

Return of Organization Exempt From Income Tax

2000

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

Department of the Treasury Internal Revenue Service

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

Open to Public Inspection

Header section A-F: For the 2000 calendar year, OR tax year period beginning 1st January, 2000, and ending 31st December. Includes organization name (Applied Scholastics Eastern US), address (1701 Drew Street, Clearwater, FL 33755), and employer identification number (59-3557160).

Section G-L: Organization type (501(c)(3)), accounting method (Cash), and other organizational details. Includes checkboxes for group return status and separate return filing.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Specific Instructions on page 16.)

Main table with 21 rows. Columns include description, sub-rows (a-c), and amounts. Total revenue (line 12) is 189,127. Total expenses (line 17) is 172,315. Net assets at end of year (line 21) is 20,896.

FILED NOV 27 2001

Handwritten notes: '18', '19', '20', '21', 'NOV 1 8 2001', 'COPIED UP'.

17

**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 Specific Instructions on page 20.)

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) Stmt 3 (cash \$ 3,396 noncash \$ 425)	3,821	3,821		
23	Specific assistance to individuals (attach schedule)	0			
24	Benefits paid to or for members (attach schedule)	0			
25	Compensation of officers, directors, etc.	42,330	33,864	6,350	2,116
26	Other salaries and wages	15,674	12,539	2,351	784
27	Pension plan contributions	0			
28	Other employee benefits	0			
29	Payroll taxes	4,521	3,618	678	225
30	Professional fundraising fees	0			
31	Accounting fees	0			
32	Legal fees	0			
33	Supplies	4,530	2,265	2,265	
34	Telephone	5,531	4,978	276	277
35	Postage and shipping	2,427	2,184	243	
36	Occupancy	12,512	7,507	3,754	1,251
37	Equipment rental and maintenance	343	343		
38	Printing and publications	0			
39	Travel	12,391	11,152	1,239	
40	Conferences, conventions, and meetings	494	494		
41	Interest	0			
42	Depreciation, depletion, etc. (attach schedule) Stmt 4	799	161	638	
43	Other expenses (itemize) a Stmt 5	66,942	65,443	1,375	124
b		0			
c		0			
d		0			
e		0			
f		0			
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	172,315	148,369	19,169	4,777

**Reporting of Joint Costs.** Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation?  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 Specific Instructions on page 23.)

What is the organization's primary exempt purpose? All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a See Stmt 6 (Grants and allocations \$	89,022
b See Stmt 7 (Grants and allocations \$	7,418
c See Stmt 8 (Grants and allocations \$	51,929
d (Grants and allocations \$	
e Other program services (attach schedule) (Grants and allocations \$	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	148,369

**Part IV Balance Sheets**

(See Specific Instructions on page 23.)

<b>Note:</b> Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.				(A)		(B)
				Beginning of year		End of year
<b>Assets</b>						
45	Cash - non-interest-bearing				45	0
46	Savings and temporary cash investments				46	
47a	Accounts receivable	47a				
b	Less: allowance for doubtful accounts	47b			47c	0
48a	Pledges receivable	48a				
b	Less: allowance for doubtful accounts	48b			48c	0
49	Grants receivable				49	
50	Receivables from officers, directors, trustees, and key employees (attach schedule)				50	
51a	Other notes and loans receivable (attach schedule)	51a				
b	Less: allowance for doubtful accounts	51b			51c	0
52	Inventories for sale or use				52	16,196
53	Prepaid expenses and deferred charges				53	
54	Investments - securities (attach schedule)	<input type="checkbox"/> Cost	<input type="checkbox"/> FMV		54	
55a	Investments - land, buildings, and equipment: basis	55a				
b	Less: accumulated depreciation (attach schedule)	55b			55c	0
56	Investments - other (attach schedule)			0	56	0
57a	Land, buildings, and equipment: basis	57a	4,755			
b	Less: accumulated depreciation (attach schedule) Stmt. 9	57b	799		57c	3,956
58	Other assets (describe Deposits)			0	58	1,870
59	<b>Total assets (add lines 45 through 58) (must equal line 74)</b>			0	59	22,022
<b>Liabilities</b>						
60	Accounts payable and accrued expenses				60	
61	Grants payable				61	
62	Deferred revenue				62	
63	Loans from officers, directors, trustees, and key employees (attach schedule)				63	
64a	Tax-exempt bond liabilities (attach schedule)				64a	
b	Mortgages and other notes payable (attach schedule)				64b	
65	Other liabilities (describe Payable taxes)			0	65	1,126
66	<b>Total liabilities (add lines 60 through 65)</b>			0	66	1,126
<b>Net Assets or Fund Balances</b>						
Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.						
67	Unrestricted				67	
68	Temporarily restricted				68	
69	Permanently restricted				69	
Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 70 through 74.						
70	Capital stock, trust principal, or current funds				70	0
71	Paid-in or capital surplus, or land, bldg., and equipment fund				71	4,084
72	Retained earnings, endowment, accumulated income, or other funds				72	16,812
73	<b>Total net assets or fund balances (add lines 67 through 69 OR lines 70 through 72; column (A) must equal line 19 and column (B) must equal line 21)</b>			0	73	20,896
74	<b>Total liabilities and net assets/fund balances (add lines 66 and 73)</b>			0	74	22,022

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.

**Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return** (See Specific Instructions, page 25)

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

<b>a</b> Total revenue, gains, and other support per audited financial statements	<b>a</b> N/A
<b>b</b> Amounts included on line a but not on line 12, For N/A	
(1) Net unrealized gains on investments	
(2) Donated services and use of facilities	
(3) Recoveries of prior year grants	
(4) Other (specify):	
-----	
Add amounts on lines (1) thru (4)	<b>b</b> N/A
<b>c</b> Line a minus line b	<b>c</b> N/A
<b>d</b> 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)	<b>d</b> N/A
<b>e</b> Total revenue per line 12, Form 990 (line c plus line d)	<b>e</b> N/A

<b>a</b> Total expense and losses per audited financial statements	<b>a</b> N/A
<b>b</b> Amounts included on line a but not on line 17, Form 990:	
(1) Donated services and use of facilities	
(2) Prior year adjustments reported on line 20, Form 990	
(3) Losses reported on line 20, Form 990	
(4) Other (specify):	
-----	
Add amounts on lines (1) thru (4)	<b>b</b> N/A
<b>c</b> Line a minus line b	<b>c</b> N/A
<b>d</b> 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)	<b>d</b> N/A
<b>e</b> Total expenses per line 17, Form 990 (line c plus line d)	<b>e</b> N/A

**Part V List of Officers, Directors, Trustees, and Key Employees** (List each one even if not compensated; see Specific Instructions on page 25.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
Debbie Shadd 1701 Drew St. Suite 7 Clearwater, FL 33755	President 20	22,900		
Ruta Siauciunas 1701 Drew St. Suite 7 Clearwater, FL 33755	Secretary 20	19,430		
Gary Relkin 1701 Drew St. Suite 7 Clearwater, FL 33755	Treasurer 10	0		
See Statement 10				

**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 Specific Instructions on page 26.

**Part VI Other Information**

(See Specific Instructions on pages 26.)

		N/A	Yes or No
76	Did the organization engage in any activity not previously reported to the Internal Revenue Service? If "Yes," attach a detailed description of each activity.	76	NO
77	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.	77	NO
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	NO
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78b	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79	NO
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?	80a	NO
b	If "Yes," enter the name of the organization _____ and check whether it is <input type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt.		
81a	Enter the amount of political expenditures, direct or indirect, as described in the instructions for line 81	81a	N/A
b	Did the organization file Form 1120-POL for this year?	81b	NO
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?	82a	NO
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 for reporting in Part III.)	82b	N/A
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	YES
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	N/A
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	NO
b	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	N/A
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" 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.	85b	N/A
c	Dues, assessments, and similar amounts from members	85c	N/A
d	Section 162(e) lobbying and political expenditures	85d	N/A
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
g	Does the organization elect to pay the section 6033(e) tax on the amount in 85f?	85g	N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 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) orgs. - Enter: (a) Initiation fees and capital contributions included on line 12	86a	N/A
b	Gross receipts, included on line 12, for public use of club facilities	86b	N/A
87	501(c)(12) orgs. - Enter: a Gross income from members or shareholders	87a	N/A
b	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	NO
89a	501(c)(3) organizations - Enter: Amount of tax paid during the year under: section 4911 <u>0</u> ; section 4912 <u>0</u> ; section 4955 <u>0</u>		
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	89	NO
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under section 4912, 4955 and 4958.		0
d	Enter: Amount of tax in 89c, above, reimbursed by the organization		0
90a	List the states with which a copy of this return is filed		N/A
b	Number of employees employed in the pay period that includes March 12, 2000 (See inst )	90b	3
91	The books are in care of <u>Debbie Shadd</u> Telephone no <u>727-461-5660</u> Located at <u>1701 Drew St. Suite 7, Clearwater, FL</u> ZIP code <u>33755</u>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041-- Check here <input type="checkbox"/> 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 Specific Instructions on pages 30.)

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(E)
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	Related or exempt function income
93 Program service revenue:					
a Trademarks License fees					185,939
b Royalties			15	963	
c					
d					
e					
f Medicare/Medicaid payments.					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investment					
96 Dividends and interest from securities					
97 Net rental income (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					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
b					
c					
d					
e					
104 Subtotal (add cols. (B), (D), and (E))		0		963	185,939
105 TOTAL (add line 104, columns (B), (D), and (E))					186,902

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 Specific Instructions on page 31.)

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	The organization provides educational technology, guidance & quality control services to educational groups, schools and tutors to enhance their ability to provide quality education to their communities

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities**

(See Specific Instructions on page 31.)

(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 Specific Instructions on page 31.)

- (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.

(IMPORTANT: See General Instruction W on page 14.)

*Debby Shadd* | 10/5/2001 | Debby Shadd | President  
 Signature of officer | Date | Type or print name | Title

**Paid Preparer's Use Only**

Preparer's signature | Date | Check if self-employed | Preparer's SSN or PTIN  
 \_\_\_\_\_ | 10/4/2001 |  employed | \_\_\_\_\_

Firm's name (or yours if self-employed) and address, and ZIP code | Perfectly Balanced Books, Inc. | 133 Garden Avenue North, Clearwater, FL 33755 | EIN | 52-2304506 | Phone | 727 445-9707

**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 Section 4947(a)(1) Nonexempt Charitable Trust

OMB No 1545-0047

**2000**

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

Applied Scholastics Eastern U S

Employer identification number  
59-3557160

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**

(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over \$50,000	0			

**Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services**

(See page 1 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	0	

**Part III Statements About Activities**

		Yes	No
<b>1</b>	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. 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.	<b>1</b>	X
<b>2</b>	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any of its 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:		
<b>a</b>	Sale, exchange, or leasing of property?	<b>2a</b>	X
<b>b</b>	Lending of money or other extension of credit?	<b>2b</b>	X
<b>c</b>	Furnishing of goods, services, or facilities?	<b>2c</b>	X
<b>d</b>	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	<b>2d</b>	X
<b>e</b>	Transfer of any part of its income or assets? If the answer to any question is "Yes," attach a detailed statement explaining the transactions.	<b>2e</b>	X
<b>3</b>	Does the organization make grants for scholarships, fellowships, student loans, etc.?	<b>3</b>	X
<b>4a</b>	Do you have a section 403(b) annuity plan for your employees?	<b>4a</b>	X
<b>b</b>	Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs qualify to receive payments. (See page 2 of the instructions.)	Stmt 11	

**Part IV Reason for Non-Private Foundation Status**

(See pages 2 through 4 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, page 5.)
- 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 below.)
- 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). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See page 5 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 5 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) 1999	(b) 1998	(c) 1997	(d) 1996	(e) Total	
<b>15</b> Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	0	0	0	0	0	
<b>16</b> Membership fees received					0	
<b>17</b> Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc., purpose					0	
<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					0	
<b>19</b> Net income from unrelated business activities not included in line 18					0	
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0	
<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					0	
<b>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					0	
<b>23</b> Total of lines 15 through 22	0	0	0	0	0	
<b>24</b> Line 23 minus line 17	0	0	0	0	0	
<b>25</b> Enter 1% of line 23	0	0	0	0		
<b>26 Organizations described in lines 10 or 11:</b>	a Enter 2% of amount in column (e), line 24				<b>26a</b> 0	
<b>b</b> Attach a list (which is not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1996 through 1999 exceeded the amount shown in line 26a. Enter the sum of all these excess amounts					<b>26b</b>	
<b>c</b> Total support for section 509(a)(1) test: Enter line 24, column (e)					<b>26c</b> 0	
<b>d</b> Add: Amounts from column (e) for lines:	18 0	19 0			<b>26d</b> 0	
	22 0	26b 0			<b>26e</b> 0	
<b>e</b> Public support (line 26c minus line 26d total)					<b>26e</b> 0	
<b>f</b> Public support percentage (line 26e (numerator) divided by line 26c (denominator))					<b>26f</b> 0.00%	
<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," attach a list (which is not open to public inspection) to show the name of, and total amounts received in each year from, each "disqualified person." Enter the sum of such amounts for each year:					
	(1999) N/A	(1998) N/A	(1997) N/A	(1996) N/A		
<b>b</b> For any amount included in line 17 that was received from a nondisqualified person, attach a list to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of all these differences (the excess amounts) for each year:	(1999) N/A	(1998) N/A	(1997) N/A	(1996) N/A		
<b>c</b> Add: Amounts from column (e) for lines:	15 0	16 0			<b>27c</b> 0	
	17 0	20 0	21 0			<b>27d</b> 0
<b>d</b> Add: Line 27a total	0		and line 27b total 0		<b>27e</b> 0	
<b>e</b> Public support (line 27c minus line 27d total)					<b>27e</b> 0	
<b>f</b> Total support for section 509(a)(2) test: Enter amount on line 23, column (e)					<b>27f</b> 0	
<b>g</b> Public support percentage (line 27e (numerator) divided by line 27f (denominator))					<b>27g</b> 0.00%	
<b>h</b> Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					<b>27h</b> 0.00%	
<b>28 Unusual Grants:</b> For an organization described in line 10, 11, or 12 that received any unusual grants during 1996 through 1999, attach a list (which is not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 15. (See page 5 of the instructions.)						

**Part V Private School Questionnaire**

(See page 5 of the instructions.)

**(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

N / A		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?		
b	Admissions policies?		
c	Employment of faculty or administrative staff?		
d	Scholarships or other financial assistance?		
e	Educational policies?		
f	Use of facilities?		
g	Athletic programs?		
h	Other extracurricular activities?		
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a statement.)		
34a	Does the organization receive any financial aid or assistance from a governmental agency?		
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement		
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation		

**Part VI-A Lobbying Expenditures by Electing Public Charities**

(See page 7 of the instructions.)

(To be completed ONLY by an eligible organization that filed Form 5768)

- Check here  a If the organization belongs to an affiliated group.  
 Check here  b If you checked "a" and "limited control" provisions apply.

**Limits on Lobbying Expenditures**

(The term "expenditures" means amounts paid or incurred)

		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38	N/A	N/A
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40	N/A	N/A
41 Lobbying nontaxable amount. Enter the amount from the following table -			
<b>If the amount on line 40 is -</b>	<b>The lobbying nontaxable amount is -</b>		
Not over \$500,000	20% of the amount on line 40		
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	N/A	N/A
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	N/A	N/A
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	N/A	N/A

Caution: If there is an amount on either line 43 or line 44, 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 9 of the instructions.)

**Lobbying Expenditures During 4-Year Averaging Period**

Calendar year (or fiscal year beginning in)	(a) 2000	(b) 1999	(c) 1998	(d) 1997	(e) Total
45 Lobbying nontaxable amount					0
46 Lobbying ceiling amount (150% of line 45(e))					0
47 Total lobbying expenditures					0
48 Grassroots nontaxable amount					0
49 Grassroots ceiling amount (150% of line 48(e))					0
50 Grassroots lobbying expenditures					0

**Part VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting by organizations that did not complete Part VI-A) (See page 9 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers		X	
b Paid staff or management (include compensation in expenses reported on lines c through h.)		X	
c Media advertisements		X	
d Mailings to members, legislators, or the public		X	
e Publications, or published or broadcast statements		X	
f Grants to other organizations for lobbying purposes		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (add lines c through h)			0

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

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

(See page 9 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.

Table with columns: Question, Yes, No. Rows: 51a(i), a(ii), b(i), b(ii), b(iii), b(iv), b(v), b(vi), c.

Table with 4 columns: (a) Line no., (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements.

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 (with X checked under No)

b If "Yes," complete the following schedule.

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

INCOME AND COST OF GOODS SOLD  
INCLUDED ON PART I, LINE 10

INCOME

Gross sales of inventory	11,123
Less:	
Returns and Allowances	<u>0</u>
	11,123
Less:	
Cost of good sold	<u>8,898</u>
Gross profit	<u><u>\$2,225</u></u>

COST OF GOODS SOLD

Merchandise purchased during the year	25,094
Other costs	<u>0</u>
	25,094
Less:	
Inventory at the end of the year	<u>16,196</u>
Cost of goods sold	<u><u>\$8,898</u></u>

APPLIED SCHOLASTICS EAST US  
FORM 990 - 31 DECEMBER 2000  
FEIN 59-355-7160

STATEMENT 2

OTHER CHANGES IN NET ASSETS OR FUND BALANCES  
Form 990 Part I, Line 20

OPENING BALANCE EQUITY \$4,084

APPLIED SCHOLASTICS EASTERN US  
FORM 990 - 31 DECEMBER 2000  
FEIN 59-355-7160

STATEMENT 3

GRANTS AND ALLOCATIONS  
FORM 990, PART II, LINE 22

<u>NAME</u>	<u>PURPOSE OF PAYMENT</u>	<u>AMOUNT</u>
APPLIED SCHOLASTICS DOMINICANA	TRAINING BOOKS	\$3,396.00 \$425.00
	Total to Form 990, Part II, Line 22	<u>\$3,821.00</u>

Form 990 - Part II, Line 42 - Depreciation and Amortization  
 For the year ended December 31, 2000  
 Federal ID Number 59-355-7160

**Description of Property**

Description of item	Date placed in service	Method/ IRC sec.	Life or rate	Line No.	Cost or Other Basis	Basis reduction	Accumulated depreciation /amort.	Current year deduction
<b>OFFICE FURNITURE &amp; FIXTURES</b>								
Stack chairs	2000	SL	7	19	940		134	134
Folding Table	2000	SL	7	19	192		27	27
Panels	2000	SL	7	19	460		66	66
Desk & Chair	2000	SL	7	19	490		70	70
Wood desk	2000	SL	7	19	270		39	39
Desks	2000	SL	7	19	309		44	44
<b>COMPUTER EQUIPMENT &amp; SOFTWARE</b>								
Computer & Printer	2000	SL	5	19	1174		235	235
Computer & Printer	2000	SL	5	19	920		184	184

TOTAL 990 Page 2 Depreciation

\$4,755.00

\$799.00

\$799.00



OTHER EXPENSES  
 FORM 990, PART II, LINE 43

	(A)	(B)	(C)	(D)
	Total	Program Services	Mngmt & General	Fundraising
1 Advertising	275	220		55
2 Bank charges and credit card services	1,450	145	1,305	
3 Office Expenses	692	553	70	69
4 License Fees	64,525	64,525		
Other Expenses itemized	\$66,942	\$65,443	\$1,375	\$124

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

1.- ASSISTANCE TO EDUCATIONAL AND LITERACY PROGRAMS: \$89,022.00

The purpose of Applied Scholastics East U.S. is to provide effective educational services and materials that help people to learn how to learn and thereby work effectively to achieve their goals and realize their full potential. It uses the educational breakthroughs developed by L. Ron Hubbard throughout all of its programs.

We assisted affiliates in Chicago, Boston, Florida, NY (Harlem), Alabama, Louisiana and Cincinnati to deliver community literacy programs to thousands of adults and children

TO FORM 990, PART III, LINE a

\$89,022.00

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

2.- TEACHER TRAINING PROGRAMS: \$7,418.00

During 2000 Applied Scholastics aided in setting up Teacher Training in Santo Domingo. This was a volunteer program and all the hundreds of books used for this program were donated.

We sent an individual to Santo Domingo to get the program set up, ensure the delivery was going as planned. This person was in Santo Domingo for 1 month.

We provided technical assistance, materials and guidance every step of the way.

Hundreds of Teachers learned the Study Methods and were able to then effectively help their students to learn and do better in school.

TO FORM 990, PART III, LINE b

\$7,418.00

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

\$51,929.00

3.- ASSISTANCE TO EDUCATIONAL PROGRAMS:

We provided materials, educational supplies, technical advice and support to 31 affiliates (schools and tutors) who use the study methods developed by Mr. Hubbard. We gave on-site corrections and support to these groups to ensure technical correctness of their delivery. We monitored their promotion and usage of Applied Scholastics trademarks. These groups and individuals are located throughout the Eastern United States.

TO FORM 990, PART III, LINE c

\$51,929.00

Form 990 - Part IV, Line 57 - Accumulated Depreciation  
For the year ended December 31, 2000  
Federal ID Number 59-355-7160

### Depreciation of Assets

		Cost or Other Basis	Accumulated Depreciation	Book Value
OFFICE FURNITURE:	Stack chairs	940	134	806
OFFICE FURNITURE:	Folding Table	192	27	165
OFFICE FURNITURE:	Panels	460	66	394
OFFICE FURNITURE:	Desk & Chair	490	70	420
OFFICE FURNITURE:	Wood desk	270	39	231
OFFICE FURNITURE:	Desks	309	44	265
COMPUTER EQUIPMENT:	Computer & Printer	1174	235	939
COMPUTER EQUIPMENT:	Computer & Printer	920	184	736
TOTAL TO FORM 990 Part IV Ln 55		<u>\$4,755.00</u>	<u>\$799.00</u>	<u>\$3,956.00</u>

APPLIED SCHOLASTICS EAST US  
FORM 990 - 31 DECEMBER 2000  
FEIN 59-355-7160

STATEMENT 10

Form 990 Part V

TRUSTEES, DIRECTORS AND OFFICERS WHO ARE ALSO EMPLOYEES  
ARE COMPENSATED ONLY FOR THEIR EMPLOYMENT DUTIES AND  
NOT FOR THEIR DUTIES AS TRUSTEES, DIRECTORS OR OFFICERS.

APPLIED SCHOLASTICS EASTERN US  
FORM 990 - 31 DECEMBER 2000  
FEIN 59-355-7160

STATEMENT 11

EXPLANATION OF QUALIFICATIONS TO RECEIVE PAYMENTS  
SCHEDULE A, PART III, LINE 4

THE RECIPIENTS OF APPLIED SCHOLASTICS GRANTS WERE QUALIFIED  
EXEMPT ORGANIZATIONS. PROJECTS ARE DETERMINED TO BE QUALIFIED  
ON AN INDIVIDUAL BASIS.

- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** and check this box  **Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.**
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

**Part II Additional (not automatic) 3-Month Extension of Time—Must File Original and One Copy.**

Type or print  File by the extended due date for filing the return. See instructions.	Name of Exempt Organization <b>APPLIED SCHOLASTICS EAST US</b>	Employer identification number <b>59 355 7160</b>
	Number, street, and room or suite no. If a P.O. box, see instructions. <b>1701 Drew Street Ste 7</b>	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>Clearwater, FL 33755</b>	

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

- Form 990   
  Form 990-EZ   
  Form 990-T (sec. 401(a) or 408(a) trust)   
  Form 1041-A   
  Form 5227   
  Form 8870  
 Form 990-BL   
  Form 990-PF   
  Form 990-T (trust other than above)   
  Form 4720   
  Form 6069

**STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.**

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

- 4 I request an additional 3-month extension of time until 15 November, 2001.
- 5 For calendar year 2000, or other tax year beginning \_\_\_\_\_, 20\_\_\_\_ and ending \_\_\_\_\_, 20\_\_\_\_.
- 6 If this tax year is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period
- 7 State in detail why you need the extension Additional time is needed for review of this return by accountants and legal counsel.

- 8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ \_\_\_\_\_
- b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 \$ \_\_\_\_\_
- c **Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ \_\_\_\_\_

**Signature and Verification**

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

Signature ▶ Debby Shadd Title ▶ President Date ▶ 3 Aug 01

**Notice to Applicant—To Be Completed by the IRS**

- We have approved this application. Please attach this form to the organization's return.
- We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return.
- We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.
- We cannot consider this application because it was filed after the due date of the return for which an extension was requested.
- Other \_\_\_\_\_

Director

By: \_\_\_\_\_

**Alternate Mailing Address** — Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Type or print	Name <b>APPLIED SCHOLASTICS EAST US - C/O Perfectly Balanced Books</b>	Date <b>04 2001</b>
	Number and street (include suite, room, or apt. no.) Or a P.O. box number <b>133 Garden Avenue North</b>	
	City or town, province or state, and country (including postal or ZIP code) <b>Clearwater, FL 33755 - USA</b>	

LINDA WEISKOPF, FIELD DIRECTOR  
EXTENSION PROCESSING, OGDEN



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

OMB No. 1545-1709

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
  - If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- Note: Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.**

**Part I Automatic 3-Month Extension of Time**—Only submit original (no copies needed)  
**Note: Form 990-T corporations requesting an automatic 6-month extension—check this box and complete Part I only**

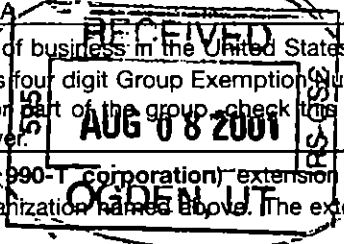
All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

<b>Type or print</b>	Name of Exempt Organization	Employer identification number
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions.	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	

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

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

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



**1** I request an automatic 3-month (6-month, for **990-T corporation**) extension of time until \_\_\_\_\_, 20\_\_\_\_, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
 ▶  calendar year 20 ... or  
 ▶  tax year beginning \_\_\_\_\_, 20 ..., and ending \_\_\_\_\_, 20 ...

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

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

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

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

### Signature and Verification

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

Signature ▶ \_\_\_\_\_ Title ▶ \_\_\_\_\_ Date ▶ \_\_\_\_\_