

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

2006

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2006 calendar year, or tax year beginning , 2006, and ending , 20

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

C Name of organization
Ability School of Utah
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
913 E. Syrena Cir.
 City or town, state or country, and ZIP + 4
Sandy, Utah 84094

D Employer identification number
87 0517862

E Telephone number
(801) 908-7347

F Accounting method: ☐ Cash ☒ Accrual
☐ Other (specify) ▶

G Website: ▶ **www.abilityschoolofutah.org**

J Organization type (check only one) ▶ ☒ 501(c) (3) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

K Check here ☐ if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

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 ▶ **4171**

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

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

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

1 Contributions, gifts, grants, and similar amounts received:			
a Contributions to donor advised funds	1a	0	
b Direct public support (not included on line 1a)	1b	14189.00	
c Indirect public support (not included on line 1a)	1c	0	
d Government contributions (grants) (not included on line 1a)	1d	0	
e Total (add lines 1a through 1d) (cash \$ 14189.00 noncash \$)	1e	14189.00	
2 Program service revenue including government fees and contracts (from Part VII, line 93)	2	132537.00	
3 Membership dues and assessments	3	0	
4 Interest on savings and temporary cash investments	4	10.00	
5 Dividends and interest from securities	5	0	
6a Gross rents	6a	0	
b Less: rental expenses	6b	0	
c Net rental income or (loss). Subtract line 6b from line 6a	6c	0	
7 Other investment income (describe ▶)	7	0	
8a Gross amount from sales of assets other than inventory	(A) Securities	0	(B) Other
b Less: cost or other basis and sales expenses	8a	0	0
c Gain or (loss) (attach schedule)	8b	0	0
d Net gain or (loss). Combine line 8c, columns (A) and (B)	8c	0	0
8d		0	
9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>			
a Gross revenue (not including \$ 0 of contributions reported on line 1b)	9a	9486.00	
b Less: direct expenses other than fundraising expenses	9b	3759.00	
c Net income or (loss) from special events. Subtract line 9b from line 9a	9c	5727.00	
10a Gross sales of inventory, less returns and allowances	10a	903.00	
b Less: cost of goods sold	10b	903.00	
c Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	10c	0	
11 Other revenue (from Part VII, line 103)	11	637.00	
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12	153100.00	
13 Program services (from line 44, column (B))	13	212133.00	
14 Management and general (from line 44, column (C))	14	16240.00	
15 Fundraising (from line 44, column (D))	15	0	
16 Payments to affiliates (attach schedule)	16	0	
17 Total expenses. Add lines 13 and 14, column (A)	17	228373.00	
18 Excess or (deficit) for the year. Subtract line 17 from line 12	18	(75273.00)	
19 Net assets or fund balances at beginning of year (from line 73, column (A))	19	(47284.00)	
20 Other changes in net assets or fund balances (attach explanation)	20	(1.00) rounding	
21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21	(122558.00)	

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 the instructions.)

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
22a	Grants paid from donor advised funds (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22a			
22b	Other grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22b			
23	Specific assistance to individuals (attach schedule)	23			
24	Benefits paid to or for members (attach schedule)	24			
25a	Compensation of current officers, directors, key employees, etc. listed in Part V-A (attach schedule)	25a 21304.00	14913.00	6391.00	
b	Compensation of former officers, directors, key employees, etc. listed in Part V-B (attach schedule)	25b			
c	Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)	25c			
26	Salaries and wages of employees not included on lines 25a, b, and c	26 26450.00	23805.00	2645.00	
27	Pension plan contributions not included on lines 25a, b, and c	27			
28	Employee benefits not included on lines 25a - 27	28			
29	Payroll taxes	29 3653.00	2962.00	691.00	
30	Professional fundraising fees	30			
31	Accounting fees	31 200.00	200.00		
32	Legal fees	32			
33	Supplies	33 42263.00	41063.00	1200.00	
34	Telephone	34 1604.00	1500.00	104.00	
35	Postage and shipping	35 1829.00	1790.00	39.00	
36	Occupancy	36 63212.00	62020.00	1192.00	
37	Equipment rental and maintenance	37			
38	Printing and publications	38 5999.00	5999.00		
39	Travel	39 1067.00	1067.00		
40	Conferences, conventions, and meetings	40 975.00	975.00		
41	Interest	41 2879.00	2879.00		
42	Depreciation, depletion, etc. (attach schedule)	42 963.00	963.00		
43	Other expenses not covered above (itemize):				
a	Outside labor	43a 2078.00	2078.00		
b	License fees	43b 17089.00	17089.00		
c	Field trips	43c 3193.00	3193.00		
d	Bad debt expense	43d 16920.00	16920.00		
e	Events	43e 2613.00	2613.00		
f	Back owing federal taxes	43f 11934.00	7956.00	3978.00	
g	Bank service charges	43g 2148.00	2148.00		
44	Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44 228373.00	212133.00	16240.00	

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 <i>(See the instructions.)</i>
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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.

What is the organization's primary exempt purpose? ► Education		Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others)
<p>All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)</p> <p>a 50 students K - 12 with 90% of students reading above grade level and 50% doing math above grade level, drop-outs rescued</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>		212133.00
<p>b</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>		
<p>c</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>		
<p>d</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>		
<p>e Other program services (attach schedule)</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>		
f Total of Program Service Expenses (should equal line 44, column (B), Program services). ►		212133.00

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year	
Assets	45 Cash—non-interest-bearing	414.00	45	1041.00	
	46 Savings and temporary cash investments	0	46	429.00	
	47a Accounts receivable	47a			
	b Less: allowance for doubtful accounts	47b			
			19773.00	47c	14466.00
	48a Pledges receivable	48a			
	b Less: allowance for doubtful accounts	48b		48c	
	49 Grants receivable		49		
	50a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)		50a		
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)		50b		
	51a Other notes and loans receivable (attach schedule)	51a			
	b Less: allowance for doubtful accounts	51b		51c	
	52 Inventories for sale or use		52		
	53 Prepaid expenses and deferred charges		53		
	54a Investments—publicly-traded securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54a		
	b Investments—other securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54b		
	55a Investments—land, buildings, and equipment: basis	55a			
	b Less: accumulated depreciation (attach schedule)	55b		55c	
	56 Investments—other (attach schedule)		56		
57a Land, buildings, and equipment: basis	57a	6738.00			
b Less: accumulated depreciation (attach schedule)	57b	6259.00			
		1442.00	57c	479.00	
58 Other assets, including program-related investments (describe ►)			58		
59 Total assets (must equal line 74). Add lines 45 through 58		21629.00	59	16415.00	
Liabilities	60 Accounts payable and accrued expenses	4593.00	60	33229.00	
	61 Grants payable		61		
	62 Deferred revenue		62		
	63 Loans from officers, directors, trustees, and key employees (attach schedule)	64320.00	63	105744.00	
	64a Tax-exempt bond liabilities (attach schedule)		64a		
	b Mortgages and other notes payable (attach schedule)		64b		
	65 Other liabilities (describe ►)		65		
66 Total liabilities. Add lines 60 through 65		68913.00	66	138973.00	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67 Unrestricted		67		
	68 Temporarily restricted		68		
	69 Permanently restricted		69		
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.				
	70 Capital stock, trust principal, or current funds		70		
	71 Paid-in or capital surplus, or land, building, and equipment fund		71		
	72 Retained earnings, endowment, accumulated income, or other funds	(47284.00)	72	(122558.00)	
	73 Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)	(47284.00)	73	(122558.00)	
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	21629.00	74	16415.00	

a	Total revenue, gains, and other support per audited financial statements		a	N/A
b	Amounts included on line a but not on Part I, line 12:			
1	Net unrealized gains on investments	b1		
2	Donated services and use of facilities	b2		
3	Recoveries of prior year grants	b3		
4	Other (specify):	b4		
	Add lines b1 through b4		b	N/A
c	Subtract line b from line a		c	N/A
d	Amounts included on Part I, line 12, but not on line a :			
1	Investment expenses not included on Part I, line 6b	d1		
2	Other (specify):	d2		
	Add lines d1 and d2		d	N/A
e	Total revenue (Part I, line 12). Add lines c and d		e	N/A

a Total expenses and losses per audited financial statements		a	N/A
b Amounts included on line a but not on Part I, line 17:			
1 Donated services and use of facilities	b1		
2 Prior year adjustments reported on Part I, line 20	b2		
3 Losses reported on Part I, line 20	b3		
4 Other (specify):	b4		
Add lines b1 through b4		b	N/A
c Subtract line b from line a		c	N/A
d Amounts included on Part I, line 17, but not on line a :			
1 Investment expenses not included on Part I, line 6b	d1		
2 Other (specify):	d2		
Add lines d1 and d2		d	N/A
e Total expenses (Part I, line 17). Add lines c and d ▶		e	N/A

[illegible]

Yes	No
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[illegible]

75b	✓	
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75c	✓
-----	---

1	2	3
4	5	6

75d	✓	
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Part V-B **Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits** (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

[illegible]

Yes	No
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76		✓
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77		✓

78a	✓
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78b		
-----	--	--

79		✓
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80a		✓
-----	--	---

1	2	3
4	5	6

81a

81b		✓
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Part VI Other Information (continued)

	Yes	No
82a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		✓
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?	✓	
b Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	✓	
83b		
84a Did the organization solicit any contributions or gifts that were not tax deductible?		✓
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 6033(e)(1)(A) dues notices		
85e N/A		
f Taxable amount of lobbying and political expenditures (line 85d less 85e)		
85f N/A		
g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		
85g N/A		
h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		
85h 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		
88a 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		✓
b At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI		✓
88b		
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		
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		
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
e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		✓
89e		
f All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?		✓
89f		
g For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		✓
89g		
90a List the states with which a copy of this return is filed ▶ N/A		
b Number of employees employed in the pay period that includes March 12, 2006 (See instructions.)		6
90b		
91a The books are in care of ▶ Dawn Gordon Telephone no. ▶ (801) 908-7347 Located at ▶ 913 E. Syrena Cir, Sandy Utah ZIP + 4 ▶ 84094-3032		
b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country ▶ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
91b	Yes	No
		✓

Part VI Other Information (continued)

Yes No

c At any time during the calendar year, did the organization maintain an office outside of the United States? **91c** ☐ Yes ☒ No
 If "Yes," enter the name of the foreign country: _____

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here ☐ **92** | N/A
 and enter the amount of tax-exempt interest received or accrued during the tax year: _____

Part VII Analysis of Income-Producing Activities (See the 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 Tuition					132487.00
b Late Fees					50.00
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			01	5727.00	
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a Sales tax refund					637.00
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				5727.00	133174.00
105 Total (add line 104, columns (B), (D), and (E))					138901.00

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the 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).
93A	This 501 (c) 3 organization operates a school K - 12. Tuition and fees are charged to provide students with a quality education and to furnish them with proper materials.

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

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

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

N/A

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).**106** Did the reporting organization **make** any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

107 Did the reporting organization **receive** any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Yes	No

**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.

Dawn Gordon

Signature of officer

Date

110 Sept 07

Dawn Gordon Executive Director

Type or print name and title

**Paid
Preparer's
Use Only**Preparer's
signature

Date

Check if
self-
employed ☐

Preparer's SSN or PTIN (See Gen. Inst. X)

Firm's name (or yours
if self-employed),
address, and ZIP + 4

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 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information—(See separate instructions.)

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

OMB No 1545-0047

2006

Name of the organization

Ability School of Utah

Employer identification number

87 : 0517862

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 2 of the instructions. List each one. If there are none, enter "None.")

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

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		
Total number of others receiving over \$50,000 for professional services ►		

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		
Total number of other contractors receiving over \$50,000 for other services ►		

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

Yes No

- 1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B)

1 Yes No

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?

2a Yes No

b Lending of money or other extension of credit?

2b Yes No

c Furnishing of goods, services, or facilities?

2c Yes No

d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? *See Part V-A, Form 990*

2d Yes No

e Transfer of any part of its income or assets?

2e Yes No

- 3a Did the organization make grants for scholarships, fellowships, student loans, etc? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.)

3a Yes No

b Did the organization have a section 403(b) annuity plan for its employees?

3b Yes No

c Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement

3c Yes No

d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?

3d Yes No

- 4a Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g

4a Yes No

b Did the organization make any taxable distributions under section 4966?

4b Yes No

c Did the organization make a distribution to a donor, donor advisor, or related person?

4c Yes No

d Enter the total number of donor advised funds owned at the end of the tax year ▶ 0

e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶ 0

f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ▶ 0

g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ▶ 0

Part IV Reason for Non-Private Foundation Status (See pages 4 through 7 of the instructions.)I certify that 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 otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
☐ Type I ☐ Type II ☐ Type III-Functionally Integrated ☐ Type III-Other

Provide the following information about the supported organizations. (See page 7 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total					►

- 14 ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See page 7 of the instructions.)

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

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

Calendar year (or fiscal year beginning in) ►		(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15	Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)					
16	Membership fees received					
17	Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18	Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
19	Net income from unrelated business activities not included in line 18.					
20	Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21	The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					
22	Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23	Total of lines 15 through 22					
24	Line 23 minus line 17					
25	Enter 1% of line 23					
26	Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), 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 2002 through 2005 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 (e)					
d	Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____					
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: (2005) _____ (2004) _____ (2003) _____ (2002) _____ 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 11b, 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: (2005) _____ (2004) _____ (2003) _____ (2002) _____ c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ 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 from line 23, column (e) 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 2002 through 2005, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.					

Part V Private School Questionnaire (See page 9 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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.) <u>Yes, we publicized through the Salt Lake Tribune and Deseret News.</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d Copies of all material used by the organization or on its behalf to solicit contributions?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b Admissions policies?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c Employment of faculty or administrative staff?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d Scholarships or other financial assistance?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e Educational policies?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f Use of facilities?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g Athletic programs?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h Other extracurricular activities?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 10 of the instructions.)
(To be completed **ONLY** by an eligible organization that filed Form 5768)

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

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for all electing organizations
(The term "expenditures" means amounts paid or incurred.)			
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 38 and 39)	40	
41	Lobbying nontaxable amount. Enter the amount from the following table—		
If the amount on line 40 is—		The lobbying nontaxable amount is—	
Not over \$500,000		20% of the amount on line 40	
Over \$500,000 but not over \$1,000,000		\$100,000 plus 15% of the excess over \$500,000	
Over \$1,000,000 but not over \$1,500,000		\$175,000 plus 10% of the excess over \$1,000,000	
Over \$1,500,000 but not over \$17,000,000		\$225,000 plus 5% of the excess over \$1,500,000	
Over \$17,000,000		\$1,000,000	
42	Grassroots nontaxable amount (enter 25% of line 41)	42	
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 13 of the instructions.)

Calendar year (or fiscal year beginning in) ►	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
45	Lobbying nontaxable amount				
46	Lobbying ceiling amount (150% of line 45(e))				
47	Total lobbying expenditures				
48	Grassroots nontaxable amount				
49	Grassroots ceiling amount (150% of line 48(e))				
50	Grassroots lobbying expenditures				

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 13 of the instructions.)

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

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

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 13 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

a Transfers from the reporting organization to a noncharitable exempt organization of:

(i) **Cash**

(ii) Other assets

b Other transactions:

(i) Sales or exchanges of assets with a noncharitable exempt organization

(ii) Purchases of assets from a noncharitable exempt organization

(iii) Rental of facilities, equipment, or other assets

(iv) Reimbursement arrangements

(v) Loans or loan guarantees

(vi) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received:

[illegible]

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule:

[illegible]

12:15 PM
08/22/07
Accrual Basis

Ability School Trial Balance As of December 31, 2006

	Dec 31, 06	
	Debit	Credit
Mountain America Checking	990.98	
Cash Account	50 00	
Mountain America Savings	429.31	
Accounts receivable	14,465.50	
Undeposited Funds	0 00	
Furniture and Fixtures	6,738 00	
Furniture and Fixtures:Accumulated Depreciation		6,259 00
Accounts payable		1,618 33
Credit Cards:Staples		873 96
Credit Cards:Sears Gold Mastercard		13,942.44
Credit Cards:Capital One 7133		276 70
Credit Cards:Capital One 6967		939 57
Credit Cards:MBNA 0767		2,473 19
Credit Cards:MBNA 0759		1,462.38
Credit Cards:MBNA 0775		327.57
License Fees In Arrears		7,277 56
Officer Loans:Dawn Gordon		105,743 49
Payroll Liabilities	0 00	
Payroll Liabilities:State Withholding		147 00
Payroll Liabilities:Federal Taxes in Arrears		1,903.61
Payroll Liabilities:Federal Withholding		147 00
Payroll Liabilities:FICA:CO		920 22
Payroll Liabilities:FICA:EMP		920.22
Opening Balance	1,302 01	
Unrestrict (retained earnings)	45,982.45	
Fundraising Events:Spaghetti Dinner		653 00
Fundraising Events:Golf Tournament		4,483.00
Fundraising Events:Casino Party		4,349 60
Sales Tax		636.88
Interest		9 97
Scholarship		5,588.92
Books		903.45
Donation		8,599 90
Late Fees		50.00
Tuition		132,486 75
Interest Expense	2,878.98	
Bad Debt Expense	16,920 00	
Fundraising Events Exp.:Golf Tournament Exp.	2,539 92	
Fundraising Events Exp.:Spaghetti Dinner	118.06	
Fundraising Events Exp.:Casino Party Exp.	1,101.23	
Field Trip Expense	132.48	
Federal Taxes	11,934.12	
Events	2,612.62	
Training	975 00	
Travel	1,067 20	
Outside Labor	2,277 54	
Telephone	1,604.03	
Licenses and Fees	4,321.68	
Licenses and Fees:APS	12,767 52	
Bank Service Charges	2,147.87	
Building	25.00	
Building:Garbage	603.50	
Building:Rent	55,322.04	
Building:Utilities	6,069 60	
Depreciation Expense	963.00	
Guitar Lessons	2,354 98	
Insurance	466.16	
Insurance:Liability	725.85	
Over/Short	0.70	
Payroll Expenses	0.00	
Payroll Expenses:Gross Wages	47,703.39	
Payroll Expenses:FICA	3,653 14	
Promotion:Printing	2,006 09	
Promotion:Advertising	3,993.36	

12:15 PM
08/22/07
Accrual Basis

Ability School
Trial Balance
As of December 31, 2006

	Dec 31, 06	
	Debit	Credit
Promotion:Postage	1,056 73	
Stamps	772.00	
Supplies	43,216 44	
Tae Kwon Do	705 23	
TOTAL	<u>302,993.71</u>	<u>302,993.71</u>

Ability School Balance Sheet As of December 31, 2006

	Dec 31, 06
ASSETS	
Current Assets	
Checking/Savings	
Mountain America Checking	990 98
Cash Account	50.00
Mountain America Savings	429 31
Total Checking/Savings	1,470 29
Accounts Receivable	
Accounts receivable	14,465 50
Total Accounts Receivable	14,465.50
Total Current Assets	15,935 79
Fixed Assets	
Furniture and Fixtures	
Accumulated Depreciation	-6,259.00
Furniture and Fixtures - Other	6,738 00
Total Furniture and Fixtures	479.00
Total Fixed Assets	479.00
TOTAL ASSETS	16,414.79
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts payable	1,618.33
Total Accounts Payable	1,618 33
Credit Cards	
Credit Cards	
Staples	873 96
Sears Gold Mastercard	13,942.44
Capital One 7133	276.70
Capital One 6967	939.57
MBNA 0767	2,473 19
MBNA 0759	1,462.38
MBNA 0775	327.57
Total Credit Cards	20,295 81
Total Credit Cards	20,295.81
Other Current Liabilities	
License Fees In Arrears	7,277 56
Officer Loans	
Dawn Gordon	105,743.49
Total Officer Loans	105,743 49
Payroll Liabilities	
State Withholding	147.00
Federal Taxes In Arrears	1,903.61
Federal Withholding	147 00

12:12 PM
08/22/07
Accrual Basis

Ability School
Balance Sheet
As of December 31, 2006

	<u>Dec 31, 06</u>
FICA	
CO	920 22
EMP	<u>920 22</u>
Total FICA	<u>1,840.44</u>
Total Payroll Liabilities	<u>4,038 05</u>
Total Other Current Liabilities	<u>117,059.10</u>
Total Current Liabilities	<u>138,973.24</u>
Total Liabilities	<u>138,973.24</u>
Equity	
Opening Balance	-1,302.01
Unrestrict (retained earnings)	-45,982 45
Net Income	<u>-75,273.99</u>
Total Equity	<u>-122,558.45</u>
TOTAL LIABILITIES & EQUITY	<u><u>16,414.79</u></u>

Ability School Profit & Loss January through December 2006

	Jan - Dec 06
Ordinary Income/Expense	
Income	
Fundraising Events	
Spaghetti Dinner	653.00
Golf Tournament	4,483.00
Casino Party	4,349.60
Total Fundraising Events	9,485.60
Sales Tax	636.88
Interest	9.97
Scholarship	5,588.92
Books	903.45
Donation	8,599.90
Late Fees	50.00
Tuition	132,486.75
Total Income	157,761.47
Expense	
Interest Expense	2,878.98
Bad Debt Expense	16,920.00
Fundraising Events Exp.	
Golf Tournament Exp.	2,539.92
Spaghetti Dinner	118.06
Casino Party Exp.	1,101.23
Total Fundraising Events Exp.	3,759.21
Field Trip Expense	132.48
Federal Taxes	11,934.12
Events	2,612.62
Training	975.00
Travel	1,067.20
Outside Labor	2,277.54
Telephone	1,604.03
Licenses and Fees	
APS	12,767.52
Licenses and Fees - Other	4,321.68
Total Licenses and Fees	17,089.20
Bank Service Charges	2,147.87
Building	
Garbage	603.50
Rent	55,322.04
Utilities	6,069.60
Building - Other	25.00
Total Building	62,020.14
Depreciation Expense	963.00
Guitar Lessons	2,354.98
Insurance	
Liability	725.85
Insurance - Other	466.16
Total Insurance	1,192.01
Over/Short	0.70
Payroll Expenses	
Gross Wages	47,703.39
FICA	3,653.14
Payroll Expenses - Other	0.00
Total Payroll Expenses	51,356.53
Promotion	
Printing	2,006.09
Advertising	3,993.36
Postage	1,056.73
Total Promotion	7,056.18

12:14 PM
08/22/07
Accrual Basis

Ability School
Profit & Loss
January through December 2006

	Jan - Dec 06
Stamps	772 00
Supplies	43,216 44
Tae Kwon Do	705.23
Total Expense	233,035.46
Net Ordinary Income	-75,273.99
Net Income	-75,273.99

**Ability School
A/R Aging Summary
As of December 31, 2006**

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
Behunin, Marian	0.00	250.00	0.00	0.00	0.00	250.00
Behunin, Thomas	0.00	262.50	137.50	0.00	125.00	525.00
Broadwater, Wendy	0.00	131.25	0.00	0.00	0.00	131.25
Leonhardt, Chyme	0.00	0.00	0.00	0.00	325.00	325.00
Lewis, Flori	0.00	0.00	0.00	0.00	30.00	30.00
Markovich, JoAva	0.00	0.00	0.00	0.00	4,445.25	4,445.25
Markovich, Laura	0.00	0.00	0.00	0.00	1,590.00	1,590.00
Owens, Greg	0.00	50.00	0.00	0.00	0.00	50.00
Schneider, Thomas	0.00	1,250.00	0.00	0.00	0.00	1,250.00
Strode, Steve	0.00	500.00	0.00	0.00	0.00	500.00
Twelves, Julie	0.00	0.00	0.00	0.00	40.00	40.00
Woodruff, Vivian	0.00	1,600.00	1,353.13	0.00	1,866.12	4,819.25
Woolstenhulme, Kevin	0.00	500.00	0.00	0.00	0.00	500.00
Wright, Cyndy	0.00	531.25	0.00	0.00	-1.50	529.75
Wright, Tom	0.00	56.74	0.00	0.00	113.26	170.00
TOTAL	0.00	5,131.74	1,490.63	0.00	8,533.13	15,155.50

Ability School of Utah
EIN 87-0517862
Form 990, Line 63, Loans from Officers
Also, Schedule A, pg. 2. Line 2b

Lenders Name:	Dawn Gordon
Original Amount:	\$68,000.00
Balance Due:	\$105743.49
Date of Note:	Jan-99
Maturity Date:	5 years
Repayment Terms:	\$500.00 or more per month until paid in full
Interest Rate:	Waived
Security Provided:	None
Purpose:	Remodel building, operating expenses
Consideration:	Cash

The IRS prescribed "blended annual rate" for this loan is 4.94%, which is the rate of imputed interest (deemed foregone interest). The imputed benefit to the organization is \$2,888.07, which is 4.94% of the average of the beginning and year-end loan balances.

During the year an additional \$77497.50 was loaned to the school by the above Officer at the same terms. This accounts for the increase in the balance due over fiscal year 2006.

Ability School of Utah
Statement for form 990 Part V-A, number 75b
EIN 87-0517862
Form 990 2006

Officers Phil Parke and Lora Mengucci are married.

Ability School of Utah
EIN 87-0517862
Form 990, Line 42

Ability School of Utah
Depreciation Schedule
As of December 31st 2006

	Furniture/Fixtures	Total
Asset balance end of 2005	\$1442.00	\$1442.00
Acquired 2006	\$0.00	\$0.00
Total Asset Amount	<u>\$1442.00</u>	<u>\$1442.00</u>
Depreciation 2006*	\$963.00	\$963.00
Total Depreciation 2006	<u>\$963.00</u>	<u>\$963.00</u>
Asset Balance	\$6738.00	\$6738.00
Less accumulated depreciation	\$5296.00	\$5296.00
Less current year depreciation	\$963.00	\$963.00
Total Asset Balance	<u>\$479.00</u>	<u>\$479.00</u>

*This amount was calculated using straight-line 7 year, half year convention for the first year of service which was 2000.

Ability School of Utah
EIN 87-0517862
Form 990-2006

Ability School of Utah
Fundraising Worksheet
2006

	Spaghetti Dinner	Game Night	Golf Tournament	Total
Gross	653.00	4350.00	4483.00	9486.00
Contribution	0.00	0.00	0.00	0.00
Gross Revenue	653.00	4350.00	4483.00	9486.00
Direct Expense	118.00	1101.00	2540.00	3759.00
Net	535.00	3249.00	1943.00	5727.00