-	-	-	-	-	-
NRG Energy Inc	-	-	-	75	2,084.71		-	-	-	-	-	-	-	-
Nestle SA Registered	25	5,304.56	6,227.83	-	-		125	2,705.81	2,705.81	(308.53)	50	1,450.84	2,490.50	(1,039.66)
Newell Rubbermaid	-	-	-	125	2,705.81		75	1,400.93	943.11	457.82	25	1,140.39	1,667.50	(527.11)
Nework Associates	75	943.11	1,128.00	50	2,217.02		-	-	-	-	75	2,084.71	2,703.75	(619.04)
Novartis Adr	100	3,469.33	4,589.00	-	-		-	-	-	-	25	5,304.56	6,540.76	(1,236.20)
Office Depot	125	1,989.28	2,088.75	-	-		-	-	-	-	-	-	-	-
Pearson PLC	-	-	-	125	1,378.09		105	-	2,907.21	(2,907.21)	-	-	-	-
Pharmacia Corp/Pfizer	105	2,907.21	3,709.65	-	-		-	-	-	-	150	5,686.35	7,581.00	(1,894.65)
Principal Financial Group	-	-	-	50	1,677.51		-	-	-	-	125	1,989.28	2,170.00	(180.72)
Royce Fund Premier	-	-	-	531	7,838.93		-	-	-	-	125	1,378.09	1,507.12	(129.03)
SEI	-	-	-	75	2,203.43		-	-	-	-	50	1,677.51	2,047.00	(369.49)
Schering Plough Corp	375	9,729.00	6,521.25	125	2,191.51		50	897.82	1,734.10	(836.28)	531	7,838.93	8,048.03	(209.10)
Schlumberger LTD	75	3,783.29	4,104.00	-	-		-	-	-	-	75	2,203.43	3,144.75	(941.32)
Scripps Howard Inc	-	-	-	50	2,373.46		-	-	-	-	450	10,186.41	9,396.00	790.41
Staples	-	-	-	75	1,953.75		50	2,373.46	2,414.00	(40.54)	75	1,953.75	2,528.25	(574.50)
Texas Instruments	-	-	-	100	2,025.84		100	2,025.84	2,462.00	(436.16)	25	620.73	1,059.75	(439.02)
Transocean Sedco Forex	25	620.73	600.25	25	847.64		214	6,541.19	8,457.28	(1,916.09)	25	620.73	1,059.75	(439.02)
Unilever	189	5,693.55	7,106.40	75	2,091.57		75	2,091.57	2,349.00	(257.43)	75	2,091.57	2,349.00	(257.43)
US Bankcorp	-	-	-	225	5,181.64		75	1,115.45	2,186.25	-	75	1,115.45	2,186.25	(1,070.80)
Varco International	-	-	-	50	2,334.24		225	5,181.64	6,160.50	(978.86)	225	5,181.64	6,160.50	(978.86)
Vodafone Group	-	-	-	400	3,387.75		600	5,105.94	4,896.00	(295.76)	50	2,334.24	2,630.00	(295.76)
Wachovia	200	1,718.19	1,798.00	75	3,215.25		75	3,215.25	3,080.26	135.00	75	3,215.25	3,080.26	135.00
Web MD	-	-	-	-	-		-	-	-	-	50	1,684.88	2,565.00	(880.12)
Weightwatchers	-	-	-	-	-		-	-	-	-	-	-	-	-
Weatherford International	-	-	-	-	-		-	-	-	-	-	-	-	-
Total Equities	3,269.00	71,594.05	77,944.75	2,831	60,502.05		1,555.00	23,179.29	24,193.06	(1,013.77)	4,545.22	107,903.04	130,962.11	(23,059.07)

NYS Academy of Family Physicians
Investments - Exeter Trust Company
12/31/04

Attachment to 990 and CHAR 500

Description	12/31/03			Purchases			Sales			December 31, 2004				
	# of Shares	Cost	Market Value	# of Shares	Cost	Market Value	# of Shares	Sales Price	Basis	Realized (Gain) Loss	# of Shares	Cost	Market Value	Unrealized (Gain) Loss
UST Bonds - 6.5% 11/15/26	5,000	5,571.88	5,882.03				5,000	6,162.89	5,571.88	591.01				
UST Bonds - 2/12/04	20,000	19,957.07	19,978.54				20,000	19,957.07	19,957.07	-				
UST Bonds - 5/13/04	-	-	-	20,000.00	19,959.40	-	20,000	19,959.40	19,959.40	-				
UST Bonds - 12/15/08	-	-	-	10,000.00	10,061.72	-	10,000	9,828.13	10,061.72	(233.59)				
UST Bonds - 5.5% 8/15/28	10,000	10,585.93	10,416.02				10,000	10,985.94	10,585.93	400.01				
UST Bonds - 3 - 2/15/08	10,000	10,396.88	10,046.48				10,000	9,965.63	10,396.88	(431.25)				
UST Bonds - 3.25% - 8/15/08	25,000	25,138.67	25,152.35				10,000	10,016.80	10,055.47	(38.67)				
Total Bonds	70,000	71,650.43	71,475.42	40,000	40,065.65		85,000	86,875.86	86,588.35	287.51			25,753.65	(625.92)
Vanguard 500 Index	547	54,337.81	56,136.90	17	1,821.91		17	1,764.09	1,784.32	(20.23)				
Vanguard Growth & Income	659	28,914.14	30,062.28	16	807.46		25	1,155.39	1,145.75	9.64				
Templeton Foreign Fund	3,517	31,091.46	37,425.27	133	1,464.05		188	2,057.23	1,712.68	344.55				
Pimco Total Return	13,158	142,144.83	140,919.37	1,436	15,458.96		167	1,788.57	1,805.27	(16.70)				
Brandywine Fund	779	15,614.81	16,719.37	58	1,363.58		67	1,674.50	1,356.08	318.42				
Sentinel Small Company	1,103	5,795.18	7,578.91				1,103	8,078.04	5,795.18	2,282.86				
Exeter - Small Corp	493	5,544.07	6,464.20	23	343.40									
Exeter - World Opportunity	924	7,312.96	6,322.39	28	221.27									
Exeter - International	894	12,474.99	7,900.52	83	751.13									
Exeter - High Yield Bond	850	8,514.52	8,865.20				850	8,528.95	8,514.52	14.43				
Exeter - Technology				289	1,976.76									
Exeter - Life Science	716	7,850.99	8,564.36	26.15	308.24									
Total Mutual Funds	23,640	319,595.76	328,958.77	2,109	24,516.76		2,417	25,046.77	22,113.80	2,932.97			347,234.12	(25,235.40)
Total Investments	96,909	462,840	478,379	44,940	125,084		88,972	135,102	132,895	2,207			503,950	(48,920)
Prior Years Unrealized Losses														11,200
Custody First - Cash Balance		5,846	5,846										31,572	(65.00)
Grand Totals	96,909	468,686	484,225	44,940	125,084		88,972	135,102	132,895	2,207			535,522	(37,785)

NEW YORK STATE ACADEMY OF FAMILY PHYSICIANS, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2004

NEW YORK STATE ACADEMY OF FAMILY PHYSICIANS, INC.

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INDEPENDENT AUDITORS' REPORT

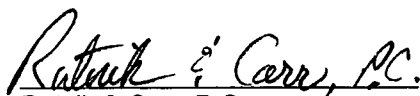
To the Board of Directors
New York State Academy of Family Physicians, Inc.

We have audited the accompanying consolidating statements of financial position of New York State Academy of Family Physicians, Inc. and New York State Academy of Family Physicians Foundation, Inc. as of December 31, 2004 and the related consolidating statements of activities and cash flows of the Organization's management. Our responsibility is to express an opinion on these consolidating financial statements based on our audit. The prior year summarized comparative information has been derived from the Academy's 2003 financial statements, and in our report dated March 4, 2004, we expressed an unqualified opinion on these financial statements.

We conducted our audit in accordance with 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 consolidating financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidating 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 audit provides a reasonable basis for our opinion.

In our opinion, the consolidating financial statements referred to above present fairly, in all material respects, the individual and consolidated financial position of New York State Academy of Family Physicians, Inc. and New York State Academy of Family Physicians Foundation, Inc. as of December 31, 2004 and the changes in their net assets and their cash flows for the year then ended in the conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The consolidating schedule of functional expenses on page 10 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 audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.


Rutnik & Corr, P.C.

March 2, 2005

NEW YORK STATE ACADEMY OF FAMILY PHYSICIANS, INC.
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2004
With Summarized Financial Information for December 31, 2003

ASSETS

	2004			Restated Total 2003
	Academy	Foundation	Total	
Current Assets				
Cash and Cash Equivalents	\$ 265,102	\$ 87,621	\$ 352,723	\$ 337,702
Restricted Cash	1,174	24,429	25,603	58,188
Due to/from Related Party	36,151	(36,151)	-	-
Accounts Receivable	9,754	-	9,754	10,935
Prepaid Expense	15,400	-	15,400	9,798
Total Current Assets	<u>327,581</u>	<u>75,899</u>	<u>403,480</u>	<u>416,623</u>
Investments	<u>535,522</u>	<u>-</u>	<u>535,522</u>	<u>484,225</u>
Property and Equipment				
Furniture and Equipment	137,840	-	137,840	131,808
Less: Accumulated Depreciation	<u>(125,818)</u>	<u>-</u>	<u>(125,818)</u>	<u>(121,890)</u>
Property and Equipment, Net	<u>12,022</u>	<u>-</u>	<u>12,022</u>	<u>9,918</u>
Total Assets	<u>\$ 875,125</u>	<u>\$ 75,899</u>	<u>\$ 951,024</u>	<u>\$ 910,766</u>

LIABILITIES AND NET ASSETS

Current Liabilities				
Accounts Payable and Accrued Expenses	\$ 63,038	\$ -	\$ 63,038	\$ 85,449
Unearned Dues	175,579	-	175,579	136,200
Other Unearned Income	<u>14,915</u>	<u>66,077</u>	<u>80,992</u>	<u>78,070</u>
Total Current Liabilities	<u>253,532</u>	<u>66,077</u>	<u>319,609</u>	<u>299,719</u>
Net Assets, Restricted	1,812	-	1,812	875
Net Assets, Unrestricted	<u>619,781</u>	<u>9,822</u>	<u>629,603</u>	<u>610,172</u>
Total Net Assets	<u>621,593</u>	<u>9,822</u>	<u>631,415</u>	<u>611,047</u>
Total Liabilities and Net Assets	<u>\$ 875,125</u>	<u>\$ 75,899</u>	<u>\$ 951,024</u>	<u>\$ 910,766</u>

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

NEW YORK STATE ACADEMY OF FAMILY PHYSICIANS, INC.
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2004
 With Summarized Financial Information for December 31, 2003

	2004				2003	
	Academy			Total	Foundation	Total
	Unrestricted	Temporarily Restricted	Total			
Revenue						
Membership Dues, Net	\$ 487,227	\$ -	\$ 487,227	\$ -	\$ 487,227	\$ 453,346
Conventions, Meetings and Seminars	117,840	-	117,840	-	117,840	180,313
Advertising	17,396	-	17,396	-	17,396	13,404
Educational Grants, Contributions and Fundraising	5,500	-	5,500	93,703	99,203	233,980
Family Medicine Student Group Grants	7,000	-	7,000	-	7,000	13,000
Endorsement Contracts	26,650	-	26,650	-	26,650	26,650
Dividend and Interest Income	20,323	-	20,323	1,905	22,228	19,108
Gain (Loss) on Investments	39,992	-	39,992	-	39,992	65,672
Other Income	3,714	-	3,714	-	3,714	11,880
Other Income - Political Action Committee	-	4,145	4,145	-	4,145	875
Total Revenue	725,642	4,145	729,787	95,608	825,395	1,018,228
Net Assets Released from Restriction	3,208	(3,208)	-	-	-	-
Expenses						
Program Expenses	539,350	-	539,350	122,167	661,517	707,473
Administrative Expenses	139,438	-	139,438	3,331	142,769	143,220
Fundraising Expenses	-	-	-	741	741	594
Total Expenses	678,788	-	678,788	126,239	805,027	851,287
Increase (Decrease) in Net Assets - Restated for 2003	50,062	937	50,999	(30,631)	20,368	166,941
Net Assets, Beginning of Year	569,719	875	570,594	40,453	611,047	444,106
Net Assets, End of Year	\$ 619,781	1,812	621,593	9,822	\$ 631,415	\$ 611,047

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

NEW YORK STATE ACADEMY OF FAMILY PHYSICIANS, INC.
CONSOLIDATING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2004
With Summarized Financial Information for December 31, 2003

	2004			Restated 2003
	Academy	Foundation	Total	Total
Cash Flows from Operating Activities				
Increase in Net Assets	\$ 50,999	\$ (30,631)	\$ 20,368	\$ 166,941
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities				
Depreciation	3,929	-	3,929	5,988
Net (Gain) Loss on Investments	(39,992)	-	(39,992)	(65,672)
(Increase) Decrease in Assets:				
Accounts Receivable	1,181	-	1,181	(4,622)
Due to/from Related Party	(24,971)	24,971	-	-
Prepaid Expenses	(5,602)	-	(5,602)	9,545
Increase (Decrease) in Liabilities:				
Accounts Payable and Accrued Expenses	(6,191)	(16,220)	(22,411)	32,973
Unearned Dues	39,379	-	39,379	39,152
Unearned Income	8,305	(5,384)	2,921	37,635
Net Cash Provided by Operating Activities	<u>27,037</u>	<u>(27,264)</u>	<u>(227)</u>	<u>221,940</u>
Cash Flows from Investing Activities				
Purchase of Furniture and Equipment	(6,032)	-	(6,032)	(1,390)
Purchase of Investment Securities	(146,407)	-	(146,407)	(179,117)
Proceeds from Sale of Investments	135,102	-	135,102	164,085
Net Cash Used by Investing Activities	<u>(17,337)</u>	<u>-</u>	<u>(17,337)</u>	<u>(16,422)</u>
Cash Flows from Financing Activities				
Principal Payments on Equipment Loans	-	-	-	(536)
Net Increase in Cash	9,700	(27,264)	(17,564)	204,982
Cash, Beginning of Year	<u>256,576</u>	<u>139,314</u>	<u>395,890</u>	<u>190,908</u>
Cash, End of Year	<u>\$ 266,276</u>	<u>\$ 112,050</u>	<u>\$ 378,326</u>	<u>\$ 395,890</u>
Supplemental Disclosure of Cash Flow Information:				
Cash Paid for Interest	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4</u>

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

**NEW YORK STATE ACADEMY OF FAMILY PHYSICIANS, INC.
NOTES TO CONSOLIDATING FINANCIAL STATEMENTS
DECEMBER 31, 2004**

1. Summary of Significant Accounting Policies

Description of Organization

New York State Academy of Family Physicians, Inc. (the Academy) is an association of members engaged in the practice of family medicine. The objectives of the Academy are to encourage the improvement of the health of the public, to promote the art and science of family practice, and to represent the interests of the members of the profession to the public which it serves. The Academy is tax exempt under Section 501(c)(6) of the Internal Revenue Code. The Academy's major source of revenue is from membership dues.

The New York State Academy of Family Physicians Foundation, Inc. (the Foundation) is a 501(c)(3) tax exempt entity founded by the Academy to enhance health care delivery in New York State by promoting research and education in the areas of family practice. Grants and contributions are primarily from individuals and corporations.

Basis of Accounting and Financial Statement Presentation

The consolidated financial statements of New York Academy of Family Physicians, Inc. have been prepared using the accrual basis in conformity with the Statements of Financial Accounting Standards No's. 116 and 117. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of New York State Academy of Family Physicians, Inc. and the New York State Academy of Family Physicians Foundation, Inc. The Academy and its affiliate share common management, facilities and personnel. Consequently, consolidation of the individual financial statements provides a more meaningful financial presentation. All material inter-company transactions have been eliminated.

Cash

For purposes of the statement of cash flows, the Academy considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash. At December 31, 2004 cash exceeded the FDIC insured limit by \$288,280.

Accounts Receivable

At December 31, 2004, Accounts Receivable consisted of \$4,087 of Dues Receivable and \$5,667 of Other Receivables. Based upon historical performance, no allowance for bad debts was considered necessary by management.

Investments

Investments are comprised of securities and are carried at market value. Realized and unrealized gains and losses are reflected in the statement of activities.

1. Summary of Significant Accounting Policies (Continued)

Property and Equipment

Property and equipment is stated at cost, less accumulated depreciation. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations using the straight-line method ranging from three to twelve years.

Maintenance and repairs are charged to operations when incurred; betterments and renewals are capitalized. When property and equipment are sold or otherwise disposed of, the asset account and related accumulated depreciation are relieved and any gain or loss is included in operations.

Unearned Dues

Members' dues are generally remitted to the Academy on an annual basis. Membership dues are recognized as income during the membership year which ends on December 31. Dues received in advance for the following year are reflected as unearned membership dues in the accompanying statement of financial position.

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited based upon an analysis of direct costs, personnel time and space utilized for the related activities.

Pervasiveness 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Reclassification

Certain amounts from the prior year have been reclassified to conform to the current year's presentation.

2. Investments

Investments consisting of publicly traded securities, mutual funds and U.S. treasury bonds are stated at fair value and are summarized as follows:

	<u>December 31,</u>	
	<u>2004</u>	<u>2003</u>
Investment Carrying Value, Beginning of Year	\$ 484,225	\$ 403,521
Sale of Securities	(135,102)	(164,085)
Purchase of Securities	146,407	179,117
Total	<u>495,530</u>	<u>418,553</u>
Investment Returns (Unrestricted):		
Realized Gains (Losses)	2,206	5,081
Unrealized Gains (Losses)	37,785	60,591
Total Return on Investments	<u>39,991</u>	<u>65,672</u>
Investment Carrying Value, End of Year	535,521	484,225
Investments at Cost	<u>486,536</u>	<u>468,686</u>
Unrealized Appreciation (Depreciation)	<u>\$ 48,985</u>	<u>\$ 15,539</u>

3. Pension Plan

The Academy has a defined contributions pension plan which covers all full-time employees who meet eligibility requirements. Contributions by the Academy for the current years were \$18,146 and \$16,825 for 2004 and 2003, respectively.

4. Commitments

The Academy leases space under a noncancellable operating lease expiring January, 2006. Future minimum lease payments under the lease are as follows:

2005	\$	15,955
2006		<u>1,333</u>
Total	\$	<u>17,288</u>

Total rent expense for the years ended December 31, 2004 and 2003 was \$16,749 and \$16,401 respectively.

4. Commitments (Continued)

The Academy currently leases one mailing machine, a copier and computers for lease terms ranging from three years to five years. Future minimum lease payments are as follows:

2005	\$	1,332
2006		1,212
2007		4,380
2008		<u>2,190</u>
Total	\$	<u><u>9,114</u></u>

5. Fair Value of Financial Instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instruments.

Cash – Fair value approximates carrying value due to initial maturities being three months or less.

Short-term investments – The fair value of investments are based on quoted market prices for those similar investments.

6. Restricted Net Assets

In 2003, the Academy established a political action committee (PAC) as a segregated fund. Total contributions for 2004 and 2003 were \$4,145 and \$875 respectively. The funds are recorded as restricted net assets.

7. Restatement of Prior Year Statements

The accompanying financial statements for 2003 have been restated to correct an error in deferred revenue made in 2004. The effect of the restatement was to increase net income for 2004 by \$123,422.

8. Contingencies

The Academy receives funding for various programs that are subject to review and audit by federal and state agencies. Such audits could result in a request for reimbursement by the federal and state agencies for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of the Academy's management, such disallowances, if any, will not be significant to the Academy's financial statements.

NEW YORK STATE ACADEMY OF FAMILY PHYSICIANS, INC.
CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2004
 With Summarized Financial Information for December 31, 2003

	Academy		Foundation		2004 Total	2003 Total
	Program	Administrative	Program	Administrative Fundraising		
Salaries and Related Benefits	\$ 191,821	\$ 48,936	\$ 15,000	\$ -	\$ 255,757	\$ 239,744
Research Grants and Projects	-	-	105,667	-	105,667	189,482
Conventions, Meetings and Seminars	138,332	-	-	-	138,332	134,055
Newsletter	17,523	-	-	-	17,523	16,227
Rent and Maintenance	-	20,213	-	-	20,213	19,213
Resident and Student Expenses	38,418	-	-	-	38,418	35,245
Board of Directors' and Officers' Expenses	26,136	-	-	-	26,136	23,793
Presidents' Expenses	6,533	-	-	-	6,533	2,482
Legislative Activities	31,905	-	-	-	31,905	32,544
Travel	18,424	-	-	-	18,424	26,437
Membership and Fundraising Development	-	-	1,500	-	1,500	4,000
Committee Expenses	33,335	-	-	-	33,335	28,513
Telephone	6,064	2,022	-	-	8,086	8,233
Professional Fees	18,102	8,285	-	-	26,387	28,199
Postage and Mailings	3,853	1,285	-	-	5,138	4,505
Office and Administrative Expenses	-	41,157	-	3,331	44,488	43,934
Other Program Expenses	5,696	-	-	-	5,696	-
Other Expenses	-	6,461	-	-	6,461	7,185
Contributions	-	-	-	741	741	594
Unrelated Business Income and Sales Tax	-	7,150	-	-	7,150	910
Political Expenses	3,208	-	-	-	3,208	-
Depreciation	-	3,929	-	-	3,929	5,988
Interest	-	-	-	-	-	4
Total Expenses	\$ 539,350	\$ 139,438	\$ 122,167	\$ 3,331	\$ 805,027	\$ 851,287

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