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Form 990

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

OMB No. 1545-0047

2001

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

A For the 2001 calendar year, or tax year beginning and ending
B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending
C Name of organization: Applied Scholastics Western United States
D Employer ID number: 95-4809088
E Telephone number: 714-741-3181
F Accounting method: [X] Cash [] Accrual [] Other (specify)

G Web site
J Organization type: [X] 501(c)(3)
K Check here: [] If the organization's gross receipts are normally not more than \$25,000...
L Gross receipts: 359,323
M Check: [X] If the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF)

Table with 21 rows and 2 columns: Description and Amount. Includes rows for Contributions, Program service revenue, Membership dues, Investment income, and Total revenue (337,354) and Total expenses (316,416).

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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 2.)

Table with 5 columns: (A) Total, (B) Program services, (C) Management and general, (D) Fundraising. Rows include 22 Grants and allocations, 23 Specific assistance to individuals, 24 Benefits paid to or for members, 25 Compensation of officers, directors, etc., 26 Other salaries and wages, 27 Pension plan contributions, 28 Other employee benefits, 29 Payroll taxes, 30 Professional fundraising fees, 31 Accounting fees, 32 Legal fees, 33 Supplies, 34 Telephone, 35 Postage and shipping, 36 Occupancy, 37 Equipment rental and maintenance, 38 Printing and publications, 39 Travel, 40 Conferences, conventions, and meetings, 41 Interest, 42 Depreciation, depletion, etc. (att. sch.), 43 Other expenses not covered above (describe), 44 Total functional expenses.

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 [X] 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)

Table with 2 columns: Description of program service, Program Service Expenses. Row 1: support for educational programs see primary exempt purpose (Grants and allocations \$ 192,696). Row 2: Other program services (attach schedule) (Grants and allocations \$). Row 3: Total of Program Service Expenses (should equal line 44, column (B), Program services) 192,696.

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Balance Sheets (See Specific Instructions on page 24.)

Note: Where required, attached schedules and amounts with the description column should be for end-of-year amounts only.		(A) Beginning of year	(B) End of year
43	Cash-non-interest-bearing	60,513	62,766
44	Savings and temporary cash investments		
47a	Accounts receivable		
b	Less: allowance for doubtful accounts		
48a	Pledges receivable		
b	Less: allowance for doubtful accounts		
49	Grants receivable		
50	Receivables from officers, directors, trustees, and key employees (attach schedule)		
51a	Other notes and loans receivable (attach schedule)		
b	Less: allowance for doubtful accounts		
52	Inventories for sale or use	3,000	7,122
53	Prepaid expenses and deferred charges		
54	Investments-securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		
55a	Investments-land, buildings, and equipment: basis		
b	Less: accumulated depreciation (attach schedule)		
56	Investments-other (attach schedule)		
57a	Land, buildings, and equipment: basis	39,072	
b	Less: accumulated depreciation (attach schedule) See Stmt 4	20,268	
58	Other assets (describe <input type="checkbox"/> See Stmt 5)	14,441	18,804
59	Total assets (add lines 43 through 58) (must equal line 74)	77,954	95,033
60	Accounts payable and accrued expenses		
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) See Worksheet	4,574	
65	Other liabilities (describe <input type="checkbox"/> See Stmt 7)		715
66	Total liabilities (add lines 60 through 65)	4,574	715
67	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		
70	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		
71	Paid-in or capital surplus, or land, building, and equipment fund		
72	Retained earnings, endowment, accumulated income, or other funds	73,380	94,318
73	Total net assets or fund balances (add lines 67 through 69 OR lines 70 through 72; column (A) must equal line 18; column (B) must equal line 21)	73,380	94,318
74	Total liabilities and net assets / fund balances (add lines 66 and 73)	77,954	95,033

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.

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Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See Specific Instructions, page 26.)		Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return	
N/A		N/A	
a Total revenue, gains, and other support per audited financial statements ▶	a	a Total expenses and losses per audited financial statements ▶	a
b Amounts included on line a but not on line 12, Form 990:		b Amounts included on line a but not on line 17, Form 990:	
(1) Net unrealized gains on investments \$		(1) Donated services and use of facilities \$	
(2) Donated services and use of facilities \$		(2) Prior year adjustments reported on line 20, Form 990 \$	
(3) Recoveries of prior year grants \$		(3) Losses reported on line 20, Form 990 \$	
(4) Other (specify):		(4) Other (specify):	
..... \$	 \$	
Add amounts on line (1) through (4) ▶	b	Add amounts on lines (1) through (4) ▶	b
c Line a minus line b ▶	c	c Line a minus line b ▶	c
d Amounts included on line 12, Form 990 but not on line a:		d Amounts included on line 17, Form 990 but not on line a:	
(1) Investment expenses not included on line 6b Form 990 \$		(1) Investment expenses not included on line 6b, Form 990 \$	
(2) Other (specify):		(2) Other (specify):	
..... \$	 \$	
Add amounts on lines (1) and (2) ▶	d	Add amounts on lines (1) and (2) ▶	d
e Total revenue per line 12, Form 990 (line a plus line d) ▶	e	e Total expenses per line 17, Form 990 (line c plus line d) ▶	e

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated, see Specific Instructions on page 26.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contrib to employee benefit plans & deferred compensation	(E) Expense account and other allowances
Laurie Zurn 12460 Euclid Street #200, Gdn. Gr., Ca.	trustee as needed	0	0	0
Joanne Takano, Irwin same	trustee as needed	0	0	0
Joni Ginsberg same	trustee as needed	0	0	0
Dan Irwin same	dir/sec. 40	41,813	0	0
Billy Chalmers same	director as needed	0	0	0
Keyin Richards same	director as needed	0	0	0
Sara Brooks same	president 40	35,722	0	0
Dania Quevedo same	treasurer as needed	24,040	0	0

78 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 27

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Part VI Other Information (See Specific Instructions on page 27.)

		Yes	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	X
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	X
78a	Did the organization have unrelated business gross inc. of \$1,000 or more during the year covered by this return?	78a	X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78b	X
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79	X
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	X
b	If "Yes," enter the name of the organization <input type="checkbox"/> and check whether it is <input type="checkbox"/> exempt OR <input checked="" type="checkbox"/> nonexempt.		
81a	Enter direct or indirect political expenditures. See line 81 instr	81a	
b	Did the organization file Form 1120-POL for this year?	81b	X
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	X
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	N/A
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
b	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	N/A
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" 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	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 8033(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 8033(e) tax on the amount in 85f?	85g	N/A
h	If section 8033(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	X
89a	501(c)(8) organizations. Enter: Amount of tax imposed on the organization 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	89b	X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization		0
90a	List the states with which a copy of this return is filed <u>CA</u>		
b	Number of employees employed in the pay period that includes March 12, 2001 (See instructions)	90b	6
91	The books are in care of <u>Dan Irwin</u> Located at: <u>Garden Grove, Ca.</u>		
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 <u>0</u>	92	N/A

Telephone no 714-741-3181
ZIP +4 92840

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Analysis of Income-Producing Activities (See Specific Instructions on page 32.)

Indicated	Unrelated business income		Excluded by sec. 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a <u>administrative services</u>					310,810
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					
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					
102 Gross profit or (loss) from sales of inventory					16,335
103 Other revenue:					
a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0		0	327,145
105 Total (add line 104 column (B), (D) and (E))					327,145

Note: Line 105 plus line 10, Part I, should equal the amount on line 12, Part I.

Relationship of Activities to the Accomplishment of Exempt Purpose (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	We provide management and consulting services for schools teachers. We offer on site training and inspection, and provide books and materials for learning how to teach and See Statement 6

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
N/A	%			
	%			
	%			
	%			

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).

Please Sign Here
 Under penalties of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.
 Signature of officer: David W. Irwin Chairman of Board Date: 11/15/02
 Type or print name and title.

Paid Preparer's Use Only
 Preparer's signature: [Signature] Date: 11/15/02 Check if self-employed: Preparer's EIN or PTIN (See Gen. Instr. W): 528-66-1125
 Firm's name (or yours if self-employed): Les Whitworth, CPA EIN: 93-0939780
 Address and ZIP + 4: 2075 SW First Ave. Ste. 2-I Phone no: 503-295-1939
Portland, OR 97201

Schedule A (Form 990 or 990-EZ) 2001 Applied Scholastics Western 95-4809088

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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 expense paid or incurred in connection with the lobbying activities <u>00</u> (Must equal amount on line 38, Part VI-A, or line I 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 exp. if more than \$1,000)? <u>SEE PART IV, FORM 990</u>	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)(iv). 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 6 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.)

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Schedule A (Form 990 or 990-EZ) 2001 Applied Scholastics Western 95-4809088 Page 3

Part III 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.

Table with columns: Calendar year for fiscal year beginning in, (a) 2000, (b) 1999, (c) 1998, (d) 1997, (e) Total. Rows include: 15 Gifts, grants, and contributions received; 16 Membership fees received; 17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities; 18 Gross inc. from int., dividends, amounts received from pymt. on securities loans; 19 Net income from unrelated business activities; 20 Tax revn. levied for the organization's ben. & either paid to it or expended on its behalf; 21 The value of serv. or fac. furnished to the org. by a governmental unit without charge; 22 Other income. Total of lines 15 through 22: 467,937. Line 23 minus line 17: 323,772. Enter 1% of line 23: 4679.

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (a), line 24. 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. c Total support for section 509(a)(1) test: Enter line 24, column (a). d Add. Amounts from column (a) for lines: 18, 22. e Public support (line 26c minus line 26d total). f Public support percentage (line 26e (numerator) divided by line 26c (denominator)).

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). N/A

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). N/A

c Add. Amounts from column (a) for lines: 15, 17, 18, 22. d Add: Line 27a total and line 27b total. e Public support (line 27c total minus line 27d total). f Total support for section 509(a)(2) test: Enter amount on line 23, column (a). g Public support percentage (line 27e (numerator) divided by line 27f (denominator)). h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)).

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.

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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)

	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 separate 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. 75-60, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation.			

Schedule A (Form 990 or 990-EZ) 2001 Applied Scholastics Western 95-4809088 Page 5
Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions)
(To be completed ONLY by an eligible organization that filed Form 990) N/A

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)	38	
39 Other exempt purpose expenditures	39	
40 Total exempt purpose expenditures (add lines 36 and 39)	40	
41 Lobbying nontaxable amount. Enter the amount from the following 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	41	
42 Grassroots nontaxable amount (enter 25% of line 41)	42	
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	

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

4-Year Averaging Period Under Section 501(h)

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

Calendar year (or fiscal year beginning in)	Lobbying Expenditures During 4-Year Averaging Period					(e) Total
	(a) 2001	(b) 2000	(c) 1999	(d) 1998		
45 Lobbying nontaxable amount						
46 Lobbying ceiling amount (150% of line 45(a))						
47 Total lobbying expenditures						
48 Grassroots nontaxable amount						
49 Grassroots ceiling amount (150% of line 48(a))						
50 Grassroots lobbying expenditures						

Lobbying Activity by Nontaxing Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 12 of the instr.) N/A

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

- a Volunteers
- b Paid staff or management (include compensation in expenses reported on lines 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.)

Yes	No	Amount
	X	
	X	
	X	
	X	
	X	
	X	
	X	
	X	
	X	

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

95-4809088

Federal Statements

Statement 1 - Form 990, Line 10c - Sales of Inventory

<u>Description</u>	<u>Gross Sales</u>	<u>COGS</u>	<u>Gross Profit</u>
sales	\$ 38,304	\$ 21,969	\$ 16,335
Total	\$ 38,304	\$ 21,969	\$ 16,335

95-4809088

Federal Statements**Statement 2 - Form 990, Part II, Line 43 - Other Functional Expenses**

Description	Total Expenses	Program Service	Mgt & General	Fund-Raising
	\$	\$	\$	\$
Expenses				
Advertising & Fund Raising	15,903	9,542	4,771	1,590
Automotive Expense	11,302	6,781	3,391	1,130
Bank Charges	1,619	971	486	162
Dues	383	230	115	38
Office Expense	7,250	4,350	2,175	725
printing	5,268	3,161	1,580	527
Commission Expense	299	179	90	30
Freight	1,678	1,007	503	168
equipment rent	2,176	1,305	653	218
Insurance	2,589	1,553	777	259
Professional	8,858	5,315	2,657	886
other	-758	-758		
rounding	8	8		
penalties	43	43		
supplies	1,453	1,453		
Total	\$ 58,071	\$ 35,140	\$ 17,198	\$ 5,733

Statement 3 - Form 990, Part III - Organization's Primary Exempt Purpose

We provide management and consulting services for teachers and educational groups. We offer training and on site inspection and provide books and materials that teach how to study, and how to teach or tutor in any environment. We offer tutoring services in all fields of education in our office for ages six to adult.

95-4809088

Federal Statements

Statement 4 - Form 990, Part IV, Line 57 - Land, Buildings, and Equipment

<u>Description</u>	<u>Beginning of Year</u>	<u>Accum Deprec</u>	<u>End of Year</u>	<u>Accum Deprec</u>
	\$ 28,332	\$ 13,891	\$ 39,072	\$ 20,268
Total	\$ 28,332	\$ 13,891	\$ 39,072	\$ 20,268

Statement 5 - Form 990, Part IV, Line 58 - Other Assets

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
deposits	\$	\$ 6,341
Total	\$ 0	\$ 6,341

95-4809088

Federal Statements

Statement 6 - Form 990, Part VIII - Relationship of Activities

Line No.

Description

tutor in any environment. We offer tutoring services in all fields of education for ages six to adult.

APPLIED SCHOLASTICS WUS

FEI 95-4809088

STATEMENT 7

OTHER LIABILITIES

ROYALTIES PAYABLE - 330.00

SALES TAX PAYABLE - 384 95

TOTAL 714 95

Federal Asset Report Indirect Depreciation

95-4808088

Asset	Description	Date In Service	Cost	Bus Sec % 179	Sec 168(k)	Basis	Per Conv Meth	Prior	Current
Other Depreciable:									
2	Computer equipment	9/01/00	21,958		0	21,958	5 MAC S/L	13,815	4,392
5	Office chair and furniture	9/01/00	6,374		0	6,374	7 MAC S/L	76	911
6	equipment	6/30/01	10,740		0	10,740	5 MAC S/L	0	1,074
	Total Other Depreciable		<u>39,072</u>		<u>0</u>	<u>39,072</u>		<u>13,891</u>	<u>6,377</u>
	Total ACRS and Other Depreciable		<u>39,072</u>		<u>0</u>	<u>39,072</u>		<u>13,891</u>	<u>6,377</u>
	Grand Totals		<u>39,072</u>		<u>0</u>	<u>39,072</u>		<u>13,891</u>	<u>6,377</u>
	Less: Depreciable		<u>0</u>		<u>0</u>	<u>0</u>		<u>0</u>	<u>0</u>
	Net Grand Totals		<u>39,072</u>		<u>0</u>	<u>39,072</u>		<u>13,891</u>	<u>6,377</u>

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P. 13

Depreciation and Amortization

(Including information on Listed Property)

OMB No 1545-0172

2001

Attachment Sequence No 87

Form 4562

(Rev. March 2002) Department of the Treasury Internal Revenue Service

See separate instructions. Attach to your tax return.

Name(s) shown on return Applied Scholastics Western United States

Identifying number 95-4809088

Business or activity to which this form relates

Indirect Depreciation

Part I Election To Expense Certain Tangible Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I

Table with 5 rows and 2 columns: Line number, Description, and Amount. Line 1: \$24,000; Line 3: \$200,000.

Table with 13 rows and 3 columns: (a) Description of property, (b) Cost, (c) Elected cost. Lines 7-13.

Note: Do not use Part II or Part III below for listed property. Instead, use Part V

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property)

Table with 3 rows and 2 columns: Line number, Description, and Amount. Line 16: 6,377.

Part III MACRS Depreciation (Do not include listed property) (See page 4 of the instructions)

Section A

Table with 2 rows and 2 columns: Line number, Description, and Amount. Line 17.

Section B-Assets Placed in Service During 2001 Tax Year Using the General Depreciation System

Table with 7 columns: (a) Classification of property, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Rows 18a-j.

Section C-Assets Placed in Service During 2001 Tax Year Using the Alternative Depreciation System

Table with 6 columns: Line number, Class life, (b) Month and year placed in service, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Rows 20a-c.

Part IV Summary (See page 6 of the instructions)

Table with 3 rows and 2 columns: Line number, Description, and Amount. Line 22: 6,377.

For Paperwork Reduction Act Notice, see separate instructions.

Form 4562 (2001) (Rev. 3-2002)

There are no amounts for Page 2