

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2001

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 2001 calendar year, OR tax year beginning **9/1/2001**, and ending **8/31/2002**

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.	C Name of organization ABILITY APPLE SCHOOL		D Employer identification number 13-2769303	
	Number and street (or P.O. box if mail is not delivered to street address)		Room/suite	E Telephone number
	192 W DEMAREST AVE			201 871-8808
	City or town	State or country	ZIP + 4	F Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)
ENGLEWOOD	NJ	07631		

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

- H and I are not applicable to section 527 organizations
- H(a) Is this a group return for affiliates? Yes No
- H(b) If "Yes," enter number of affiliates _____
- H(c) Are all affiliates included? Yes No
(If "No," attach a list. See instructions.)
- H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

G Web site _____

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

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

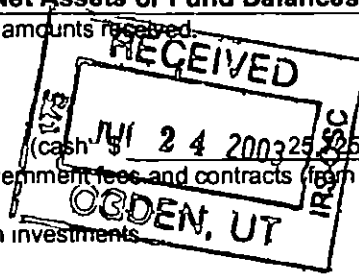
I Enter 4-digit GEN _____

M Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF)

L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 **399,411**

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

	1 Contributions, gifts, grants, and similar amounts received			
	a Direct public support	1a	25,725	
	b Indirect public support	1b		
	c Government contributions (grants)	1c		
	d Total (add lines 1a through 1c)	1d	25,725	
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2	354,042	
	3 Membership dues and assessments	3		
	4 Interest on savings and temporary cash investments	4	1,137	
	5 Dividends and interest from securities	5		
R	6a Gross rents	6a		
	b Less rental expenses	6b		
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c		0
	7 Other investment income (describe _____)	7		
R	8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other
	b Less cost or other basis and sales expenses	8a		
	c Gain or (loss) (attach schedule)	8b		
	d Net gain or (loss) (combine line 8c, columns (A) and (B))	8c	0	0
	9 Special events and activities (attach schedule)			
	a Gross revenue (not including \$ _____ of contributions reported on line 1a)	9a	18,507	
	b Less direct expenses other than fundraising expenses	9b	2,138	
	c Net income or (loss) from special events (subtract line 9b from line 9a)	9c	16,369	
R	10a Gross sales of inventory, less returns and allowances	10a		
	b Less cost of goods sold	10b		
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c		0
	11 Other revenue (from Part VII, line 103)	11		
	12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	397,273	
Ex-pen-ses	13 Program services (from line 44, column (B))	13	377,515	
	14 Management and general (from line 44, column (C))	14	6,213	
	15 Fundraising (from line 44, column (D))	15	669	
	16 Payments to affiliates (attach schedule)	16		
	17 Total expenses (add lines 16 and 44, column (A))	17	384,397	
	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18	12,876	
Net Assets	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19	171,888	
	20 Other changes in net assets or fund balances (attach explanation)	20	-23,076	
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	161,688	



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Part II Statement of

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 21.)

Functional Expenses

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____)	0			
23	Specific assistance to individuals (attach schedule)	0			
24	Benefits paid to or for members (attach schedule)	0			
25	Compensation of officers, directors, etc	45,500	45,500		
26	Other salaries and wages	87,180	87,180		
27	Pension plan contributions	0			
28	Other employee benefits	0			
29	Payroll taxes	10,151	10,151		
30	Professional fundraising fees	0			
31	Accounting fees	200	200		
32	Legal fees	0			
33	Supplies	31,449	31,449		
34	Telephone	9,177	9,177		
35	Postage and shipping	4,296	4,296		
36	Occupancy	52,352	52,352		
37	Equipment rental and maintenance	12,236	12,236		
38	Printing and publications	260	260		
39	Travel	4,011	4,011		
40	Conferences, conventions, and meetings	0			
41	Interest	0			
42	Depreciation, depletion, etc (attach schedule)	0			
43	Other expenses not covered above (itemize) a _____	0			
b	SEE ATTACHED SCHEDULE	127,585	120,703	6,213	669
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	384,397	377,515	6,213	669

Joint Costs Check if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No

If "Yes," enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to Program services \$ _____, (iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments

(See Specific Instructions on page 24.)

Program Service Expenses

(Required for 501(c)(3) and (4) orgs and 4947(a)(1) trusts but optional for others.)

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.)

a	ALL SERVICE OUTPUTS AND EXPENSES ARE ATTRIBUTABLE TO SCHOOL PROGRAMS				
		(Grants and allocations \$ _____)			377,515
b					
		(Grants and allocations \$ _____)			
c					
		(Grants and allocations \$ _____)			
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)				377,515

Part IV Balance Sheets

(See Specific Instructions on page 24)

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	17,447	10,908
46	Savings and temporary cash investments	100,949	102,596
47a	Accounts receivable	25,299	
b	Less allowance for doubtful accounts	34,739	25,299
48a	Pledges receivable		
b	Less allowance for doubtful accounts		0
49	Grants receivable		
50	Receivables from officers, directors, trustees, and key employees (attach schedule)		6,120
51a	Other notes and loans receivable (attach schedule)		
b	Less allowance for doubtful accounts		0
52	Inventories for sale or use		
53	Prepaid expenses and deferred charges		
54	Investments - securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV		
55a	Investments - land, buildings, and equipment basis		
b	Less accumulated depreciation (attach schedule)		0
56	Investments - other (attach schedule)	0	0
57a	Land, buildings, and equipment basis	57,979	
b	Less accumulated depreciation (attach schedule)	38,325	19,654
58	Other assets (describe _____)	4,000	4,000
59	Total assets (add lines 45 through 58) (must equal line 74)	176,789	168,577
Liabilities			
60	Accounts payable and accrued expenses	4,901	6,889
61	Grants payable		
62	Deferred revenue		
63	Loans from officers, directors, trustees, and key employees (attach schedule)		
64a	Tax-exempt bond liabilities (attach schedule)		
b	Mortgages and other notes payable (attach schedule)		
65	Other liabilities (describe _____)	0	0
66	Total liabilities (add lines 60 through 65)	4,901	6,889
Net Assets or Fund Balances			
Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
67	Unrestricted		
68	Temporarily restricted		
69	Permanently restricted		
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	1,000	
71	Paid-in or capital surplus, or land, building, and equipment fund		
72	Retained earnings, endowment, accumulated income, or other funds	170,888	161,688
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)	171,888	161,688
74	Total liabilities and net assets/fund balances (add lines 66 and 73)	176,789	168,577

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 VI Other Information (See Specific Instructions on page 27) Yes or No

76 Did the organization engage in any activity not previously reported to the IRS? 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 [] exempt OR [] nonexempt

81a Enter direct or indirect political expenditures See line 81 instructions 81a

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 in Part III) 82b

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 Yes

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

85 501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members? 85a

b Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year 85b

c Dues, assessments, and similar amounts from members 85c

d Section 162(e) lobbying and political expenditures 85d

e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e

f Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f 0

g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? 85g

h 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

86 501(c)(7) orgs Enter a Initiation fees and capital contributions included on line 12 86a

b Gross receipts, included on line 12, for public use of club facilities 86b

87 501(c)(12) orgs Enter a Gross income from members or shareholders 87a

b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) 87b

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 imposed on the organization during the year under section 4911, section 4912, section 4955

b 501(c)(3) and 501(c)(4) orgs Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction 89b No

c Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958

d Enter Amount of tax on line 89c, above, reimbursed by the organization

90a List the states with which a copy of this return is filed 90b

b Number of employees employed in the pay period that includes March 12, 2001 (See instructions) 90b

91 The books are in care of MARY M MILLER Telephone no 201-871-8808

Located at 192 W DEMAREST AVE, ENGLEWOOD, NJ ZIP + 4 07631

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the tax year 92

Part VII Analysis of Income-Producing Activities

(See Specific Instructions on page 32)

Note 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 TUITION & AFTER SCHOOL					354,042
b					
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 investments					1,137
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events			01	16,369	
102 Gross profit or (loss) from sales of inventory					
103 Other revenue a					
b					
c					
d					
e					
104 Subtotal (add cols (B), (D), and (E))		0		16,369	355,179
105 Total (add line 104, columns (B), (D), and (E))					371,548

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 32)

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	Tuition provides qualified personnel and materials for proper education of the children
95	Interest increases the school's endowment, the main purpose of which is to purchase a permanent building

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities

(See Specific Instructions on page 33)

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

Part X Information Regarding Transfers Associated with Personal Benefit Contracts

(See Specific Instructions on page 33)

- (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 Sign Here

Signature of officer: *Mary Miller* Date: July 15, 2003
 Type or print name and title: MARY MILLER

Paid Preparer's Use Only

Preparer's signature: _____ Date: _____ Check if self-employed: Preparer's SSN or PTIN (See Gen Inst W): _____
 Firm's name (or yours if self-employed) address and ZIP + 4: _____ EIN: _____
 Phone no (): _____

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

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities \$ _____ (Must equal amounts on line 38, Part VI-A, or line 1 of Part VI-B) 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		X
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?		X
b Lending of money or other extension of credit?	X	
c Furnishing of goods, services, or facilities?		X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		X
e Transfer of any part of its income or assets?		X
3 Does the organization make grants for scholarships, fellowships, student loans, etc.? (See Note below)		X
4 Do you have a section 403(b) annuity plan for your employees?		X
Note: 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.		

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

The organization is not a private foundation because it is (Please check only ONE applicable box.)

- 5** A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6** A school Section 170(b)(1)(A)(ii) (Also complete Part V)
- 7** A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8** A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
- 9** A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state _____
- 10** An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the Support Schedule in Part IV-A)
- 11a** An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the Support Schedule in Part IV-A)
- 11b** A community trust Section 170(b)(1)(A)(vi) (Also complete the Support Schedule in Part IV-A)
- 12** An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions- subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the Support Schedule in Part IV-A)
- 13** An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (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 6 of the instructions)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) Use cash method of accounting

NOTE You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in)	(a) 2000	(b) 1999	(c) 1998	(d) 1997	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	N/A				0
16 Membership fees received					0
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					0
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					0
19 Net income from unrelated business activities not included in line 18					0
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
21 The value of services or facilities furnished to the organization by a governmental unit without charge Do not include the value of services or facilities generally furnished to the public without charge					0
22 Other income Attach a schedule Do not include gain or (loss) from sale of capital assets					0
23 Total of lines 15 through 22	0	0	0	0	0
24 Line 23 minus line 17	0	0	0	0	0
25 Enter 1% of line 23	0	0	0	0	0

26 Organizations described on lines 10 or 11.	a Enter 2% of amount in column (e), line 24	26a	0
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1997 through 2000 exceeded the amount shown in line 26a Do not file this list with your return Enter the total of all these excess amounts		26b	
c Total support for section 509(a)(1) test Enter line 24, column (e)		26c	0
d Add Amounts from column (e) for lines	18 <u>0</u> 19 <u>0</u>	26d	0
	22 <u>0</u> 26b <u>0</u>	26e	0
e Public support (line 26c minus line 26d total)		26e	0
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))		26f	0 00%

27 Organizations described on line 12.	a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return Enter the sum of such amounts for each year	(2000) _____	(1999) _____	(1998) _____	(1997) _____
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000 (Include in the list organizations described in lines 5 through 11, as well as individuals) Do not file this list with your return After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year	(2000) _____	(1999) _____	(1998) _____	(1997) _____	
c Add Amounts from column (e) for lines	15 <u>0</u> 16 <u>0</u>	17 <u>0</u> 20 <u>0</u> 21 <u>0</u>	27c	0	
d Add Line 27a total	<u>0</u> and line 27b total <u>0</u>	27d	0		
e Public support (line 27c total minus line 27d total)		27e	0		
f Total support for section 509(a)(2) test Enter amount from line 23, column (e)		27f	0		
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))		27g	0 00%		
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))		27h	0 00%		

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1997 through 2000, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant Do not file this list with your return Do not include these grants in line 15

Part V Private School Questionnaire (See page 7 of the instructions)
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
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?	X	
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?	X	
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)	X	
32 Does the organization maintain the following		
a Records indicating the racial composition of the student body, faculty, and administrative staff?	X	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	X	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	X	
d Copies of all material used by the organization or on its behalf to solicit contributions?	X	
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?		X
b Admissions policies?		X
c Employment of faculty or administrative staff?		X
d Scholarships or other financial assistance?		X
e Educational policies?		X
f Use of facilities?		X
g Athletic programs?		X
h Other extracurricular activities?		X
If you answered "Yes" to any of the above, please explain (if you need more space, attach a separate statement)		
34a Does the organization receive any financial aid or assistance from a governmental agency?		X
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		X
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	X	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions)

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

Check **a** if the organization belongs to an affiliated group Check **b** if you checked "a" and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations		
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36			
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37			
38	Total lobbying expenditures (add lines 36 and 37)	0	0		
39	Other exempt purpose expenditures				
40	Total exempt purpose expenditures (add lines 38 and 39)	0	0		
41	Lobbying nontaxable amount Enter the amount from the following table - <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none;"> If the amount on line 40 is - Not over \$500,000 Over \$500,000 but not over \$1,000,000 Over \$1,000,000 but not over \$1,500,000 Over \$1,500,000 but not over \$17,000,000 Over \$17,000,000 </td> <td style="width: 50%; border: none;"> The lobbying nontaxable amount is - 20% of the amount on line 40 \$100,000 plus 15% of the excess over \$500,000 \$175,000 plus 10% of the excess over \$1,000,000 \$225,000 plus 5% of the excess over \$1,500,000 \$1,000,000 </td> </tr> </table>	If the amount on line 40 is - Not over \$500,000 Over \$500,000 but not over \$1,000,000 Over \$1,000,000 but not over \$1,500,000 Over \$1,500,000 but not over \$17,000,000 Over \$17,000,000	The lobbying nontaxable amount is - 20% of the amount on line 40 \$100,000 plus 15% of the excess over \$500,000 \$175,000 plus 10% of the excess over \$1,000,000 \$225,000 plus 5% of the excess over \$1,500,000 \$1,000,000		
If the amount on line 40 is - Not over \$500,000 Over \$500,000 but not over \$1,000,000 Over \$1,000,000 but not over \$1,500,000 Over \$1,500,000 but not over \$17,000,000 Over \$17,000,000	The lobbying nontaxable amount is - 20% of the amount on line 40 \$100,000 plus 15% of the excess over \$500,000 \$175,000 plus 10% of the excess over \$1,000,000 \$225,000 plus 5% of the excess over \$1,500,000 \$1,000,000				
42	Grassroots nontaxable amount (enter 25% of line 41)	0	0		
43	Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	0	0		
44	Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	0	0		

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

4 - Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below
See the instructions for lines 45 through 50 on page 11 of the instructions)

Calendar year (or fiscal year beginning in)	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(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 only by organizations that did not complete Part VI-A) (See page 12 of the instructions)

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

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

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Line 43 - Other Expenses	Pgm	Mgt &	
	Services	General	Fundraising
Field Trip	4,917		
Miscellaneous Expense	3,750		
Bank Fees	1,530		
Book Store Items	1,776		
Events Expense	8,782		
Fundraising			669
Business Insurance		6,213	
Insurance - Other	3,236		
Licenses & Permits	163		
Royalties	41,057		
Advertising	3,873		
Public Relations	1,249		
Mktg/Promo Other	3,660		
Membership	108		
Office Exp	7,189		
Subcontractors	960		
Repairs & Maintenance	4,445		
Staff Training	21,087		
Staff Welfare	5,584		
Meals & Ent	477		
Automobile Exp	6,860		
	120,703	6,213	669

Part I - Line 20 Explanation of other changes in fund balance

Fund balance at beginning of year	171,888
Excess for current fiscal year	12,876
Net Accounting adjustments made to correct Cumulative Fund Balance	<u>(23,076)</u>
Fund balance at end of year	161,688

PART IV - LINE 50 Receivables from officers, directors, trustees, and key employees

	<u>Beg of Yr</u>	<u>End of Yr</u>
Director Loan - Mary Miller	0	2,734
Director Loan - Maryann Hoffman	0	300
Employee Loan - Megan Lionni	0	986
Employee Loan - Karyn Regensberg	<u>0</u>	<u>2,100</u>
	0	6,120

PART IV - LINE 57b Accumulated Depreciation

	Fixed Assets		Accumulated Dep	
	<u>Beg of Yr</u>	<u>End of Yr</u>	<u>Beg</u>	<u>End</u>
Vehicles	12,720	12,720	12,720	12,720
Furniture & Fixtures	12,026	12,026	10,544	10,544
Improvements	13,338	13,338	10,432	10,432
Library	1,300	1,300	910	910
Vehicle 2	<u>18,595</u>	<u>18,595</u>	<u>3,719</u>	<u>3,719</u>
	57,979	57,979	38,325	38,325

Schedule A - Line 2b Loan explanation

In Fiscal 2001, several directors and key employees were loaned funds due to extraordinary personal circumstances. The aggregate loan balance was \$6,120 as of 8/31/02. These loans have been substantially paid down in fiscal 2002.