

## Return of Organization Exempt from Income Tax

OMB No. 1545-0047

2003

Open to Public Inspection

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

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

## A For the 2003 calendar year, or tax year beginning, 2003, and ending

## B Check if applicable:

- ☐ Address change  
☐ Name change  
☐ Initial return  
☐ Final return  
☐ Amended return  
☐ Application pending

Please use  
IRS label  
or print  
or type.  
See  
specific  
instruc-  
tions.

## C Name of organization

Applied Scholastics International

Number and street (or P.O. box if mail is not delivered to street address) Room/suite

11755 Riverview Drive

City, town or country

St. Louis

State ZIP code + 4

MO 63138-3610

## D Employer identification number

23-7250829

## E Telephone number

(314) 355-6355

## F Accounting method:

☐ Cash ☒ Accrual☐ Other (specify) \_\_\_\_\_Section 501(c)(3) organizations and 4947(a)(1) nonexempt  
charitable trusts must attach a completed Schedule A  
(Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations

H (a) Is this a group return for affiliates? ☐ 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

## I Group Exemption Number \_\_\_\_\_

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

G Web site: www.AppliedScholastics.org

## J Organization type

(check only one) ☒ 501(c) 3 (insert no) ☐ 4947(a)(1) or ☐ 527K 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.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 2,825,547.

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

## 1 Contributions, gifts, grants, and similar amounts received:

a Direct public support

1a 107,340.

b Indirect public support

1b 1,531,933.

c Government contributions (grants)

1c 0.

d Total (add lines 1a through 1c) (cash \$ 493,053. noncash \$ 1,146,220.)

1d 1,639,273.

## 2 Program service revenue including government fees and contracts (from Part VII, line 93)

2 980,601.

## 3 Membership dues and assessments

3

## 4 Interest on savings and temporary cash investments

4 1,051.

## 5 Dividends and interest from securities

5

## 6a Gross rents

6a

b Less: rental expenses

6b

c Net rental income or (loss) (subtract line 6b from line 6a)

6c

## 7 Other investment income (describe \_\_\_\_\_)

7

8a Gross amount from sales of assets other  
than inventory

8a (A) Securities (B) Other

b Less: cost or other basis and sales expenses

8b

c Gain or (loss) (attach schedule)

8c

d Net gain or (loss) (combine line 8c, columns (A) and (B))

8d

9 Special events and activities (attach schedule) If any amount is from gaming, check here ☐a Gross revenue (not including \$ \_\_\_\_\_ of contributions  
reported on line 1a)

9a

b Less: direct expenses other than fundraising expenses

9b

c Net income or (loss) from special events (subtract line 9b from line 9a)

9c

## 10a Gross sales of inventory, less returns and allowances

10a 148,095.

b Less: cost of goods sold

10b 117,370.

c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)

10c Statement 2 30,725.

## 11 Other revenue (from Part VII, line 103)

11 56,527.

## 12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)

12 2,708,177.

## 13 Program services (from line 44, column (B))

13 1,152,696.

## 14 Management and general (from line 44, column (C))

14 491,079.

## 15 Fundraising (from line 44, column (D))

15 97,339.

## 16 Payments to affiliates (attach schedule)

16 28,700.

## 17 Total expenses (add lines 16 and 44, column (A))

17 1,769,814.

## 18 Excess or (deficit) for the year (subtract line 17 from line 12)

18 938,363.

## 19 Net assets or fund balances at beginning of year (from line 73, column (A))

19 432,574.

## 20 Other changes in net assets or fund balances (attach explanation)

20

## 21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)

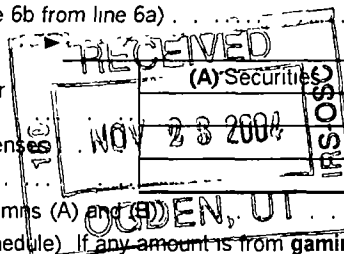
21 1,370,937.

BAA For Paperwork Reduction Act Notice, see the separate instructions.

TEEA0101 11/24/03

Form 990 (2003)

SCANNED DEC 14 2004



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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.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (att sch) (cash \$ 2,500. non-cash \$ 40,417.)	22	42,917.	42,917.		
23 Specific assistance to individuals (att sch)	23				
24 Benefits paid to or for members (att sch)	24				
25 Compensation of officers, directors, etc	25	168,878.	133,614.	28,461.	6,803.
26 Other salaries and wages	26	381,731.	176,739.	162,463.	42,529.
27 Pension plan contributions	27				
28 Other employee benefits	28	57,293.	32,308.	19,852.	5,133.
29 Payroll taxes	29	46,604.	26,280.	16,148.	4,176.
30 Professional fundraising fees	30				
31 Accounting fees	31	2,272.	1,250.	1,022.	0.
32 Legal fees	32	16,727.	9,432.	5,796.	1,499.
33 Supplies	33	26,321.	15,579.	8,593.	2,149.
34 Telephone	34	50,681.	28,579.	17,561.	4,541.
35 Postage and shipping	35	25,561.	15,052.	8,350.	2,159.
36 Occupancy	36	110,432.	62,274.	38,264.	9,894.
37 Equipment rental and maintenance	37	10,037.	6,142.	3,325.	570.
38 Printing and publications	38	21,425.	12,082.	7,424.	1,919.
39 Travel	39	110,809.	87,252.	18,717.	4,840.
40 Conferences, conventions, and meetings	40				
41 Interest	41				
42 Depreciation, depletion, etc (attach schedule)	42	5,663.	3,342.	1,844.	477.
43 Other expenses not covered above (itemize).					
a See Statement 4	43a	663,763.	499,854.	153,259.	10,650.
b	43b				
c	43c				
d	43d				
e	43e				
44 Total functional expenses (add lines 22 - 43). Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44	1,741,114.	1,152,696.	491,079.	97,339.

Joint Costs. Check ☐ if you are following SOP 98-2.Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ Yes ☒ No

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

**Part III Statement of Program Service Accomplishments**What is the organization's primary exempt purpose? Improve & revitalize field of education  
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) & (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants & allocations to others.)Program Service Expenses  
(Required for 501(c)(3) and  
(4) organizations and  
4947(a)(1) trusts, but  
optional for others.)

a Assistance to Educational and Literacy Programs		
See Statement 12		
(Grants and allocations \$ 0.)		223,751.
b Literacy and Teacher Training Programs		
See Statement 13		
(Grants and allocations \$ 0.)		294,027.
c Public Information on Educational Programs		
See Statement 14		
(Grants and allocations \$ 0.)		634,918.
d		
(Grants and allocations \$ )		
e Other program services		
(Grants and allocations \$ )		
f Total of Program Service Expenses (should equal line 44, column (B), Program services)		1,152,696.

**Part IV Balance Sheets** (See Instructions)**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
<b>ASSETS</b>	45 Cash — non-interest-bearing . . . . .	224,632.	45	333,716.
	46 Savings and temporary cash investments . . . . .	0.	46	0.
	47a Accounts receivable . . . . .	298,162.		
	b Less: allowance for doubtful accounts . . . . .	152,334.	232,459.	47c 145,828.
	48a Pledges receivable . . . . .			
	b Less: allowance for doubtful accounts . . . . .			
	49 Grants receivable . . . . .		49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule) . . . . .		50	
	51a Other notes & loans receivable (attach sch) . . . . .			
	b Less: allowance for doubtful accounts . . . . .		51c	
	52 Inventories for sale or use . . . . .	136,361.	52	77,465.
	53 Prepaid expenses and deferred charges . . . . .	1,402.	53	574.
	54 Investments — securities (attach schedule) . . . . .	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54	
	55a Investments — land, buildings, & equipment: basis . . . . .			
	b Less: accumulated depreciation (attach schedule) . . . . .		55c	
56 Investments — other (attach schedule) . . . . .	Statement 6	5,377.	56	5,377.
57a Land, buildings, and equipment: basis . . . . .	1,088,173.			
b Less: accumulated depreciation (attach schedule) . . . . .	9,101.	55,315.	57c	1,079,072.
58 Other assets (describe <input type="checkbox"/> Statement 8) . . . . .	94,604.	58	5,897.	
59 <b>Total assets</b> (add lines 45 through 58) (must equal line 74) . . . . .	750,150.	59	1,647,929.	
<b>LIABILITIES</b>	60 Accounts payable and accrued expenses . . . . .	193,094.	60	177,382.
	61 Grants payable . . . . .	0.	61	0.
	62 Deferred revenue . . . . .	74,482.	62	49,610.
	63 Loans from officers, directors, trustees, and key employees (attach schedule) . . . . .	0.	63	0.
	64a Tax-exempt bond liabilities (attach schedule) . . . . .	0.	64a	0.
	b Mortgages and other notes payable (attach schedule) . . . . .	50,000.	64b	50,000.
	65 Other liabilities (describe <input type="checkbox"/> ) . . . . .	0.	65	0.
	66 <b>Total liabilities</b> (add lines 60 through 65) . . . . .	317,576.	66	276,992.
<b>NET ASSETS OR FUND BALANCES</b>	<b>Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.</b>			
	67 Unrestricted . . . . .		67	
	68 Temporarily restricted . . . . .		68	
	69 Permanently restricted . . . . .		69	
	<b>Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 70 through 74.</b>			
	70 Capital stock, trust principal, or current funds . . . . .		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund . . . . .		71	
	72 Retained earnings, endowment, accumulated income, or other funds . . . . .	432,574.	72	1,370,937.
	73 <b>Total net assets or fund balances</b> (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21) . . . . .	432,574.	73	1,370,937.
	74 <b>Total liabilities and net assets/fund balances</b> (add lines 66 and 73) . . . . .	750,150.	74	1,647,929.

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

BAA

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

<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 <b>a</b> but not on line 12, Form 990:	<b>b</b>	
(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) through (4)	<b>b</b>	
<b>c</b>	Line <b>a</b> minus line <b>b</b>	<b>c</b>	
<b>d</b>	Amounts included on line 12, Form 990 but not on line <b>a</b> :	<b>d</b>	
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify):		
	\$		
	Add amounts on lines (1) and (2)	<b>d</b>	
<b>e</b>	Total revenue per line 12, Form 990 (line <b>c</b> plus line <b>d</b> )	<b>e</b>	

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

<b>a</b>	Total expenses and losses per audited financial statements	<b>a</b>	N/A
<b>b</b>	Amounts included on line <b>a</b> but not on line 17, Form 990:	<b>b</b>	
(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) through (4)	<b>b</b>	
<b>c</b>	Line <b>a</b> minus line <b>b</b>	<b>c</b>	
<b>d</b>	Amounts included on line 17, Form 990 but not on line <b>a</b> :	<b>d</b>	
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify):		
	\$		
	Add amounts on lines (1) and (2)	<b>d</b>	
<b>e</b>	Total expenses per line 17, Form 990 (line <b>c</b> plus line <b>d</b> )	<b>e</b>	

**Part V List of Officers, Directors, Trustees, and Key Employees** (List each one even if not compensated; see instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
Bennetta Slaughter 11755 Riverview Drive St. Louis MO 63138	Trustee, Director 55	0.	0.	0.
Laurie Zurn 7065 Hollywood Blvd. Los Angeles CA 90028	Trustee .25	0.	0.	0.
Frank Zurn 7065 Hollywood Blvd. Los Angeles CA 90028	Director .25	0.	0.	0.
Clark Carr 7060 Hollywood Blvd. Los Angeles CA 90028	Director .25	0.	0.	0.
Steve Hayes P.O. Box 65188 Los Angeles CA	Director .25	0.	0.	0.
See List of Officers, Etc. Statement 1		168,878.	0.	0.

**75** Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations?

☐ Yes ☒ No

If 'Yes,' attach schedule — see instructions

**Part VII Other Information** (See instructions.)

		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.		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.		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
78b	If 'Yes,' has it filed a tax return on <b>Form 990-T</b> for this year?		N/A
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement.		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?		X
80a	If 'Yes,' enter the name of the organization _____ and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81a	Enter direct and indirect political expenditures. See line 81 instructions.	81a	0.
81b	Did the organization file <b>Form 1120-POL</b> for this year?		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?	X	
82b	If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82b	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		N/A
84b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		N/A
85a	501(c)(4), (5), or (6) organizations. Were substantially all dues nondeductible by members?		N/A
85b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?		N/A
85c	Dues, assessments, and similar amounts from members.	85c	N/A
85d	Section 162(e) lobbying and political expenditures.	85d	N/A
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices.	85e	N/A
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e).	85f	N/A
85g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A
85h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86a	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12.	86a	N/A
86b	Gross receipts, included on line 12, for public use of club facilities.	86b	N/A
87a	501(c)(12) organizations. Enter: a Gross income from members or shareholders.	87a	N/A
87b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	N/A
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX.	88	X
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under section 4911 _____ 0.; section 4912 _____ 0.; section 4955 _____ 0.		
89b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction.	89b	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 _____ NONE		
90b	Number of employees employed in the pay period that includes March 12, 2003 (See instructions.)	90b	12
91	The books are in care of _____ Elizabeth R. Roush Telephone number _____ (314) 355-6355 Located at _____ 11755 Riverview Drive St. Louis MO 63138 ZIP + 4 _____ 63138-3610		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of <b>Form 1041</b> - 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 instructions.)**Note:** Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a Trademark License Fees					905,429.
b Educational Training					68,509.
c Royalties Income			15	6,663.	
d					
e					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts			14	1,051.	
96 Dividends & 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 pers prop					
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	Stmt 2				30,725.
103 Other revenue: a					
b Accomodations Income					45,609.
c Food & Canteen Sales					10,803.
d Scrap & salvage					115.
e					
104 Subtotal (add columns (B), (D), and (E))				7,714.	1,061,190.
105 Total (add line 104, columns (B), (D), and (E))					1,068,904.

**Note:** Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
1	See Statement 11

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See instructions.) NONE

(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
NONE	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See instructions.)

a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

☐ Yes ☒ No**Note:** If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions).**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.	
Signature of officer	Date
G. CRAIG BURTON, CHIEF OPERATING OFFICER	11/15/04
Type or print name and title	

**Paid Preparer's Use Only**

Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN (see General Instruction W)
Firm's name (or yours if self-employed) address, and ZIP + 4	APPLIED SCHOLASTICS INTERNATIONAL 11755 RIVERVIEW DR SAINT LOUIS MO 63138-3610	EIN	Phone no.

**SCHEDULE A**  
(Form 990 or 990-EZ)Department of the Treasury  
Internal Revenue Service**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

Supplementary Information — (See separate instructions.)

OMB No 1545-0047

**2003**▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ.**

Name of the organization

Applied Scholastics International

Employer identification number

23-7250829

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

(See 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 and deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over \$50,000	None			

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

(See 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
West Alden Productions		
3115 Foothill Blvd. La Crescenta, CA 91214	Video & Sound Production	50,590.
Total number of others receiving over \$50,000 for professional services	None	

**Part III** Statements About Activities (See 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 <b>▶</b> \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B)		X
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.		
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
3a Do you make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how you determine that recipients qualify to receive payments.)		X
b Do you have a section 403(b) annuity plan for your employees?		X
4 Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X

**Part IV** Reason for Non-Private Foundation Status (See 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 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 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) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
<b>15</b> Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.) . . . . .	126,209.	67,184.	10,873.	58,598.	262,864.
<b>16</b> Membership fees received . . . . .	0.	0.	0.	0.	0.
<b>17</b> 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 . . . . .	1,087,624.	1,182,197.	1,576,288.	1,550,663.	5,396,772.
<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 . . . . .	348.	7,781.	7,087.	6,618.	21,834.
<b>19</b> Net income from unrelated business activities not included in line 18 . . . . .	0.	0.	0.	0.	0.
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf . . . . .	0.	0.	0.	0.	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.	0.	0.	0.	0.
<b>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets . . . . .	1,378.	7,821.	912.	1,248.	11,359.
<b>23</b> Total of lines 15 through 22 . . . . .	1,215,559.	1,264,983.	1,595,160.	1,617,127.	5,692,829.
<b>24</b> Line 23 minus line 17 . . . . .	127,935.	82,786.	18,872.	66,464.	296,057.
<b>25</b> Enter 1% of line 23 . . . . .	12,156.	12,650.	15,952.	16,171.	
<b>26 Organizations described on lines 10 or 11:</b> a Enter 2% of amount in column (e), line 24 . . . . .					<b>26 a</b> 5,921.
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 1999 through 2002 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts . . . . .					<b>26 b</b> 115,372.
c Total support for section 509(a)(1) test. Enter line 24, column (e) . . . . .					<b>26 c</b> 296,057.
d Add: Amounts from column (e) for lines: 18 21,834. 19 0. . . . .					<b>26 d</b> 148,565.
22 11,359. 26b 115,372. . . . .					<b>26 e</b> 147,492.
e Public support (line 26c minus line 26d total) . . . . .					<b>26 f</b> 49.82 %
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) . . . . .					
<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,' 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: (2002) _____ (2001) _____ (2000) _____ (1999) _____					
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. (2002) _____ (2001) _____ (2000) _____ (1999) _____					
c Add: Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					<b>27 c</b> N/A
d Add. Line 27a total . . . . . and line 27b total . . . . .					<b>27 d</b> _____
e Public support (line 27c total minus line 27d total) . . . . .					<b>27 e</b> _____
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) . . . . .					<b>27 f</b> _____
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) . . . . .					<b>27 g</b> %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) . . . . .					<b>27 h</b> N/A %

**28 Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 1999 through 2002, 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 IV Private School Questionnaire** (See 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? . . . . .	32 a		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? . . . . .	32 b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? . . . . .	32 c		
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.) ----- -----	32 d		
33	Does the organization discriminate by race in any way with respect to:			
a	Students' rights or privileges? . . . . .	33 a		
b	Admissions policies? . . . . .	33 b		
c	Employment of faculty or administrative staff? . . . . .	33 c		
d	Scholarships or other financial assistance? . . . . .	33 d		
e	Educational policies? . . . . .	33 e		
f	Use of facilities? . . . . .	33 f		
g	Athletic programs? . . . . .	33 g		
h	Other extracurricular activities? . . . . .  If you answered 'Yes' to any of the above, please explain. (If you need more space, attach a separate statement ) ----- ----- -----	33 h		
34 a	Does the organization receive any financial aid or assistance from a governmental agency? . . . . .	34 a		
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.	34 b		
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. . . . .	35		

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See instructions.)  
(To be completed **ONLY** by an eligible organization that filed Form 5768)

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
<b>36</b> Total lobbying expenditures to influence public opinion (grassroots lobbying)	<b>36</b>	N/A
<b>37</b> Total lobbying expenditures to influence a legislative body (direct lobbying)	<b>37</b>	N/A
<b>38</b> Total lobbying expenditures (add lines 36 and 37)	<b>38</b>	N/A
<b>39</b> Other exempt purpose expenditures	<b>39</b>	N/A
<b>40</b> Total exempt purpose expenditures (add lines 38 and 39)	<b>40</b>	N/A
<b>41</b> Lobbying nontaxable amount. Enter the amount from the following table --		
<b>If the amount on line 40 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 . . . . .	
<b>42</b> Grassroots nontaxable amount (enter 25% of line 41)	<b>42</b>	N/A
<b>43</b> Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 . . . . .	<b>43</b>	N/A
<b>44</b> Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 . . . . .	<b>44</b>	N/A

**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.)

N/A

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
<b>45</b> Lobbying nontaxable amount		N/A			0.
<b>46</b> Lobbying ceiling amount (150% of line 45(e))					0.
<b>47</b> Total lobbying expenditures					0.
<b>48</b> Grassroots non-taxable amount					0.
<b>49</b> Grassroots ceiling amount (150% of line 48(e))					0.
<b>50</b> 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 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
<b>a</b> Volunteers . . . . .		X	
<b>b</b> Paid staff or management (Include compensation in expenses reported on lines c through h.) . . . . .		X	
<b>c</b> Media advertisements . . . . .		X	0.
<b>d</b> Mailings to members, legislators, or the public . . . . .		X	0.
<b>e</b> Publications, or published or broadcast statements . . . . .		X	0.
<b>f</b> Grants to other organizations for lobbying purposes . . . . .		X	0.
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body . . . . .		X	0.
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means . . . . .		X	0.
<b>i</b> 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.

BAA

Schedule A (Form 990 or 990-EZ) 2003



**Depreciation and Amortization**  
(Including Information on Listed Property)▶ See separate instructions.  
▶ Attach to your tax return.**2003**

67

Name(s) shown on return

Applied Scholastics International

Identifying number

23 - 7250829

Business or activity to which this form relates

Form 990 / Form 990EZ

**Part I Election To Expense Certain Property Under Section 179**

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

1	Maximum amount. See instructions for a higher limit for certain businesses . . . . .	1	\$100,000.
2	Total cost of section 179 property placed in service (see instructions) . . . . .	2	
3	Threshold cost of section 179 property before reduction in limitation . . . . .	3	\$400,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- . . . . .	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions . . . . .	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29 . . . . .	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 . . . . .	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8 . . . . .	9	
10	Carryover of disallowed deduction from line 13 of your 2002 Form 4562 . . . . .	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs) . . . . .	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11 . . . . .	12	
13	Carryover of disallowed deduction to 2004. Add lines 9 and 10, less line 12 . . . . .	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.)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions) . . . . .	14	
15	Property subject to section 168(f)(1) election (see instructions) . . . . .	15	
16	Other depreciation (including ACRS) (see instructions) . . . . .	16	5,663.

**Part III MACRS Depreciation (Do not include listed property) (See instructions)****Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2003 . . . . .	17	
18	If you are electing under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/> . . . . .		

**Section B -- Assets Placed in Service During 2003 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property . . . . .						
b 5-year property . . . . .						
c 7-year property . . . . .						
d 10-year property . . . . .						
e 15-year property . . . . .						
f 20-year property . . . . .						
g 25-year property . . . . .			25 yrs		S/L	
h Residential rental property . . . . .			27.5 yrs	MM	S/L	
i Nonresidential real property . . . . .			27.5 yrs	MM	S/L	
			39 yrs	MM	S/L	

**Section C -- Assets Placed in Service During 2003 Tax Year Using the Alternative Depreciation System**

20a Class life . . . . .					S/L	
b 12-year . . . . .			12 yrs		S/L	
c 40-year . . . . .			40 yrs	MM	S/L	

**Part IV Summary (see instructions)**

21	Listed property. Enter amount from line 28 . . . . .	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions . . . . .	22	5,663.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs . . . . .	23	

**Part IV Listed Property** (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

**Section A – Depreciation and Other Information** (Caution: See instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed?					Yes	No	24b If 'Yes,' is the evidence written?					Yes	No
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost					
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)								25					
26 Property used more than 50% in a qualified business use (see instructions)													
27 Property used 50% or less in a qualified business use (see instructions)													
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1								28					
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1								29					

**Section B – Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (do not include commuting miles – see instructions)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

**Section C – Questions for Employers Who Provide Vehicles for Use by Their Employees**

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (see instructions)		

**Note:** If your answer to 37, 38, 39, 40, or 41 is 'Yes,' do not complete Section B for the covered vehicles.

**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2003 tax year (see instructions)					
43 Amortization of costs that began before your 2003 tax year					43
44 Total. Add amounts in column (f). See instructions for where to report					44

Form 990, Page 4, Part V

List of Officers, Etc. Statement 1

2003

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
Ian Lyons 11755 Riverview Drive St. Louis MO 63138	Senior V.P. 55	42,468.	0.	0.
Ruth Lyons 11755 Riverview Drive St. Louis MO 63138	CF0 55	38,283.	0.	0.
Elizabeth R. Roush 11755 Riverview Drive St. Louis MO 63138	Secretary, Director 55	41,327.	0.	0.
Sandra Adair 11755 Riverview Drive St. Louis MO 63138	Trustee, Director 55	46,800.	0.	0.

Total

<u>168,878.</u>	<u>0.</u>	<u>0.</u>
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OFFICERS, DIRECTORS, AND TRUSTEES WHO ARE ALSO EMPLOYEES ARE COMPENSATED ONLY FOR THEIR DUTIES AS EMPLOYEES, NOT FOR THEIR DUTIES AS OFFICERS, DIRECTORS AND TRUSTEES.

**APPLIED SCHOLASTICS INTERNATIONAL**  
**INCOME AND COST OF GOODS SOLD**  
**FORM 990 2003**

**23-7250829**

**STATEMENT 2**

**INCOME**

1. GROSS RECEIPTS	148,095	
2. RETURNS AND ALLOWANCES	0	
3. LINE 1 LESS LINE 2		148,095
4. COST OF GOODS SOLD (A)		117,370
5. GROSS PROFIT		30,725

**COST OF GOODS SOLD**

6. INVENTORY BEGINNING OF YEAR	136,361	
7. MERCHANDISE PURCHASED	58,474	
8. COST OF LABOR	0	
9. MATERIALS AND SUPPLIES	0	
10. OTHER COSTS	0	
11. TOTAL LINES 6 - 10		194,835
12. INVENTORY END OF YEAR		77,465
13. COST OF GOOD SOLD		117,370

Note: (A) Includes writedown of inventory due to obsolescence.

**STATEMENT 2**



**APPLIED SCHOLASTICS INTERNATIONAL**  
**PAYMENTS TO AFFILIATES**  
**FORM 990 2003**

**23-7250829**

**STATEMENT 3**

AFFILIATE'S NAME

AFFILIATE'S ADDRESS

ASSOCIATION FOR BETTER LIVING &  
EDUCATION INTERNATIONAL

7065 HOLLYWOOD BLVD.  
LOS ANGELES, CA 90028

PURPOSE OF PAYMENT:

TRADEMARK LICENSE FEES

AMOUNT

28,700

TOTAL TO FORM 990, PART 1, LINE 16

28,700

**STATEMENT 3**

**APPLIED SCHOLASTICS INTERNATIONAL****23-7250829****OTHER EXPENSES****FORM 990, PART II, LINE 43****2003****STATEMENT 4**

DESCRIPTION	( A )	( B )	( C )	( D )
	TOTAL	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING
PROMOTION	487,161	437,924	40,976	8,261
FOOD AND CANTEEN PURCHASES	11,407	0	11,407	0
OUTSIDE SERVICES	17,900	10,094	6,202	1,604
AUTO EXPENSES	2,791	2,276	409	106
PROGRAM DELIVERY	4,934	4,934	0	0
LICENSES, FEES AND DUES	1,402	791	486	125
BANK CHARGES	6,883	3,488	2,841	554
STAFF TRAINING	559	559	0	0
ROYALTIES	39,312	39,312	0	0
HOTEL EXPENSES	90,938	0	90,938	0
COMMISSIONS	476	476	0	0
TOTAL TO FORM 990, PART II, LINE 43	663,763	499,854	153,259	10,650

**APPLIED SCHOLASTICS INTERNATIONAL****23-7250829****GRANTS AND ALLOCATIONS****FORM 990, PART II, LINE 22****STATEMENT 5**

CLASSIFICATION	DONEE'S NAME	DONEE'S ADDRESS	DONEE'S RELATIONSHIP	AMOUNT
PROGRAM LITERACY	APS OC	3505 S. HARBOR SANTA ANNA, CA	N/A	40,417
PROGRAM PUBLIC CAMPAIGNS	ABLE INT.	7065 HOLLYWOOD LOS ANGELES, CA	N/A	2,500
TOTAL INCLUDED ON FORM 990, PART II, LINE 22				42,917

**APPLIED SCHOLASTICS INTERNATIONAL****23-7250829****OTHER INVESTMENTS****FORM 990, PART IV, LINE 56****STATEMENT 6**

DESCRIPTION	VALUATION METHOD	BEG. OF YEAR	END OF YEAR
ARTWORK	COST	5,377	5,377
TOTAL TO FORM 990, PART IV, LINE 56		5,377	5,377

**APPLIED SCHOLASTICS INTERNATIONAL**  
**DEPRECIATION AND AMORTIZATION DETAIL**  
**FORM 990 2003**

**23-7250829**

**STATEMENT 7**

ASSET NO.	DESCRIPTION OF PROPERTY	DATE PLACED IN SERVICE	METHOD	LIFE OR RATE	COST OR OTHER BASIS	12/31/02 ACCUMULATED DEPRECIATION	2003 CURRENT DEPREC. EXP	12/31/03 ACCUMULATED DEPRECIATION	12/31/03 NET BOOK VALUE
1	COMPUTER EQUIPMENT	2001	SL	5	5,135	1,541	1,027	2,568	2,567
2	COMPUTER SOFTWARE	2001	SL	3	947	474	315	789	158
3	COMPUTER EQUIPMENT	2002	SL	5	9,381	938	1,876	2,814	6,567
4	COMPUTER SOFTWARE	2002	SL	3	2,096	350	698	1,048	1,048
5	COMPUTER SOFTWARE	2002	SL	3	676	135	225	360	316
6	COMPUTER EQUIPMENT	2003	SL	5	129	0	13	13	116
7	COMPUTER EQUIPMENT	2003	SL	5	11,032	0	1,103	1,103	9,929
8	COMPUTER SOFTWARE	2003	SL	3	612	0	102	102	510
9	COMPUTER SOFTWARE	2003	SL	3	1,028	0	172	172	856
10	FURNITURE & EQUIP.	2003	SL	7	1,855	0	132	132	1,723
11	COMPUTER EQUIPMENT	2003	SL	5	92,761	0	0	0	92,761
12	COMPUTER SOFTWARE	2003	SL	3	4,516	0	0	0	4,516
13	FURNITURE & EQUIP.	2003	SL	7	760,263	0	0	0	760,263
14	FURNITURE & EQUIP.	2003	SL	7	176,692	0	0	0	176,692
15	VEHICLES	2003	SL	5	21,050	0	0	0	21,050
BALANCES					1,088,173	3,438	5,663	9,101	1,079,072
BALANCES TO PART IV, LINE 57					<u>1,088,173</u>			<u>9,101</u>	<u>1,079,072</u>
DEPRECIATION EXPENSE TO PART II, LINE 42 AND FORM 4562, LINE 16							<u>5,663</u>		

**STATEMENT 7**

**APPLIED SCHOLASTICS INTERNATIONAL****23-7250829****OTHER ASSETS****FROM 990, PART IV, LINE 58      2003****STATEMENT 8**

<u>NAME</u>	<u>BEG. OF YEAR</u>	<u>END OF YEAR</u>
MATERIALS DEPOSITS	7,244	5,897
RENT SECURITY DEPOSIT	87,360	0
TOTAL TO FORM 990, PART IV, LINE 58	94,604	5,897

**APPLIED SCHOLASTICS INTERNATIONAL****23-7250829****OTHER NOTES PAYABLE****FROM 990, PART IV, LINE 64****STATEMENT 9**

LENDER'S NAME: STEVEN SHIMABUKU

<u>DATE OF NOTE</u>	<u>MATURITY DATE</u>	<u>ORIGINAL AMOUNT</u>	<u>INTEREST RATE</u>	<u>RELATIONSHIP</u>
10/4/01	10/4/06	50,000	0.00%	NONE

SECURITY PROVIDED BY BORROWER

PURPOSE OF LOAN

SECURITY DEPOSIT ON FORMER OFFICE SPACE

	<u>BEG. OF YEAR</u>	<u>END OF YEAR</u>
BALANCE OF LOAN	50,000	50,000
TOTAL INCLUDED ON FORM 990, PART IV, LINE 64b	50,000	50,000

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**APPLIED SCHOLASTICS INTERNATIONAL**  
**RELATIONSHIP OF ACTIVITIES TO ACCOMPLISHMENT OF PURPOSE**  
**FORM 990, PART VIII 2003**

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**23-7250829**  
**STATEMENT 10**

<u>LINE</u>	<u>EXPLANATION OF RELATIONSHIP TO ACTIVITIES</u>
93a	FEES RECEIVED FOR THE USE OF THE ORGANIZATION'S TRADEMARKS AND EDUCATIONAL TECHNOLOGY.
93b	FEES RECEIVED FOR TRAINING STUDENTS AND TEACHERS IN EDUCATIONAL TECHNOLOGY.
102	SALES OF EDUCATIONAL MATERIALS AND PUBLICATIONS TO TEACH EDUCATORS AND STUDENTS HOW TO LEARN.
103b	PROCEEDS FROM THE RENTAL OF LODGING TO STUDENTS AND TEACHERS WHO STUDY ON CAMPUS VISITING FROM ALL PARTS OF THE GLOBE.
103c	PROCEEDS FROM THE SALE OF FOOD AND CANTEEN ITEMS TO STUDENTS AND TEACHERS STUDYING ON THE CAMPUS.
103d	PROCEEDS FROM THE SALE OF DISCARDED ITEMS.

**STATEMENT 10**

**APPLIED SCHOLASTICS INTERNATIONAL****23-7250829****OTHER INCOME****FORM 990, SCHEDULE A, LINE 22      2003****STATEMENT 11**

DESCRIPTION	2002	2001	2000	1999
PAYROLL TAX REFUND	0	7821	912	1248
TRAINING	1369	0	0	0
BANK CHARGES	9	0	0	0
TOTAL TO SCHEDULE A, PART IV-A, LINE 22	1378	7821	912	1248

**STATEMENT 11**

Applied Scholastics International  
Federal ID #223-7250829  
2003 Form 990, Part III  
Statement # 12

**Description of Program Service One:**  
**Assistance to Educational & Literacy Programs**

Applied Scholastics International is a non-profit public benefit corporation whose purpose is to provide educators, governments, vocational trainers, community groups, parents and students with learning tools they need to achieve a world free from illiteracy, where individuals know how to learn and can apply what they learn to achieve their chosen goals.

Applied Scholastics International carried the learning strategies and methodologies called the Study Technology forward in 2003 through its subordinate activities as follows:

- 95 Schools
- 272 Study Technology Learning/Tutoring Centers
- 29 Community Groups
- 6 Workforce Training Groups

This is a total of 402 Applied Scholastics schools, centers and groups internationally with an increase of 23 over the 2002 year. Each of these activities are utilizing and teaching Mr. L. Ron Hubbard's Study Technology in order to create necessary learning skills so that students can increase comprehension, remedy non-comprehension, evaluate data, think critically, apply data to everyday problems in life and become lifelong learners in order to survive in today's technological world.

The numbers of those assisted with the Study Technology worldwide in 2003 are as follows:

12,050	Weekly average number of students served
8,290	Teachers trained with educational services throughout the year

This assistance included:

11,165	Courses in Study Technology completed this year
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755,654      Hours of tutoring delivered this year

Following are events and training programs conducted by the International office of Applied Scholastics or its licensed activities to assist in carrying out its purpose.

The grand opening of the new Applied Scholastics training campus in St. Louis, Missouri, took place in July. This new facility will enable hundreds of educators to get trained and apprenticed in the implementation of Applied Scholastics educational programs. This facility will also serve as a model to other Applied Scholastics centers around the world which can then fashion their activities toward helping many more educators take advantage of Applied Scholastics programs to raise the quality of education.

The Applied Scholastics International Annual Convention was held in St. Louis on July 25<sup>th</sup> – 29<sup>th</sup> of 2003. There were 35 educational workshops delivered to over 200 attendees who came from around 20 different countries around the world. These instructive workshops were designed to help those who are currently running or wish to start Applied Scholastics programs. They covered subjects such as how to increase enrollment, how to tutor difficult students and how to revive a student's interest in learning.

A forum was provided at the convention for public school teachers to show other educators how they are implementing Study Technology in their classrooms and the positive responses they are receiving from the children with the test results that show increased comprehension. Teachers from Texas and Utah were particularly featured.

A total of 13 new educational courses and products for assisting educators and parents were released during the weekend of events after the Grand Opening. These included new course materials on teaching phonics, social communication skills, tutoring as well as teaching strategies.

A special four-day training workshop was provided to enable educators already familiar with Applied Scholastics to become proficient in presenting and delivering services in Study Technology. This training is accompanied by a kit consisting of presentation materials and workshop scripts which any educator can use to give the general public and other educators detailed information on the scope and results of Applied Scholastics programs. It



also equips the person doing the course with a successful workshop that can be given to impart practical tools and strategies in teaching parents and educators so they can immediately use the techniques in the classroom. This training has now been made available every month at the Applied Scholastics campus.

In another project, the superintendent and 45 teachers in a local rural school district were briefed about Applied Scholastics and the Study Technology and a program of training. As a result, all elementary and high school teachers in the school district were trained on *Learning How to Learn or Study Skills for Life* by Applied Scholastics' staff and trained volunteers who came especially to help. Following this, students also received training and personal tutoring.

A tour was carried out in ten European countries to assist the Applied Scholastics schools and learning centers in how to reach more people and provide a broader range of educational programs to the public.

The tour also included teaching a class at the University of Moscow State Pedagogical University on the Barriers to Learning and how to remedy these barriers to assist the students in being able to more ably study economics.

In a Community College in Chicago, Illinois, a Professor of English after receiving training at Applied Scholastics International, was assisted in running a pilot Study Technology course with his class. These students were tracked in terms of their progress over the next semester and a study was written.

This helped in creating materials tailored specifically for college students. The results will aid other academic institutions in improving their students retention and learning rate and help them get funding for educator training, thus enabling the students to be successful in mastering the subjects they have chosen to study.

	Grants	Expenses
To form 990, Part III, Line a		\$ 223,751

**Description of Program Service Two**  
**Literacy and Teacher Training Programs: Study and Evaluation**

In 2003, special Applied Scholastics training was delivered to teachers and trainers on five different continents. 8,291 educators were reached with an effective approach to teaching learning skills so that the learner can recognize study barriers that they run into and remedy them instantly thereby retaining the information and making it readily accessible and useable. These teachers in turn trained thousands of students to apply these skills to raise the achievement rate and help schools be more successful in producing graduates. Following are summaries of the training that took place in each country:

**EUROPE**

***Denmark:*** An International School in Copenhagen is utilizing the Applied Scholastics materials and services with their students to help them learn the basic curriculum and the Study Technology. Because of the popularity of the school and the results it is getting, it has grown to the point where parents requested that a new school be opened. In August 2003, another International School utilizing Applied Scholastics materials and services opened nearby to provide a similar standard of education for local people with its Grand Opening held in October. The school is following the curriculum of the Danish public school system, teaching in Danish and English.

In the truly international spirit of the these International Schools, children of many cultures, languages and nations work together peacefully and with understanding and tolerance and promote such qualities through school events.

***Italy:***

A growing problem around the world is ensuring police officers meet the standard of literacy and education required in a modern technological police force. In Italy, a program of training new police recruits to enable them to

pass their proficiency exams has been continuing. So far, 180 Applied Scholastics Instructors have been trained for this purpose (80 in 2003). 300 students have been trained in the tools by these instructors of Study Technology and have been showing a much higher success as a result.

### ***Holland:***

The Lafayette School, an Applied Scholastics School in Amsterdam, started a program of reaching out to other schools in the local area to enable them to take advantage of the same learning strategies that would improve the quality of education in the classroom. The school made available a lecture on Study Technology for teachers from another local school. The director of that school, as a result, started a partnership between his school and the Lafayette School. His teachers participated in a workshop about Mr. Hubbard's Study Technology to help his students achieve a higher level of proficiency.

### ***CIS:***

In Moscow, an Applied Scholastics Seminar was held to inform parents of ways to assist their children with learning techniques. It was entitled, "Everything about Children." About a hundred people participated in the seminar. The parents welcomed the help they received from this and then shared in the successes from these techniques that they were accomplishing with their children.

## **INDIA**

An Applied Scholastics representative volunteered to go to Mysore, India to help educational institutions there discover the benefits of utilizing Applied Scholastics programs to help their students achieve a higher rate of comprehension and accomplishment. Presentations were done in the local university and colleges. As a result, Applied Scholastics has been invited to return to do more lectures for the educators and students at a University and Dental College. Also, the *Learning How to Learn book* has been published and made available in the local language of Kannada so that students could immediately help themselves to learn more easily.

## **JAPAN**

The *Learning Book* and the *Basic Study Manual* were released in Japanese in 2003. As a result of a promotional campaign to enlighten people on the

value of Study Technology, the *Learning Book* became a best seller, thus providing the help that students need through the book itself. Applied Scholastics centers in Japan started providing courses to students and teachers to help them use these learning strategies to get better results in school.

## MALAYSIA

The Executive Director of Applied Scholastics Western Pacific traveled to Malaysia and visited with many high-ranking officials to offer help in improving the quality of education.

A training session was held in Terengganu, a northeast state of Malaysia. There were 38 teachers and four officials in the presentation. The Applied Scholastics Director presented a *Learning How to Learn* book to participants and briefed them about Applied Scholastics, the Study Technology, and its benefits and results for teachers and students. They were then put in a class situation to demonstrate how Study Technology is applied to teaching English as a Second Language. All participants came away with a new understanding of an effective application and many commented that this was a new experience and method of training, which they could utilize immediately in the classroom to enable students to really understand what they learn and achieve more.

## MEXICO

In September, the Executive Director of the Applied Scholastics charitable education program known in Mexico as Campana Mexicana para Mejorar el Estudio, went to the INEA (National Institute for Adult Education) in Mexico City and did a presentation on the use of the Study Technology in all educational systems. Those spoken with immediately saw an application for aiding educators working in the criminal justice system in Mexico and asked the Campana to start also working in jails.

The Campana began a pilot in one of the jails of Mexico City. They delivered the Basic Study Manual course for 40 external and internal advisors. These advisors helped the inmates to graduate from primary school and from middle high school thus giving them a real chance of getting a job when leaving prison and not returning to crime. The head of the

school of the prison was very impressed with the work done and the help that was given to the inmates.

## NIGERIA

Senior educators from the Nigerian government visited the Applied Scholastics International campus at St. Louis. Their purpose was to determine if Applied Scholastics courses should be made available to the Nigerian educators. After seeing the potential of Applied Scholastics programs to help their country and raise the achievement level of students, they returned to their country and decided that Applied Scholastics educators will be invited to initiate the training of teachers to provide them with the assistance they need to raise the quality of education in their country.

## PAKISTAN

The *Learning How to Learn Course* for Trainers and Teachers was delivered to 51 students at the request of senior education officials. A seminar was given on Study Technology to 32 teachers. Another seminar on Study Technology was given to 136 people.

Teachers and Teacher Trainers received certificates for completing the first Study Technology Course. A play was enacted by the course students to show how necessary it is to educate village girls. The speeches were broadcast on Radio in the city of Hyderabad to make known the help that educators and students were getting. The teachers are now applying the Study Technology to help the students in the classroom with their education.

The program empowered teachers with the skills to train other teachers, thus making it into a self-sustaining program that will be used to help the education system in Pakistan.

## PALESTINE

A delegation of Palestinians from America and Palestine visited Applied Scholastics International at St. Louis, Missouri.

After receiving an introduction to Study Technology the Palestinian education official requested to bring senior educators from her country for training. She wanted to ensure that the children of Palestine have the best

opportunity possible for improving their education and by bringing the Applied Scholastics program there, it would put strategies and tools in teachers hands to do just that. They would come to train as trainers so that when they return they will become part of a self-sustaining program that will enable the program to spread to help all teachers overcome the extreme difficulties faced in that part of the world and children will be able to get a high quality education.

## SENEGAL

As a result of an Applied Scholastics volunteer from Switzerland traveling to Senegal to provide introductory workshops on Study Technology, a police official from Senegal came to the Grand Opening of the St. Louis campus. He then stayed on to do training so that he could return to his country to improve the training of new police recruits. Another gentleman was sponsored to come from Senegal and help to form a team which then went back and trained a group of 56 teachers to utilize Mr. Hubbard's educational philosophy and Study Technology in their school with over 700 students. Once this gentleman started his training and saw how it could help the teachers and students in his country, he arranged for the director of the school to come and this director completed the first course of training for implementation with his teachers.

## SOUTH AFRICA

In a disadvantaged school near Johannesburg, a free program was made available with the aid of sponsorships where 579 students were taught Study Technology using the *Learning How to Learn* Book. As a result, the headmaster stated that students showed a lot more interest in the lessons and that many of them demanded to be told the correct meaning of the words used by the teachers so that their understanding of what they were being taught increased.

Because of the spectacular achievements being obtained by Applied Scholastics in schools, raising pass rates from 19% to 54% in 2 weeks of intervention (such as at the Cangci Technical School), this news started to spread to various other principals and education officials in other regions. Education Alive (the name of the Applied Scholastics center in Africa) was then asked by the Education Director of Curriculum in the Free State to see how they can increase the pass rate in that region for 2004. 20 schools were

chosen to be introduced to the Study Technology as a start so that these schools could benefit with increased pass rates too.

Due to the results there, Education Alive was invited to attend a very important strategic meeting in the Eastern Cape. An Education Alive Representative did a presentation on the Study Technology to 80 government directors from the Eastern Cape Region, offering to provide help in other schools in the region.

## SUDAN

Twenty-nine university lecturers and professors completed the *Basic Study Manual Course* plus the *Effective Teachers Course* given by volunteers who were sponsored to deliver these courses in the Sudan. A commitment was made by senior education officials in the country to make the Applied Scholastics programs available more broadly to help raise the quality of education across their country.

## THAILAND

A senior government official completed a demonstration study course on the three barriers to study. Other members of parliament also attended the training. Of these, a doctor seeing the potential for helping schools in her country, asked Applied Scholastics to put together a program to train the teachers of her province on Study Technology and English. In addition, a lecturer at one of the most prestigious schools in the country is having great success with the technology in helping students improve their comprehension level and wants to introduce it into other schools so they can achieve similar benefits.

	Grants	Expenses
To Form 990, Part III, Line b		\$ 294,027

Applied Scholastics International  
Federal ID # 23-7250829  
2003 Form 990, Part III  
Statement # 14

**Description of Program Service Three:  
Public Information on Educational Programs**

Applied Scholastics International is addressing the problem of illiteracy and failing educational systems worldwide by making available publications and services that provide solutions for these seemingly irreversible trends. These materials and services are for educators, trainers, parents and students. They are aimed at helping the learner to become self-sufficient and independent so that they can succeed in the learning process and consequently succeed in life. The materials and services can be viewed on the Applied Scholastics International website at [www.appliedscholastics.org](http://www.appliedscholastics.org) and are available to the public through that site as well as through continental training centers, schools, literacy and tutoring centers and the International Training Center in St. Louis, Missouri.

During the year of 2003, Applied Scholastics offices, schools, community centers and groups distributed 634,100 promotional pieces, press releases, newsletters, magazines and other publications to teachers, community leaders, government personnel, parents and students.

A Conference on Authoritative Research, sponsored by Applied Scholastics International, was held in St. Louis on February 22<sup>nd</sup> and 23<sup>rd</sup>, 2003. Educators who are already utilizing Study Technology in their own different institutions, both public and private, gathered to share their experiences and formulated plans on how to produce documentation on the results gained with Applied Scholastics programs. These results will then be made available through reports, journals and other media to help enlighten others on the benefits of implementing Applied Scholastics programs in various types of educational institutions all toward the aim of improving the quality of education. These results will be made known to the general public and other educational programs through conventions and publications.

The grand opening of the new Applied Scholastics international headquarters at St. Louis, Missouri, in July was attended by senior education officials from around the world along with many local educators and



community leaders. Over 2,000 people attended. They were shown the facilities and training and support programs available that will make it affordable and efficient for educators to attend intensive training schedules and stay comfortably on the premises while doing so in order for them to be able to go back into their areas and assist in improving education in their areas. Community leaders from around the St. Louis area were made aware of how they too can get assistance in their community programs by receiving help from Applied Scholastics to start literacy and learning programs in their own facilities.

A special set of free workshops and panel discussions were also provided over a period of two days for local educators and community leaders as well as education officials from Africa who had traveled especially to attend the Grand Opening. They were presented with information about the educational breakthroughs available through Applied Scholastics and were able to discuss with other educators how to implement the programs into their own educational setting.

Applied Scholastics International staff met with officials in government, education, business and local communities to enlighten them on the breakthrough learning methods available to halt the decline in student proficiency throughout the United States and throughout the world. They also informed these leaders how dropout rates could be reversed and true application of data could be achieved with the strategies and methodology of the Study Technology.

Many of these meetings took place in the offices of these leaders. Others were invited to visit the Applied Scholastics international headquarters and training center in St. Louis, Missouri. Applied Scholastics International met with many United States Senators and Congressmen or their representatives in Washington D.C. Dignitaries from around the world attended the Grand Opening and made plans to train administrators and educators from their Departments of Education.

These contacts, as well as visits by Applied Scholastics International with leaders around the world, were followed up with information packets and proposals for training that would aid them to improve the quality of teaching and student achievement. In Missouri, these visits occurred in the St. Louis area as well as Kansas City. Departments of Children and Families, Boys & Girls Clubs, YMCAs and school districts administrators were sent

information and met with. Applied Scholastics staff initiated partnerships, co-grant requests and trainer training. Twenty-three new Applied Scholastics official educational activities were established and follow-up continues to create more successful training relationships so that children in every community have access to the successful learning processes provided through the Study Technology.

As part of the above, a tour was carried out in ten European countries to introduce the Study Technology to key leaders in these areas.

A presentation on Study Technology was given to the President of the Russian Academy and, at his request, to all of his Vice-Presidents over each area as well as other Department Heads.

A Round Table was attended with various individuals and organizations involved in education from humanitarian organizations to magazines and newspapers to advocacy to professors. The discussion topic included the problems of modern education and how Mr. Hubbard's technologies could assist in remedying those. An agreement was reached where the individuals and their groups will work together to solve these issues through cooperation and consolidation of efforts.

Applied Scholastics was invited to participate in the 3<sup>rd</sup> National Conference on Education to set education policy for 2004 –2015, held at The Gambia College in July 2003. Study Technology was included in four recommendations accepted during the conference and included in its final recommendations. This is aimed at equipping teachers with strategies for their classrooms to improve the overall quality of education around the country.

In the US in November 2003, Applied Scholastics International attended The National Council of English Teacher's Annual Conference. From an Applied Scholastics booth Teachers were surveyed and enlightened on Applied Scholastics programs, services and materials available for them at the St. Louis campus that would equip them with tools and strategies to assist them in classroom management and instruction. 5,000 teachers attended this conference.

	Grants	Expenses
To Form 990, Part III, Line c		\$ 634,918

# 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.

Type or print  File by the due date for filing your return. See instructions.	Name of Exempt Organization <i>Applied Scholastics International</i>	Employer identification number <i>23 : 7250829</i>
	Number, street, and room or suite no. If a P.O. box, see instructions. <i>11755 Riverview Dr.</i>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <i>St. Louis, MO 63138</i>	

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

- |  |   |                                    |
|--|---|------------------------------------|
| <input checked="" 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 8/15, 2004 to file the exempt organization return for the organization named above. The extension is for the organization's return for:
- ☒ calendar year 2003 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 ► *R. Lyons* Title ► *CFO* Date ► *5/12/2004*

For Paperwork Reduction Act Notice, see instruction

Cat. No. 27916D

Form **8868** (12-2000)

- 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	Name of Exempt Organization <b>Applied Scholastics International</b>	Employer identification number <b>2317250829</b>
	Number, street, and room or suite no. If a P.O. box, see instructions <b>11755 Riverview Drive</b>	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>St. Louis mo 63138</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 November 15, 2004
- 5 For calendar year 2003, 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 by Accountants

- 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. \$ None

**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 [Signature] Title chief operating officer Date 8/9/04

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

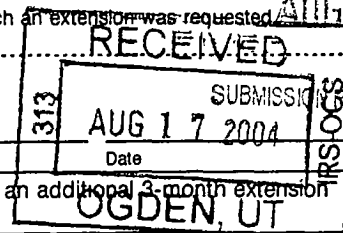
- ☒ We **have** approved this application. Please attach this form to the organization's return.
- ☐ We **have not** approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). 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
	Number and street (include suite, room, or apt. no.) Or a P.O. box number
	City or town, province or state, and country (including postal or ZIP code)



AUG 24 2004

FIELD DIRECTOR  
SUBMISSION PROCESSING, OGDEN