

Return of Organization Exempt From Income Tax

2006

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

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

A For the 2006 calendar year, or tax year beginning 2/01, 2006, and ending 1/31, 2007

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

C Narconon Louisiana New Life Retreat, 35059 Bend Road, Denham Springs, LA 70726

D Employer Identification Number: 20-4122923; E Telephone number: 225-243-5047; F Accounting method: Accrual

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?; H (b) If 'Yes,' enter number of affiliates; H (c) Are all affiliates included?; H (d) Is this a separate return filed by an organization covered by a group ruling?

G Web site: N/A

J Organization type (check only one): 501(c) 3

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

I Group Exemption Number; M Check if the organization is not required to attach Schedule B

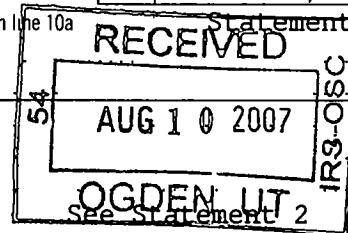
Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12: 678,161.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Table with 21 rows and 4 columns: Description, (A) Securities, (B) Other, Total. Includes revenue from contributions, program services, investments, and expenses.

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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
22a Grants paid from donor advised funds (attach sch) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22a			
22b Other grants and allocations (att sch) (cash \$ _____ non-cash \$ _____) 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 sch) See Stmt. 3	25a	43,563.	27,188.	12,987.
b Compensation of former officers, directors, key employees, etc listed in Part V-B (attach sch)	25b	0.	0.	0.
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	0.	0.	0.
26 Salaries and wages of employees not included on lines 25a, b, and c	26	140,074.	125,626.	12,847.
27 Pension plan contributions not included on lines 25a, b, and c	27			
28 Employee benefits not included on lines 25a - 27	28	3,367.	3,367.	
29 Payroll taxes	29	24,380.	20,051.	3,628.
30 Professional fundraising fees	30			701.
31 Accounting fees	31	490.		490.
32 Legal fees	32			
33 Supplies	33	65,735.	59,594.	3,900.
34 Telephone	34	5,082.	4,066.	1,016.
35 Postage and shipping	35	643.	214.	215.
36 Occupancy	36	110,552.	100,360.	10,192.
37 Equipment rental and maintenance	37	658.	526.	132.
38 Printing and publications	38			
39 Travel	39	7,271.	7,271.	
40 Conferences, conventions, and meetings	40	800.	800.	
41 Interest	41	12,694.	12,694.	
42 Depreciation, depletion, etc (attach schedule)	42	29,210.	23,368.	5,842.
43 Other expenses not covered above (itemize):				
a See Statement 4	43a	85,853.	67,982.	12,035.
b -----	43b			
c -----	43c			
d -----	43d			
e -----	43e			
f -----	43f			
g -----	43g			
44 Total functional expenses. Add lines 22a through 43g (Organizations completing columns (B) - (D), carry these totals to lines 13 - 15).	44	530,372.	453,107.	63,284.

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 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	4,500.	45 71,913.
	46 Savings and temporary cash investments		46 19,874.
	47a Accounts receivable	47a 21,946.	
	b Less allowance for doubtful accounts	47b	47c 21,946.
	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 4,024.
	53 Prepaid expenses and deferred charges		53 21,352.
	54a Investments – publicly-traded securities	▶ <input type="checkbox"/> Cost <input type="checkbox"/> FMV	54a
	b Investments – other securities (attach sch)	▶ <input type="checkbox"/> Cost <input type="checkbox"/> FMV	54b
	55a Investments – land, buildings, & equipment basis	55a	
	b Less accumulated depreciation (attach schedule)	55b	55c
	56 Investments – other (attach schedule)		56
	57a Land, buildings, and equipment basis	57a 695,110.	
b Less accumulated depreciation (attach schedule) Statement 7	57b 31,133.	57c 506,960.	
58 Other assets, including program-related investments (describe ▶ <u>See Statement 8</u>)		58 8,909.	
59 Total assets (must equal line 74) Add lines 45 through 58	511,460.	59 811,995.	
LIABILITIES	60 Accounts payable and accrued expenses		60 12,716.
	61 Grants payable		61
	62 Deferred revenue		62
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63
	64a Tax-exempt bond liabilities (attach schedule)		64a
	b Mortgages and other notes payable (attach schedule) See Statement 9	500,000.	64b 675,576.
	65 Other liabilities (describe ▶ <u>See Statement 10</u>)		65 19,116.
	66 Total liabilities. Add lines 60 through 65	500,000.	66 707,408.
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74		
	67 Unrestricted	11,460.	67 104,587.
	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		72
	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)	11,460.	73 104,587.
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	511,460.	74 811,995.

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

a	Total revenue, gains, and other support per audited financial statements	a	672,574.
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	
c	Subtract line b from line a	c	672,574.
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	
e	Total revenue (Part I, line 12) Add lines c and d	e	672,574.

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

a	Total expenses and losses per audited financial statements	a	579,447.
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	
c	Subtract line b from line a	c	579,447.
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	
e	Total expenses (Part I, line 17). Add lines c and d	e	579,447.

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the 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 plans	(E) Expense account and other allowances
Kelley Keeney 35059 Bend Rd. Denham Springs, LA 70726	VP/Director 40	15,094.	0.	0.
Rohit Adi 6844 Government St. Baton Rouge, LA 70807	Sec/Director 10	9,675.	0.	0.
Cathy Steiner 9864 Powell Lane Denham Springs, LA 70726	President 40	18,794.	0.	0.

Part VI Other Information (continued)		Yes	No
82 a	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	
82 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.)		
	13,200.		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83 b	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
84 b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	N/A	
85 a	501(c)(4), (5), or (6) organizations. Were substantially all dues nondeductible by members?	N/A	
85 b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	N/A	
	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.		
85 c	Dues, assessments, and similar amounts from members	N/A	
85 d	Section 162(e) lobbying and political expenditures	N/A	
85 e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	N/A	
85 f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	N/A	
85 g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	N/A	
85 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?	N/A	
86 a	501(c)(7) organizations. Enter initiation fees and capital contributions included on line 12.	N/A	
86 b	Gross receipts, included on line 12, for public use of club facilities.	N/A	
87 a	501(c)(12) organizations. Enter gross income from members or shareholders.	N/A	
87 b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	N/A	
88 a	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.		X
88 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.		X
89 a	501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under section 4911 <u>0</u> ; section 4912 <u>0</u> ; section 4955 <u>0</u> .		
89 b	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.		X
89 c	Enter amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958.	0	
89 d	Enter amount of tax on line 89c, above, reimbursed by the organization.	0	
89 e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
89 f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
89 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?		X
90 a	List the states with which a copy of this return is filed. <u>None</u>		
90 b	Number of employees employed in the pay period that includes March 12, 2006. (See instructions.)		6
91 a	The books are in care of <u>Thomas Steiner</u> . Telephone number <u>225-243-5047</u> . Located at <u>35059 Bend Rd, Denham Springs La</u> . ZIP + 4 <u>70726</u>		
91 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.		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		

Part VI Other Information (continued)

c At any time during the calendar year, did the organization maintain an office outside of the United States?

	Yes	No
91 c		X

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

N/A

and enter the amount of tax-exempt interest received or accrued during the tax year

92 N/A

Part VII Analysis of Income-Producing Activities (See 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 Referral Commission R					439.
b Substance Abuse Treat					601,550.
c					
d					
e					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts					
96 Dividends & interest from securities	623990	571.			
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					9,913.
103 Other revenue a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		571.			611,902.
105 Total (add line 104, columns (B), (D), and (E))					612,473.

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).

See Statement 11

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)	(D)	(E)
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with

a Did the organization, during the year, receive any funds, directly or indirectly, to pay pro

b Did the organization, during the year, pay premiums, directly or indi

Note: If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions).

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
	X

	(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
	X

	(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
	X

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here

Signature of officer: *Robit Ali* Date: Aug 6, 2007

Type or print name and title: Robit Ali, M.D., Director

Paid Preparer's Use Only

Preparer's signature: *Walter L. Simmons, Jr., CPA* Date: 8/03/07 Check if self-employed: Preparer's SSN or PTIN (See General Instruction W): P00072346

Firm's name (or yours if self-employed), address, and ZIP + 4: Thomas, Wilson, Ragusa, Uffman & Co.
527 East Airport Avenue
Baton Rouge, LA 70806-6515

EIN: 72-1086666 Phone no: (225) 926-1050

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 Narconon Louisiana New Life Retreat	Employer identification number 20-4122923
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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 ▶		0		

Part II – A 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
None		

Total number of others receiving over \$50,000 for professional services ▶		0

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 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 ▶		0

Part III Statements About Activities (See instructions.)

	Yes	No
<p>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 ▶ \$ <u>N/A</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B)</p> <p>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</p>		X
<p>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)</p> <p style="text-align: center;">See Statement 12</p> <p>a Sale, exchange, or leasing of property?</p>	X	
<p>b Lending of money or other extension of credit?</p>		X
<p>c Furnishing of goods, services, or facilities?</p> <p style="text-align: center;">See Form 990, Part V</p>	X	
<p>d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?</p>	X	
<p>e Transfer of any part of its income or assets?</p>		X
<p>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)</p>		X
<p>b Did the organization have a section 403(b) annuity plan for its employees?</p>		X
<p>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</p>		X
<p>d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?</p>		X
<p>4a Did the organization maintain any donor advised funds? If 'Yes,' complete lines 4b through 4g. If 'No,' complete lines 4f and 4g</p>		X
<p>b Did the organization make any taxable distributions under section 4966?</p>		N/A
<p>c Did the organization make a distribution to a donor, donor advisor, or related person?</p>		N/A
<p>d Enter the total number of donor advised funds owned at the end of the tax year ▶ <u>N/A</u></p>		N/A
<p>e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶ <u>N/A</u></p>		N/A
<p>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 ▶ <u>0</u></p>		0
<p>g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ▶ <u>0.</u></p>		0.

Part IV Reason for Non-Private Foundation Status (See 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)
- 11 a 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)
- 11 b 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 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					0.

- 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) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28)	12,199.				12,199.
16 Membership fees received					0.
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					0.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					0.
19 Net income from unrelated business activities not included in line 18					0.
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0.
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					0.
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					0.
23 Total of lines 15 through 22	12,199.				12,199.
24 Line 23 minus line 17	12,199.				12,199.
25 Enter 1% of line 23	122.				

26 Organizations described on lines 10 or 11:	a Enter 2% of amount in column (e), line 24	26a	244.
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		26b	
c Total support for section 509(a)(1) test. Enter line 24, column (e)		26c	12,199.
d Add Amounts from column (e) for lines	18 _____ 19 _____ 22 _____ 26b _____	26d	
e Public support (line 26c minus line 26d total)		26e	12,199.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))		26f	100.00 %

27 Organizations described on line 12:	N/A		
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 _____	27c	
d Add Line 27a total _____ and line 27b total _____		27d	
e Public support (line 27c total minus line 27d total)		27e	
f Total support for section 509(a)(2) test. Enter amount from line 23, column (e)	27f		
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))		27g	%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))		27h	%

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

N/A

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If 'Yes,' please describe, if 'No,' please explain (If you need more space, attach a separate statement) ----- ----- -----		
32	Does the organization maintain the following		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered 'No' to any of the above, please explain (If you need more space, attach a separate statement.) ----- -----		
33	Does the organization discriminate by race in any way with respect to		
a	Students' rights or privileges?		
b	Admissions policies?		
c	Employment of faculty or administrative staff?		
d	Scholarships or other financial assistance?		
e	Educational policies?		
f	Use of facilities?		
g	Athletic programs?		
h	Other extracurricular activities? If you answered 'Yes' to any of the above, please explain (If you need more space, attach a separate statement.) ----- -----		
34 a	Does the organization receive any financial aid or assistance from a governmental agency?		
b	Has the organization's right to such aid ever been revoked or suspended? If you answered 'Yes' to either 34a or b, please explain using an attached statement		
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B. 587, covering racial nondiscrimination? If 'No,' attach an explanation.		

Part VI-A Lobbying Expenditures by Electing Public Charities (See 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		(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 –		
	Not over \$500,000		
	Over \$500,000 but not over \$1,000,000		
	Over \$1,000,000 but not over \$1,500,000		
	Over \$1,500,000 but not over \$17,000,000		
	Over \$17,000,000		
	The lobbying nontaxable amount is –		
	20% of the amount on line 40		
	\$100,000 plus 15% of the excess over \$500,000		
	\$175,000 plus 10% of the excess over \$1,000,000	41	
	\$225,000 plus 5% of the excess over \$1,500,000		
	\$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)

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 non-taxable 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 instructions.)

N/A

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

- a** Volunteers
- b** Paid staff or management (Include compensation in expenses reported on lines **c** through **h**.)
- c** Media advertisements
- d** Mailings to members, legislators, or the public
- e** Publications, or published or broadcast statements
- f** Grants to other organizations for lobbying purposes
- g** Direct contact with legislators, their staffs, government officials, or a legislative body
- h** Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
- i** Total lobbying expenditures (add lines **c** through **h**.)

Yes	No	Amount

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

Depreciation and Amortization (Including Information on Listed Property)

Department of the Treasury
Internal Revenue Service

See Separate Instructions.

Attach this form to your return.

2006

Attachments
Sequence No **67**

Name(s) shown on return

Narconon Louisiana

Business or activity to which this form relates

Substance Abuse Facility

Identifying number
20-4122923

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 the instructions for a higher limit for certain businesses	1	208,000
2 Total cost of section 179 property placed in service (see instructions)	2	59,291
3 Threshold cost of section 179 property before reduction in limitation	3	489,290
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	208,000
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 2005 Form 4562	10	0
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	208,000
12 Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	0
13 Carryover of disallowed deduction to 2007. 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.) (See instructions.)

14 Special allowance for New York Liberty or Gulf Opportunity Zone property (other than listed property) placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	

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 2006	17	19,907
18 If you are electing 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 2006 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			3 yrs.	HY		
b 5-year property		12,363	5 yrs.	HY	200DB	2,473
c 7-year property		25,275	7 yrs.	HY	200DB	3,612
d 10-year property			10 yrs.	HY		
e 15-year property		25,053	15 yrs.	HY	150DB	1,253
f 20-year property			20 yrs.	HY		
g 25-year property			25 yrs.	HY	S/L	
h Residential rental property			27 5 yrs	MM	S/L	
i Nonresidential real property		SEE SCH.	39 yrs	MM	S/L	1,965
			39 yrs.	MM	S/L	

Section C - Assets Placed in Service During 2006 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	29,210
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 V 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 allowance for New York Liberty or Gulf Opportunity Zone property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)							25	
26 Property use more than 50% in a qualified business use.								
		%						
		%						
		%						
27 Property use 50% or less in a qualified business use								
		%				S/L-		
		%				S/L-		
		%				S/L-		
28 Add amounts in column (h), lines 25 through 27. Enter the total here and on line 21, page 1							28	
29 Add amounts in column (i), line 26. Enter the total 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

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

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 the 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 2006 tax year (see instructions)					
43 Amortization of costs that began before your 2006 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report					44

2006 Form 4562 - Part III - Line 19i - Non-Residential Real Property

<u>Description of Property</u>	<u>Date Acquired</u>	<u>Basis</u>	<u>Recov Pd</u>	<u>Method</u>	<u>Exp. Deduction</u>
Fire Doors, Frames &	04/13/06	9,786	39.0-MM	SL	199
Fire Alarm System	05/02/06	15,568	39.0-MM	SL	283
Fire Protection Barrier &	06/01/06	6,139	39.0-MM	SL	98
Fire Code Duct Work	06/19/06	4,750	39.0-MM	SL	76
Misc Mat'ls for Renovation &	06/29/06	1,134	39.0-MM	SL	18
Iron Bannisters	07/14/06	2,880	39.0-MM	SL	40
Oak Bannisters	07/14/06	668	39.0-MM	SL	9
Misc Renovation Mat'ls (Cap	08/30/06	3,700	39.0-MM	SL	43
Misc L/H Improvements	12/20/06	500	39.0-MM	SL	2
Misc L/H Improvements (Amex)	05/11/06	2,645	39.0-MM	SL	48
Misc Renovation Costs in	03/15/06	17,732	39.0-MM	SL	398
Misc Renovation Costs in	04/15/06	1,615	39.0-MM	SL	33
Misc Renovation Costs in May	05/15/06	14,850	39.0-MM	SL	270
Misc Renovation Costs in	06/15/06	10,534	39.0-MM	SL	169
Misc Renovation Costs in	07/15/06	5,777	39.0-MM	SL	80
Misc Renovation Costs in	08/15/06	6,619	39.0-MM	SL	78
Misc Renovation Costs in	09/15/06	2,000	39.0-MM	SL	19
Misc Renovation Costs in Oct	10/15/06	6,007	39.0-MM	SL	45
Misc Renovation Costs in Nov	11/15/06	10,632	39.0-MM	SL	57
				Totals	<u>1,965</u>

Client 7424

Narconon Louisiana New Life Retreat

20-4122923

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Statement 1
Form 990, Part I, Line 10
Gross Profit (Loss) From Sales Of Inventory

Study Materials	\$ 15,500.
Gross Sales	<u>\$ 15,500.</u>
Less Returns & Allowances	<u>0.</u>
Net Sales	\$ 15,500.
Less Cost Of Goods Sold	<u>5,587.</u>
Gross Profit From Sales Of Inventory	<u>\$ 9,913.</u>

Statement 2
Form 990, Part I, Line 16
Payments to Affiliates

Name and Address	Purpose of Payment	Amount
Narconon East U.S. 67 Crane Drive Safety Harbor, FL 34695	Licensing Fees	\$ 46,739.
Narconon International 7060 Hollywood Blvd. Los Angeles, CA 90028	Licensing Fees	2,336.
Total		<u>\$ 49,075.</u>

Statement 3
Form 990, Part II, Line 25a
Compensation of Officers, Directors, Etc.

Compensation Received	(A)	(B)	(C)	(D)
Name	Total	Program Services	Management & General	Fundraising
Kelley Keeney	15,094.	9,056.	4,529.	1,509.
Rohit Adi	9,675.	9,675.	0.	0.
Cathy Steiner	18,794.	8,457.	8,458.	1,879.
Total	<u>\$ 43,563.</u>	<u>\$ 27,188.</u>	<u>\$ 12,987.</u>	<u>\$ 3,388.</u>

Employee Benefit Plan Contribution	(A)	(B)	(C)	(D)
Name	Total	Program Services	Management & General	Fundraising
Kelley Keeney	0.	0.	0.	0.
Rohit Adi	0.	0.	0.	0.
Cathy Steiner	0.	0.	0.	0.
Total	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

Expense Acct. & Other Allowances	(A)	(B)	(C)	(D)
Name	Total	Program Services	Management & General	Fundraising
Kelley Keeney	0.	0.	0.	0.

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Narconon Louisiana New Life Retreat

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Statement 3 (continued)
Form 990, Part II, Line 25a
Compensation of Officers, Directors, Etc.

Rohit Adi	0.	0.	0.	0.
Cathy Steiner	0.	0.	0.	0.
Total	\$ 0.	\$ 0.	\$ 0.	0.

Statement 4
Form 990, Part II, Line 43
Other Expenses

	(A) Total	(B) Program Services	(C) Management & General	(D) Fundraising
Advertising & Promotion	2,851.			2,851.
Bank & credit card fees	6,272.	2,134.	3,833.	305.
Dues	300.		300.	
Independent Contract	5,475.	5,475.		
Insurance - Liab	3,987.		3,987.	
Insurance - WC	6,174.	5,078.	919.	177.
Licenses, permits & other tax	1,827.	1,817.	10.	
Medical professional fees	4,981.	4,981.		
Miscellaneous	3,184.	198.	2,986.	
Net Student Incidentals	-517.	-517.		
Opening Events	2,503.			2,503.
Penalties - P/R Taxes	1,224.	1,224.		
Program commissions	43,828.	43,828.		
Training Costs	3,764.	3,764.		
Total	\$ 85,853.	\$ 67,982.	\$ 12,035.	\$ 5,836.

Statement 5
Form 990, Part III
Organization's Primary Exempt Purpose

A drug and alcohol rehabilitation program through a medical withdrawal and educational residential program.

Statement 6
Form 990, Part III, Line a
Statement of Program Service Accomplishments

Description	Grants and Allocations	Program Service Expenses
Narconon Louisiana New Life Retreat opened its doors to students in August 2006. The object of its program is to provide rehabilitation from drug and alcohol abuse through a medically supervised withdrawal period followed by educational, rehabilitational, and counseling methods to equip their students to re-enter an active and productive		

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Narconon Louisiana New Life Retreat

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Statement 6 (continued)
Form 990, Part III, Line a
Statement of Program Service Accomplishments

Description	Grants and Allocations	Program Service Expenses
life. The average time it takes to complete the program is six to twelve weeks. In the period of less than six months from Narconon Louisiana's opening through their fiscal year end, they have gone from a brand new facility to serving 23 students. Narconon Louisiana also serves as an employer for those who have gone through the program and then work in various capacities for the center.		453,107.
Includes Foreign Grants: No		
	<u>\$ 0.</u>	<u>\$ 453,107.</u>

Statement 7
Form 990, Part IV, Line 57
Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value
Furniture and Fixtures	\$ 42,385.	\$ 12,349.	\$ 30,036.
Machinery and Equipment	27,360.	5,049.	22,311.
Buildings	332,233.	8,874.	323,359.
Improvements	157,432.	4,861.	152,571.
Land	135,700.		135,700.
Total	<u>\$ 695,110.</u>	<u>\$ 31,133.</u>	<u>\$ 663,977.</u>

Statement 8
Form 990, Part IV, Line 58
Other Assets

NSF Checks Receivable	\$ 8,500.
Sales Tax Refunds Receivable	409.
Total	<u>\$ 8,909.</u>

Statement 9
Form 990, Part IV, Line 64b
Mortgages and Other Notes Payable

Mortgages Payable	Balance Due
First Guaranty Bank	\$ 489,501.
Total Mortgages	<u>\$ 489,501.</u>

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Narconon Louisiana New Life Retreat

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Statement 9 (continued)
Form 990, Part IV, Line 64b
Mortgages and Other Notes Payable

Other Notes Payable

Lender's Name:	First Guaranty Bank		
Date of Note:	3/09/2006		
Maturity Date:	3/09/2007		
Repayment Terms:	On Demand		
Interest Rate:	8.50%		
Security Provided:	Guarantor		
Purpose of Loan:	Line of Credit		
Original Amount:	15,000.		
Balance Due:		\$	186,075.
	Total Other Notes Payable	\$	<u>186,075.</u>
	Total	\$	<u><u>675,576.</u></u>

Statement 10
Form 990, Part IV, Line 65
Other Liabilities

Accrued Insurance	\$	10,156.
Payroll taxes		8,959.
Rounding		1.
Total	\$	<u><u>19,116.</u></u>

Statement 11
Form 990, Part VIII
Relationship of Activities to the Accomplishment of Exempt Purposes

<u>Line #</u>	<u>Explanation of Activities</u>
93a	Commission received for referral of students for rehabilitation.
93b	Medical detoxification followed by drug rehabilitation and education of students.
102	Sale of educational material related to rehabilitation program.

Statement 12
Schedule A, Part III, Line 2
Transactions with Trustees, Directors, Etc.

Payments in the amount of \$5,400 were made to one of the directors during the year for use of real property for the drug rehab program services. Compensation payments were made to the three officers for their various services during the year, as reported on Form 990.