

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2005

Open to Public Inspection

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

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

A For the 2005 calendar year, or tax year beginning , 2005, and ending

B Check if applicable

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

Please use
IRS label
or print
or type.
See
specific
instructions.

C Name of organization

Applied Scholastics International

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

11755 Riverview Dr.

City, town or country

Saint Louis

State ZIP code + 4

MO 63138-3610

D Employer Identification Number

23-7250829

E Telephone number

(314) 355-6355

F Accounting method:

☐ Cash ☒ Accrual
☐ Other (specify)

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

H and I are not applicable to section 527 organizations

H (a) Is this a group return for affiliates? ☐ Yes ☒ No

H (b) If 'Yes,' enter number of affiliates

H (c) Are all affiliates included? ☒ Yes ☐ No

(If 'No,' attach a list. See instructions.)

H (d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No

I Group Exemption Number

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

G Web site: www.appliedscholastics.org

J Organization type (check only one)

☒ 501(c) 3 (insert no) ☐ 4947(a)(1) or ☐ 527

K Check here ☐ if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization chooses to file a return, be sure to file a complete return. Some states require a complete return.

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 3,387,077.

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

1	Contributions, gifts, grants, and similar amounts received:			
a	Direct public support	1a	147,166.	
b	Indirect public support	1b		
c	Government contributions (grants)	1c		
d	Total (add lines 1a through 1c) (cash \$ noncash \$)	1d	147,166.	
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	2,808,423.	
3	Membership dues and assessments	3		
4	Interest on savings and temporary cash investments	4	860.	
5	Dividends and interest from securities	5		
6a	Gross rents	6a		
b	Less: rental expenses	6b		
c	Net rental income or (loss) (subtract line 6b from line 6a)	6c		
7	Other investment income (describe)	7		
8a	Gross amount from sales of assets other than inventory	(A) Securities		(B) Other
b	Less: cost or other basis and sales expenses	8a		
c	Gain or (loss) (attach schedule)	8b		
d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8c		
8d		8d		
9	Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>			
a	Gross revenue (not including \$ of contributions reported on line 1a)	9a		
b	Less: direct expenses other than fundraising expenses	9b		
c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c		
10a	Gross sales of inventory, less returns and allowances	10a	284,738.	
b	Less: cost of goods sold	10b	106,127.	
c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c	178,611.	
11	Other revenue (from Part VII, line 103)	11	145,890.	
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	3,280,950.	
13	Program services (from line 44, column (B))	13	2,077,495.	
14	Management and general (from line 44, column (C))	14	266,032.	
15	Fundraising (from line 44, column (D))	15	100,284.	
16	Payments to affiliates (attach schedule)	16	1,061,954.	
17	Total expenses (add lines 16 and 44, column (A))	17	3,505,765.	
18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	-224,815.	
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	1,890,657.	
20	Other changes in net assets or fund balances (attach explanation)	20		
21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	1,665,842.	

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (att sch) (cash* \$ 1,352. non-cash \$) If this amount includes foreign grants, check here <input checked="" type="checkbox"/>	22	1,352.	1,352.		
23 Specific assistance to individuals (att sch)	23				
24 Benefits paid to or for members (att sch)	24				
25 Compensation of officers, directors, etc	25	201,465.	160,017.	21,069.	20,379.
26 Other salaries and wages	26	748,104.	610,715.	105,526.	31,863.
27 Pension plan contributions	27				
28 Other employee benefits	28	81,498.	66,169.	10,848.	4,481.
29 Payroll taxes	29	80,131.	65,057.	10,666.	4,408.
30 Professional fundraising fees	30				
31 Accounting fees	31	6,658.	1,947.	4,579.	132.
32 Legal fees	32	53,669.	47,424.	5,417.	828.
33 Supplies	33	43,639.	37,494.	4,502.	1,643.
34 Telephone	34	66,361.	53,878.	8,833.	3,650.
35 Postage and shipping	35	109,497.	105,157.	3,193.	1,147.
36 Occupancy	36	168,720.	125,616.	34,594.	8,510.
37 Equipment rental and maintenance	37	52,590.	43,137.	6,689.	2,764.
38 Printing and publications	38	43,491.	39,986.	3,345.	160.
39 Travel	39	190,225.	187,038.	1,638.	1,549.
40 Conferences, conventions, and meetings	40	30,221.	30,221.	0.	0.
41 Interest	41				
42 Depreciation, depletion, etc (attach schedule)	42	234,321.	190,245.	31,188.	12,888.
43 Other expenses not covered above (itemize).					
a Food & canteen purchases	43a	26,212.	26,212.	0.	0.
b Program delivery	43b	5,415.	5,415.	0.	0.
c Taxes, fees & dues	43c	6,272.	4,665.	1,538.	69.
d Insurance	43d	55,273.	44,876.	7,357.	3,040.
e Royalties	43e	80,434.	80,434.	0.	0.
f Referral fees	43f	3,727.	3,727.	0.	0.
g See Other Expenses Stmt 1	43g	154,536.	146,713.	5,050.	2,773.
44 Total functional expenses. Add lines 22 through 43 (Organizations completing columns (B) - (D), carry these totals to lines 13 - 15)	44	2,443,811.	2,077,495.	266,032.	100,284.

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 \$.

BAA

Form 990 (2005)

Part III Statement of Program Service Accomplishments

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? Improve & revitalize field of education

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

Program Service Expenses
(Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, but optional for others.)

a Assistance to Educational and Literacy Programs

See Statement 11

(Grants and allocations \$ 1,352.) If this amount includes foreign grants, check here ☒

620,469.

b Literacy and Teacher Training Programs

See Statement 12

(Grants and allocations \$ 0.) If this amount includes foreign grants, check here ☐

844,644.

c Public Information on Educational Programs

See Statement 13

(Grants and allocations \$ 0.) If this amount includes foreign grants, check here ☐

612,382.

d

(Grants and allocations \$) If this amount includes foreign grants, check here ☐

e Other program services

(Grants and allocations \$) If this amount includes foreign grants, check here ☐

f Total of Program Service Expenses (should equal line 44, column (B), Program services)

2,077,495.

BAA

Form 990 (2005)

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

		(A) Beginning of year		(B) End of year
ASSETS	45 Cash — non-interest-bearing	555,547.	45	478,790.
	46 Savings and temporary cash investments		46	
	47a Accounts receivable	240,977.		
	b Less: allowance for doubtful accounts	59,754.	121,465.	47c 181,223.
	48a Pledges receivable			
	b Less: allowance for doubtful accounts			48c
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a Other notes & loans receivable (attach sch)			
	b Less: allowance for doubtful accounts			51c
	52 Inventories for sale or use	57,988.	52	74,684.
	53 Prepaid expenses and deferred charges	1,383.	53	
	54 Investments — securities (attach schedule)	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54	
	55a Investments — land, buildings, & equipment: basis			
	b Less: accumulated depreciation (attach schedule)			55c
56 Investments — other (attach schedule)	Statement 6	141,877.	56	141,877.
57a Land, buildings, and equipment: basis	1,561,640.			
b Less: accumulated depreciation (attach schedule)	Statement 7	441,620.	1,320,162.	57c 1,120,020.
58 Other assets (describe <input type="checkbox"/> Statement 8)		5,688.	58	5,298.
59 Total assets (must equal line 74). Add lines 45 through 58		2,204,110.	59	2,001,892.
LIABILITIES	60 Accounts payable and accrued expenses	232,253.	60	225,003.
	61 Grants payable		61	
	62 Deferred revenue	81,200.	62	111,047.
	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)		64b	
	65 Other liabilities (describe <input type="checkbox"/>)		65	
	66 Total liabilities. Add lines 60 through 65		313,453.	66
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	1,792,140.	67	1,603,337.
	68 Temporarily restricted	98,517.	68	62,505.
	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; column (B) must equal line 21)	1,890,657.	73	1,665,842.
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	2,204,110.	74	2,001,892.

BAA

Form 990 (2005)

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

a	Total revenue, gains, and other support per audited financial statements	a	3,633,865.
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	273,000.
	3 Recoveries of prior year grants	b3	
	4 Other (specify) _____	b4	
	Add lines b1 through b4	b	273,000.
c	Subtract line b from line a	c	3,360,865.
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) <u>COGS (106,127)</u>	d2	-79,915.
	<u>Food expense 26,212</u>		
	Add lines d1 and d2	d	-79,915.
e	Total revenue (Part I, line 12). Add lines c and d	e	3,280,950.

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

a	Total expenses and losses per audited financial statements	a	3,858,680.
b	Amounts included on line a but not on Part I, line 17:		
	1 Donated services and use of facilities	b1	273,000.
	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	273,000.
c	Subtract line b from line a	c	3,585,680.
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) <u>COGS (106,127)</u>	d2	-79,915.
	<u>Food expense 26,212</u>		
	Add lines d1 and d2	d	-79,915.
e	Total expenses (Part I, line 17). Add lines c and d	e	3,505,765.

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
Bennetta Slaughter 11755 Riverview Dr. St. Louis MO 63138	Trustee, Director, CEO 55	0.	0.	0.
Frank Zurn 7065 Hollywood Blvd. Los Angeles CA 90028	Director .25	0.	0.	0.
Steven L. Hayes PO Box BB Pine Mountain Club CA 93222	Director .25	0.	0.	0.
Craig Burton 11755 Riverview Dr. St Louis MO 63138	Trustee, Director, COO 55	75,348.	0.	0.
Paula Hayes PO Box BB Pine Mountain Club CA 93222	Director .25	0.	0.	0.
See List of Officers, Etc. Statement 1A				

Yes	No
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75b	X	
75c		X
75d	X	

75b	X	
-----	---	--

75c		X
-----	--	---

Trial	No feedback (%)	Feedback (%)
1	65	75
2	70	85
3	75	90
4	80	95
5	85	98
6	90	100
7	95	100
8	98	100
9	100	100
10	100	100

Condition	Control (%)	MCI (%)	AD (%)
1	95	85	75
2	90	80	70
3	85	75	65
4	85	75	65

75d	X	
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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.)

(A) Name and address	(B) Loans and Advances	(C) Compensation	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances
N/A				

Yes	No
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76		X

77		X
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	9	4	
	1		

78 a		X
------	--	---

78b		
-----	--	--

79		X

80 a		X

--	--	--

[illegible]

81 a	0
------	---

81 b	N/A
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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	
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)		
82 b	273,000.		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	N/A	
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	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	N/A	
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		
c	Dues, assessments, and similar amounts from members	N/A	
d	Section 162(e) lobbying and political expenditures	N/A	
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	N/A	
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	N/A	
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	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?	N/A	
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12	N/A	
b	Gross receipts, included on line 12, for public use of club facilities	N/A	
87	501(c)(12) organizations. Enter: a Gross income from members or shareholders	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.)	N/A	
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX		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>		
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
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.
90 a	List the states with which a copy of this return is filed <u>California</u>		
b	Number of employees employed in the pay period that includes March 12, 2005 (See instructions)	35	
91 a	The books are in care of <u>Elizabeth Roush</u> Telephone number <u>(314) 355-6355</u> Located at <u>11755 Riverview Dr., St. Louis, MO</u> ZIP + 4 <u>63138-3610</u>		
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 Statements		
c	At any time during the calendar year, did the organization maintain an office outside of the United States? If 'Yes,' enter the name of the foreign country		X
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year <u>92</u>		

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 Trademark license fees					2,603,893.
b Educational training					166,154.
c Royalties income			15	38,376.	
d					
e					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts			14	860.	
96 Dividends & interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					178,611.
103 Other revenue:					
a					
b Student room & board					103,299.
c Food & canteen sales					33,026.
d Scrap, salvage & other					9,565.
e					
104 Subtotal (add columns (B), (D), and (E))				39,236.	3,094,548.
105 Total (add line 104, columns (B), (D), and (E))					3,133,784.

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

Part VIII. Relationship of Activities to the Accomplishment of Exempt Purposes (See 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 9

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

N/A

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

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

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: G. Craig Burton, chief operating officer Date: 11/15/06

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 General Instruction W): _____

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

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

2005

Name of the organization

Applied Scholastics International

Employer identification number

23-7250829

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

(See instructions. List each one. If there are none, enter 'None'.)

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

Part II — 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	None	

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	None	

Part III Statements About Activities (See instructions)

Yes No

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

1 X

Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.

- 2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions)

a Sale, exchange, or leasing of property?

2a X

b Lending of money or other extension of credit?

2b X

c Furnishing of goods, services, or facilities?

2c X

d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?

2d X

e Transfer of any part of its income or assets?

2e X

- 3a Do you make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how you determine that recipients qualify to receive payments)

3a X

b Do you have a section 403(b) annuity plan for your employees?

3b X

c During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?

3c X

- 4a Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?

4a X

b Do you provide credit counseling, debt management, credit repair, or debt negotiation services?

4b X

Part IV Reason for Non-Private Foundation Status (See instructions.)

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

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

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

(a) Name(s) of supported organization(s)	(b) Line number from above

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

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) *Use cash method of accounting.***Note:** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	785,434.	1,639,273.	126,209.	67,184.	2,618,100.
16 Membership fees received	0.	0.	0.	0.	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	2,163,374.	1,128,696.	1,087,624.	1,182,197.	5,561,891.
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	891.	1,051.	348.	7,781.	10,071.
19 Net income from unrelated business activities not included in line 18	0.	0.	0.	0.	0.
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf	0.	0.	0.	0.	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.	0.	0.	0.	0.
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets. <i>stml 10</i>	106,169.	56,527.	1,378.	7,821.	171,895.
23 Total of lines 15 through 22	3,055,868.	2,825,547.	1,215,559.	1,264,983.	8,361,957.
24 Line 23 minus line 17	892,494.	1,696,851.	127,935.	82,786.	2,800,066.
25 Enter 1% of line 23	30,559.	28,255.	12,156.	12,650.	

26 Organizations described on lines 10 or 11:	a Enter 2% of amount in column (e), line 24	26a	56,001.
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 2001 through 2004 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.		26b	76,553.
c Total support for section 509(a)(1) test. Enter line 24, column (e)		26c	2,800,066.
d Add: Amounts from column (e) for lines:	18 10,071. 19 0.	26d	258,519.
	22 171,895. 26b 76,553.	26e	2,541,547.
e Public support (line 26c minus line 26d total)		26f	90.77 %
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:

(2004) _____ (2003) _____ (2002) _____ (2001) _____

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:

(2004) _____ (2003) _____ (2002) _____ (2001) _____

c Add: Amounts from column (e) for lines:	15 _____ 16 _____	27c	
	17 _____ 20 _____ 21 _____	27d	
d Add: Line 27a total _____ and line 27b total _____		27e	
e Public support (line 27c total minus line 27d total)		27f	
f Total support for section 509(a)(2) test. Enter amount from line 23, column (e)		27g	%
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))		27h	%
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 2001 through 2004, 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?	32a		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
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.) ----- -----	32d		
33	Does the organization discriminate by race in any way with respect to:			
a	Students' rights or privileges?	33a		
b	Admissions policies?	33b		
c	Employment of faculty or administrative staff?	33c		
d	Scholarships or other financial assistance?	33d		
e	Educational policies?	33e		
f	Use of facilities?	33f		
g	Athletic programs?	33g		
h	Other extracurricular activities? If you answered 'Yes' to any of the above, please explain (If you need more space, attach a separate statement.) ----- ----- -----	33h		
34a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		
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.	34b		
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If 'No,' attach an explanation.	35		

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

N/A

Check ☐ **a** if the organization belongs to an affiliated group Check ☐ **b** if you checked 'a' and 'limited control' provisions apply**Limits on Lobbying Expenditures**

(The term 'expenditures' means amounts paid or incurred)

		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
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		
	\$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.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(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)

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

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

Yes	No	Amount
	X	
	X	
	X	0.
	X	0.
	X	0.
	X	0.
	X	0.
	X	0.
		0.

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

Form **4562**

(Rev January 2006)

Department of the Treasury
Internal Revenue Service**Depreciation and Amortization**
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No 1545 0172

2005Attachment
Sequence No **67**

Name(s) shown on return

Applied Scholastics International

Identifying number

23-7250829

Business or activity to which this form relates

Form 990 / Form 990EZ

Part I Election To Expense Certain Property Under Section 179

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

1	Maximum amount See the instructions for a higher limit for certain businesses	1	\$105,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	\$420,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2004 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2006. 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 certain aircraft, certain property with a long production period, and qualified New York Liberty or GO Zone property (other than listed property) placed in service during the tax year (see instrs)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS) Statement 7	16	234,321.

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 2005	17	
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 2005 Tax Year Using the General Depreciation System

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

Section C – Assets Placed in Service During 2005 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	234,321.
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 the 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 certain aircraft, certain property with a long production period, and qualified New York Liberty or GO Zone property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)							25						
26 Property used more than 50% in a qualified business use													
27 Property used 50% or less in a qualified business use													
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							28						
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1								29					

Section B – Information on Use of Vehicles

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

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

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

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

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See 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 2005 tax year (see instructions):					
43 Amortization of costs that began before your 2005 tax year					43
44 Total. Add amounts in column (f). See instructions for where to report					44

**Application for Extension of Time To File an
Exempt Organization Return**

OMB No. 1545-1709

► File a separate application for each return

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☒
 - If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)
- Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.**

Part I Automatic 3-Month Extension of Time—Only submit original (no copies needed)

Form 990-T corporations requesting an automatic 6-month extension—check this box and complete Part I only ☐

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041

Electronic Filing (e-file). Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension, instead you must submit the fully completed signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile.

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

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

- | | | |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input checked="" type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

• The books are in the care of ► Applied Scholastics International

Telephone No. ► (314) 355-4355 FAX No. ► (314) 355-2621

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) . If this is for the **whole** group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a **Form 990-T corporation**) extension of time until August 15, 2009 to file the exempt organization return for the organization named above. The extension is for the organization's return for:
► ☒ calendar year 2005 or
► ☐ tax year beginning , 20 , and ending , 20

2 If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$

c **Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ 12m6

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** and check this box ☒ **Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1)

Part II Additional (not automatic) 3-Month Extension of Time—Must File Original and One Copy.

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

Check type of return to be filed (File a separate application for each return)

- | | | |
|--|--|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input checked="" type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5277 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 9970 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 4720 | |

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of **Applied Scholastics International**
Telephone No **(314) 355-6355** FAX No **(314) 355-2621**
- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the **whole group**, check this box ☐ If it is for **part** of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for

- 4 I request an additional 3-month extension of time until **11/15**, 200**6**
- 5 For calendar year **2006** or other tax year beginning _____, 20____, and ending _____, 20____
- 6 If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period
- 7 State in detail why you need the extension: **Additional information being compiled and review by outside accountants to deliver an accurate return.**
- 8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions. \$ **0**
- b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868. \$ **0**
- c **Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions. \$

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature **Charles L. Smith** Title **Secretary** Date **Aug 14, 2006****Notice to Applicant—To Be Completed by the IRS**

- ☒ We have approved this application. Please attach this form to the organization's return.
- ☐ We have not approved this application. However, we have granted a 10-day grace period from the date of the date shown below for the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return.
- ☐ We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.
- ☐ We cannot consider this application because it was filed after the extended due date of the return for which an extension was requested.
- ☐ Other _____

Director	By _____	Date _____
Alternate Mailing Address — Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.		
Type or print	Name	<div style="border: 2px solid black; padding: 5px; text-align: center;"> RECEIVED AUG 24 2006 OGDEN, UT </div>
	Number and street (include suite, room, or apt. no.) or a P.O. box number	
	City or town, province or state, and country (including postal or ZIP code)	

Form 990, Page 2, Part II, Line 43

Other Expenses Stmt 1

Other expenses not covered above (itemize):	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Promotion	133,086.	129,309.	2,183.	1,594.
Bank charges	21,450.	17,404.	2,867.	1,179.
Total	154,536.	146,713.	5,050.	2,773.

Form 990, Page 5, Part V-A

List of Officers, Etc. Statement 1A

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
Ian Lyons 11755 Riverview Dr. St Louis MO 63138	Senior VP 55	52,453.	0.	0.
Ruth Lyons 11755 Riverview Dr. St Louis MO 63138	CFO 55	30,832.	0.	0.
Elizabeth R. Roush 11755 Riverview Dr. St Louis MO 63138	Secretary 55	42,833.	0.	0.

Explanation Statement 1B

Form/Line: Form 990, Part V-A line 75b

Explanation of: Relationship of Officers, Trustees, & Highly Compensated Employees

Directors Steve Hayes and Paula Hayes are married.

APPLIED SCHOLASTICS INTERNATIONAL**23-7250829****LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES****FORM 990, PART V 2005****STATEMENT 2**

OFFICERS, DIRECTORS, AND TRUSTEES WHO ARE ALSO EMPLOYEES ARE COMPENSATED ONLY FOR THEIR DUTIES AS EMPLOYEES, NOT FOR THEIR DUTIES AS OFFICERS, DIRECTORS AND TRUSTEES.

STATEMENT 2

APPLIED SCHOLASTICS INTERNATIONAL
INCOME AND COST OF GOODS SOLD
FORM 990 2005

23-7250829

STATEMENT 3

INCOME

1. GROSS RECEIPTS	284,738	
2. RETURNS AND ALLOWANCES	<u>0</u>	
3. LINE 1 LESS LINE 2		284,738
4. COST OF GOODS SOLD		<u>106,127</u>
5. GROSS PROFIT		<u>178,611</u>

COST OF GOODS SOLD

6. INVENTORY BEGINNING OF YEAR	57,988	
7. MERCHANDISE PURCHASED	122,823	
8. COST OF LABOR	0	
9. MATERIALS AND SUPPLIES	0	
10. OTHER COSTS	<u>0</u>	
11. TOTAL LINES 6 - 10		180,811
12. INVENTORY END OF YEAR		<u>74,684</u>
13. COST OF GOODS SOLD		<u>106,127</u>

STATEMENT 3

APPLIED SCHOLASTICS INTERNATIONAL
PAYMENTS TO AFFILIATES
FORM 990 2005

23-7250829

STATEMENT 4

<u>AFFILIATE'S NAME & ADDRESS</u>	<u>PURPOSE OF PAYMENT</u>	
ASSOCIATION FOR BETTER LIVING & EDUCATION INTERNATIONAL 7065 HOLLYWOOD BLVD LOS ANGELES, CA 90028	TRADEMARK LICENSE FEES	755,801
APPLIED SCHOLASTICS CANADA TORONTO, ONTARIO	TECHNICAL ASSISTANCE & SUPERVISION OF EDUCATION GROUPS	28,492
APPLIED SCHOLASTICS EUROPE COPENHAGEN, DENMARK	TECHNICAL ASSISTANCE & SUPERVISION OF EDUCATION GROUPS	197,768
APPLIED SCHOLASTICS LATIN AMERICA MEXICO	TECHNICAL ASSISTANCE & SUPERVISION OF EDUCATION GROUPS	11,728
APPLIED SCHOLASTICS ANZO SYDNEY, AUSTRALIA	TECHNICAL ASSISTANCE & SUPERVISION OF EDUCATION GROUPS	10,585
APPLIED SCHOLASTICS AFRICA SOUTH AFRICA	TECHNICAL ASSISTANCE & SUPERVISION OF EDUCATION GROUPS	17,208
APPLIED SCHOLASTICS UNITED KINGDOM EAST GRINSTEAD, ENGLAND	TECHNICAL ASSISTANCE & SUPERVISION OF EDUCATION GROUPS	40,372
TOTAL TO FORM 990, PART 1, LINE 16		<u>1,061,954</u>

STATEMENT 4

APPLIED SCHOLASTICS INTERNATIONAL
GRANTS AND ALLOCATIONS
FORM 990, PART II, LINE 22

2005

23-7250829

STATEMENT 5

<u>CLASSIFICATION</u>	<u>DONEE'S NAME</u>	<u>DONEE'S ADDRESS</u>	<u>DONEE'S RELATIONSHIP</u>	<u>AMOUNT</u>
START-UP ASSISTANCE	APPLIED SCHOLASTICS ANZO	SYDNEY, AUSTRALIA	N/A	1,352
TOTAL INCLUDED ON FORM 990, PART II, LINE 22				<u>1,352</u>

APPLIED SCHOLASTICS INTERNATIONAL
OTHER INVESTMENTS
FORM 990, PART IV, LINE 56

23-7250829

STATEMENT 6

<u>DESCRIPTION</u>	<u>VALUATION METHOD</u>	<u>BEG. OF YEAR</u>	<u>END OF YEAR</u>
FINE ARTWORK & ANTIQUES	COST/APPRAISAL	141,877	141,877
TOTAL TO FORM 990, PART IV, LINE 56		<u>141,877</u>	<u>141,877</u>

APPLIED SCHOLASTICS INTERNATIONAL
FIXED ASSET AND DEPRECIATION & AMORTIZATION DETAIL
FORM 990 2005

23-7250829

STATEMENT 7

ASSET NO	DESCRIPTION OF PROPERTY	DATE PLACE IN SERVICE	METHOD	LIFE OR RATE	COST OR OTHER BASIS	12/31/2004 ACCUMULATED DEPRECIATION	2005 CURRENT DEPREC EXP	12/31/2005 ACCUMULATED DEPRECIATION	12/31/2005 NET BOOK VALUE
1	COMPUTER EQUIPMENT	2001	SL	5	5,136	3,594	1,027	4,621	515
2	COMPUTER SOFTWARE	2001	SL	3	947	947	0	947	0
3	COMPUTER EQUIPMENT	2002	SL	5	9,381	4,690	1,876	6,567	2,814
4	COMPUTER SOFTWARE	2002	SL	3	2,772	2,332	440	2,772	0
5	COMPUTER EQUIPMENT	2003	SL	5	103,921	21,901	20,784	42,685	61,236
6	COMPUTER SOFTWARE	2003	SL	3	6,156	2,326	2,052	4,378	1,778
7	FURNITURE & EQUIP	2003	SL	7	938,810	134,248	134,116	268,362	670,448
8	VEHICLES	2003	SL	5	21,050	4,210	4,210	8,420	12,630
9	COMPUTER EQUIPMENT	2004	SL	5	1,868	187	374	561	1,307
10	COMPUTER EQUIPMENT	2004	SL	5	22,598	2,259	4,520	6,779	15,819
11	COMPUTER SOFTWARE	2004	SL	3	3,043	507	1,014	1,521	1,522
12	COMPUTER SOFTWARE	2004	SL	3	2,379	397	793	1,190	1,189
13	FURNITURE & EQUIP	2004	SL	7	36,126	2,580	5,161	7,741	28,385
14	FURNITURE & EQUIP	2004	SL	7	357,210	25,515	51,030	76,545	280,665
15	VEHICLES	2004	SL	5	16,064	1,606	3,213	4,819	11,245
16	COMPUTER EQUIPMENT	2005	SL	5	7,390	0	739	739	6,651
17	COMPUTER SOFTWARE	2005	SL	3	11,110	0	1,852	1,852	9,258
18	FURNITURE & EQUIP	2005	SL	7	15,678	0	1,120	1,120	14,558
BALANCES					1,561,640	207,300	234,321	441,620	1,120,020
BALANCES TO PART IV, LINE 57					<u>1,561,640</u>			<u>441,620</u>	<u>1,120,020</u>
DEPRECIATION EXPENSE TO PART II, LINE 42 AND FORM 4562, LINE 16						<u>234,321</u>			

STATEMENT 7

APPLIED SCHOLASTICS INTERNATIONAL**23-7250829****OTHER ASSETS****FROM 990, PART IV, LINE 58 2005****STATEMENT 8**

NAME

**BEG. OF
YEAR**

**END OF
YEAR****MATERIALS DEPOSITS****5,688****5,298**

TOTAL TO FORM 990, PART IV, LINE 58**5,688****5,298**

STATEMENT 8

APPLIED SCHOLASTICS INTERNATIONAL	23-7250829
RELATIONSHIP OF ACTIVITIES TO ACCOMPLISHMENT OF PURPOSE	
FORM 990, PART VIII 2005	STATEMENT 9

<u>LINE</u>	<u>EXPLANATION OF RELATIONSHIP TO ACTIVITIES</u>
-------------	--

93a	FEES RECEIVED FOR THE USE OF THE ORGANIZATION'S TRADEMARKS AND EDUCATIONAL TECHNOLOGY.
93b	FEES RECEIVED FOR TRAINING STUDENTS AND TEACHERS IN EDUCATIONAL TECHNOLOGY.
102	SALES OF EDUCATIONAL MATERIALS AND PUBLICATIONS TO TEACH EDUCATORS AND STUDENTS HOW TO LEARN.
103b	PROCEEDS FROM THE RENTAL OF LODGING TO STUDENTS AND TEACHERS WHO STUDY ON CAMPUS VISITING FROM ALL PARTS OF THE GLOBE.
103c	PROCEEDS FROM THE SALE OF FOOD AND CANTEEN ITEMS TO STUDENTS AND TEACHERS STUDYING ON CAMPUS.
103d	INSURANCE PROCEEDS FROM CLAIM FOR DAMAGED EQUIPMENT.

STATEMENT 9

APPLIED SCHOLASTICS INTERNATIONAL**23-7250829****OTHER INCOME****FORM 990, SCHEDULE A, PART IV-A, LINE 22 2005****STATEMENT 10**

DESCRIPTION	2004	2003	2002	2001
ACCOMODATIONS INCOME	60,943	45,609	0	0
FOOD & CANTEEN SALES	32,343	10,803	0	0
CAMPUS USAGE	12,521			
SCRAP & SALVAGE		115	0	0
PAYROLL TAX REFUND	362	0	0	7,821
TRAINING		0	1,369	0
BANK CHARGES		0	9	0
TOTAL TO SCHEDULE A, PART IV-A, LINE 22	106,169	56,527	1,378	7,821

STATEMENT 10

Applied Scholastics International
Federal ID #23-7250829
2005 Form 990, Part III
Statement # 11

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

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

The learning tools and methodologies used by Applied Scholastics, called Study Technology, were developed by educator and humanitarian, L. Ron Hubbard.

Our overall strategy to accomplish the above purpose includes:

- Compiling, publishing and distributing educational materials that are suitable for use by and with each of the above-named educational publics
- Providing educational training that accomplishes the purpose of Applied Scholastics by the implementation of Study Technology in all education systems
- Licensing the use of Study Technology under the trademarked name of *Applied Scholastics* to schools, educational centers and institutions, government funded programs, tutors and home schoolers.

Applied Scholastics International carried this strategy forward in 2005 with the following subordinate activities:

111	Private schools
419	Study Technology Learning Centers, Tutoring Centers & Practices
33	Community Education Groups
5	Workforce Training Groups
31	English Language and Learning Centers
2	Pioneer Literacy & Learning Project Leaders
7	Continental Applied Scholastics management offices

These subordinate groups now total 608. 188 new people signed up to form new licensed Applied Scholastics activities in 2005. Many of these groups assist under-performing and in many cases under-served students internationally to successfully read and apply what they learn. Each of these subordinate groups utilize and teach Mr. Hubbard's Study Technology in order to create the necessary learning skills that students use to increase comprehension, remedy non-comprehension, evaluate data, think critically, apply data to everyday problems in life and become lifelong learners in order to survive in today's technological world, be productive and contributing members of society and of value to themselves and their families.

The number of people assisted with the Study Technology worldwide in 2005:

13,200	Weekly average number of students served
7,380	Educators of all types trained with educational services throughout the year so that they can assist others in achieving their educational goals or in repairing students' academic deficiencies

The number of courses and tutoring hours delivered in 2005:

17,500	Courses in Study Technology were completed this year
961,700	Hours of tutoring were delivered this year

Over 2.2 million people were assisted through our network of charitable activities and centers worldwide, utilizing Study Technology during 2005.

Following are some of the events and training programs conducted by Applied Scholastics International or its licensed subordinate groups to assist in carrying out the above stated purpose:

- In order to make Applied Scholastics material available for non-English speaking people, a project was embarked on to bring translators from countries around the world to assist Applied Scholastics International in getting all its materials translated into new languages across the world. In 2005, more than 320 texts were translated in one or more of 15 European and Asian languages. Translated materials were published in 2005 in Dutch, German, Swedish, Russian and Urdu.
- The Applied Scholastics International campus in St. Louis, Missouri trained and apprenticed 590 people during 2005. It served as a model training and delivery center to Applied Scholastics centers around the world, those centers then helped educators in their local areas to use Applied Scholastics programs in raising the quality of education in their communities and countries.
- The Applied Scholastics International Annual Convention was held in St. Louis over five days in July, 2005. Over 100 educators came from 15 different countries around the world. During the Convention, there were 33 workshops designed to assist those who currently have, or wish to start, Applied Scholastics education programs. In addition, educators from all disciplines were able to share successful applications of study technology implementation with each other in order to further improve the quality of education each is bringing to the people they are serving.

Simultaneously, an Educational Conference was held that introduced Study Technology and the educational philosophy of Mr. Hubbard to 50 educators from across the United States and 4 foreign countries who were new to Applied Scholastics services. The keynote speaker was Dr. Vennetta Whitaker, Professor in the College of Education, University of Missouri and former Assistant Superintendent of Schools for Los Angeles Unified School District.

- Applied Scholastics International put on its largest ever European Convention for delegates from its licensed activities across Europe. It was held over 2 days in Prague with 150 people from 19 countries across Europe. Speakers from Applied Scholastics International presented prototypes of 75 newly translated books and courses soon to be released in more than 10

European languages as well as provided workshops in how to help more students and teachers raise the quality of education in these non-English speaking areas.

- During 2005, 15 courses and other materials were compiled, published and distributed for the purpose of providing non-profit schools, groups, tutoring facilities, parents, teachers, and community centers the assistance they need to fully utilize Study Technology.
- Applied Scholastics provided its services and materials to teachers and students in 8 new countries - Bahamas, Cayman Islands, East Timor, Jamaica, Nepal, Poland, Sri Lanka, Swaziland - so they could utilize the Study Technology and Mr. Hubbard's educational philosophy to improve the quality of education there.
- 855 Training Workshops in Study Technology were delivered to 27,990 people (more than double that of 2004) in 27 countries and twelve states in the USA.

	Grants	Expenses
To Form 990, Part III, Line a	\$ 1,352.	\$ 620,469.

Description of Program Service Two

Literacy and Teacher Training Programs: Study and Evaluation

In 2005, Applied Scholastics delivered training to 7,384 teachers and other educators from 24 different countries and 14 states in the United States. This training included teaching tools to raise the ability of students to recognize and remedy the barriers to study so they could retain and apply the information in their materials. These teachers then trained thousands of students to apply Study Technology so raising the achievement rate and number of graduates from their schools could become a reality. This year saw the following new official accreditations and registrations around the world for Applied Scholastics offices:

- Applied Scholastics Hungary became registered as an Institution of Adult Training with the Hungarian Government.
- Applied Scholastics for Italy and the Mediterranean was granted accreditation by the Ministry of Education of Italy. This places it as an official teacher training provider.
- Education Alive (the Applied Scholastics Africa Continental office) received accreditation from the Department of Labor for South Africa for its training services.
- Applied Scholastics International received approval in the following states as an SES (Supplemental Educational Services) provider under the *No Child Left Behind* Act resulting in the beginning of a program for the training of tutors to help children in under performing and under served schools:
 - Missouri
 - Ohio
 - Arizona
 - California

Following are summaries of some of the major training that took place across the world:

Canada: Through a grant received by a First Nations school in Alberta, 18 educators were trained on Study Technology. Due to the demand by educators, this began the first of a series of 27 training workshops across Canada reaching 160 educators in 2005.

Czech & Slovak Republics: New English Language and Learning centers using materials compiled by Applied Scholastics International opened in the cities of Brno and Ceska-Budejovice in Czech Republic and Bratislava in Slovakia. In total, these new centers have reached 1,395 new people with the first introductory English lesson while the already established centers continued to deliver to hundreds more reaching 3,995 new people during this year.

Israel: A special program funded through private donations and provided with the help of volunteers, was started in schools in Kiryat Shmona in the North of Israel. A series of 4 workshops were successfully delivered to 80 teachers from 2 schools. Further training was then given to 60

teachers in Haifa. Following that, 6 teachers and headmasters from 2 schools in Kiryat Shmona attended the Annual Educators' Conference at the Spanish Lake Campus of Applied Scholastics International and have now planned to continue and expand the Applied Scholastics program in that region.

Italy: The first 6 seminars under the Ministry's accreditation were delivered to 93 teachers in 4 different cities across Italy, bringing the total number of teachers trained in Italy this year to 246.

During 2005, Applied Scholastics continued to work with a school in Bitonto where children were considered uneducable until Applied Scholastics began its intervention. Because of the success of a pilot carried out in 2004, the principal of the school invited Applied Scholastics to return whereby began the implementation of Applied Scholastics checksheets, a tool for catering to individualized study programs for students to keep them engaged and motivated and progressing at their own pace.

Latvia: Applied Scholastics Latvia embarked on two funded educational projects approved by the Foundation for Integration into Society. Both projects are to teach the Latvian language to Russian people who are now residents of Latvia, but unable to speak the national language. One of the programs took place in Riga to 120 students and the other was in Ogre to 100 students. Because of this program these 220 individuals are now both employable and can apply for citizenship.

Pakistan: The Ministry of Education in Pakistan, utilizing teachers already trained earlier by Applied Scholastics, delivered 16 seminars on Study Technology for use in the classroom to 650 teachers.

South Africa: Education Alive embarked on a program of delivering Study Technology lectures to students and teachers in public schools in Midrand to help them raise the educational quality and pass rates. The following was accomplished with the aid of donations for the materials and staff:

- Allanridge Combined School: 466 Students received lectures followed by the training and resultant graduation held for the special class of 10 students who completed the Learning How to Learn Course. A further lecture was then delivered to 242 more students.
- Kaalfontein Primary School: 824 students in grades 5, 6 and 7 attended lectures. This was followed by lectures to 824 Students and 5 teachers.
- Ebony Park Primary School: A Study Technology Lecture was delivered to more than 2,000 students in grades 4 through 7 along with 25 teachers. This was followed by further lectures to the students and 39 more teachers.

Education Alive also delivered lectures to 56 students at the Love in Action Children's Shelter in Mabopane, 2 workshops to 40 students in Carletonville, and lectures to 140 children and parents in Rustenburg.

Guarantee Trust Corporate Support Services (GT) is licensed by Applied Scholastic to use Study Technology. In 2005, they delivered a Work-Readiness Program, under a grant from a national accounting authority, to 3-400 unemployed commerce graduates annually in the four cities of Pretoria, Johannesburg, Capetown & Durban. They achieved a 90% success in getting the trainees employed once they have completed their 4.5 months training with GT.

In 1998, staff members of the Bushbuck Ridge Training Center were sent to the Education Alive Training Center in South Africa for training to supervise Study Technology courses in their country. They then worked with the Government Provincial Education Department to successfully increase the standard of education for Limpopo. This program continued through to today and in 2005 expanded with an additional 196 teachers from 20 different schools undergoing extensive training on the Basic Study Manual course and 58 teachers from 5 more schools being introduced to the Study Technology through lectures.

Jamaica: The country of Jamaica was introduced to Study Technology when Applied Scholastics International was invited to attend the Independent Schools Conference and provided workshops to 70 educators from 7 different schools. The implementation of Study Technology was started by the delivery of the *Progressive Teaching Tools Course* to 34 educators. Implementation then took place in 5 schools along with 7 seminars to over 80 teachers and parents.

Philippines: Applied Scholastics International sent staff to the Philippines at the request of school and University officials. The following was provided:

- A *Barriers to Study* Workshop to 50 employees of a Call and Service Center;
- A *Three Barriers* Workshop to 76 School Officials of City Schools Division, Caloocan City;
- A 3-day Teacher Training Course for 64 educators from 3 pilot schools in Sitio Lucia, Bulacan.

Mexico: The Applied Scholastics charitable organization called Mexican Campaign for Better Learning based in Mexico City continued its work in public schools and colleges throughout the country providing free workshops on strategies and tools for the classroom based on the Basic Study Manual. Since its inception, it has provided training in study skills to over 100,000 students and 7,000 teachers. In 2005, a further 700 teachers from 23 schools underwent Study Technology training as well 1950 students.

Applied Scholastics of Latin America organized further study skills workshops for 1280 teachers of private schools as well 560 students from a technical college in Mexico.

Sri Lanka: Applied Scholastics Malaysia joined with an Applied Scholastics supporter to help the victims of the tsunami in Sri Lanka. Through their efforts, seminars on *Learning How to Learn* were given to 980 educators to help them to restore and increase educational quality, providing strategies that can be applied successfully to increase learning rate despite the hardship faced with lack of resources in the wake of such devastation.

Another two Applied Scholastics supporters, wishing to help with the after effects of the tsunami to restore education in the country, delivered a Study Technology lecture to 148 students at a Buddhist School and another lecture to 60 teachers of a Catholic School.

Two Seminars based on the *Learning How to Learn* book were delivered to 75 Teachers in Trinco followed by another seminar to more than 100 people in Trinco. A Seminar was also delivered in

Walana, Panadura to 65 Students and 4 Teachers and further lectures in Northern Sri Lanka to over 200 students and 70 teachers.

USA

Tennessee: At Booker T. Washington a public high school in Memphis, 300 students learned Study Technology by doing the *Learning How to Learn* or *Study Skills for Life* course. Additionally, the 10th grade students were given special help on the subject of English grammar. This was funded by Fund for Improvement in Education (FIE). Following this, 110 tenth graders at the school were started on the *Grammar & Communication* course along with 335 other students who continued on with their Study Technology Courses with an additional 97 students who received tutoring.

Louisiana: The Applied Scholastics Achievement Program (ASAP) in Baton Rouge began delivering Study Technology training to 164 under performing and educationally challenged students at the request of the Mayor to assist in the aftermath of the hurricanes in that area. This is the beginning of an ongoing relationship with a school there to raise the achievement level of the school and its students.

Michigan: The training of 37 Educators and an additional 30 Teachers Aides took place at the Detroit Academy of Arts & Sciences beginning the implementation of Study Technology into their charter school. Five trainers delivered nine days of intensive training to 15 of the Charter School tutors, teacher aides, the two principals of the elementary school and the entire curriculum team.

Massachusetts: The Grafton Job Corps an educational center that serves high school drop outs was introduced to Study Technology and implementation started with the arrival of their trainer at Applied Scholastics International for his training. The trainer then returned to Grafton to deliver Study Technology workshops to all entry students.

	Grants	Expenses
To Form 990, Part III, Line b	\$ 0.	\$ 844,644.

Applied Scholastics International
Federal ID # 23-7250829
2005 Form 990, Part III
Statement # 13

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

Applied Scholastics International addresses the problem of illiteracy and failing educational systems worldwide by providing publications and services with solutions for these seemingly irreversible trends. These books, materials and services are for educators, trainers, parents and students. They are aimed at helping the learner become self-sufficient and independent so that he or she can succeed in the learning process and consequently succeed in life.

The materials and services can be viewed on the Applied Scholastics International website at www.appliedscholastics.org and are available to the public through that site as well as through continental training centers, schools, literacy and tutoring centers, after-school programs and the Applied Scholastics International campus in St. Louis, Missouri. The materials are also promoted and available through national book sellers.

Applied Scholastics International added 5 new websites to enable the public to more easily find out about educational solutions using Applied Scholastics programs.

During the year of 2005, Applied Scholastics offices, schools, community centers and groups distributed over 10,983,000 promotional pieces, press releases, newsletters, magazines and other publications to teachers, community leaders, government personnel, parents and students. The principal of the Applied Scholastics school, Centro De Education Alive in Mexico, was included in a panel of speakers on the subject of ADHD on two 2-hour live television shows due to her school achieving a high reputation in helping children who have educational difficulties. As a result, more than 300 phone calls from parents were received and workshops were provided to parents on how to help their child with school.

Tours of our international headquarters and training center were conducted by Applied Scholastics throughout 2005. These were to associate organizations as well as for principals, teachers, trainers, home schooling parents and parent-teacher associations. These educational tours also took place around the world at the facilities of our licensees, and also included seminars on Study Technology. From these tours, new people were registered to provide educational services under the Applied Scholastics trademark licenses; others were enrolled to come to the campus for training; and still others were informed about the purpose and activities, training and materials that Applied Scholastics provides. All these activities contributed to our worldwide expansion for the purpose of assisting students of all ages so they have a successful educational experience in accordance with our charitable mission.

A special conference was held for visiting educators and officials from the Philippines who wished to have Study Technology implemented in their school districts. As a result of this plans were made to facilitate their needs with a schedule of workshops to be held in the Philippines.

Education Alive was invited to provide a presentation on Study Technology and Applied Scholastics reading programs at the International Reading Association Conference in Swaziland. The presentation was given to a group of 143 teachers on Phonics and Study Technology.

An Integration Event was held for officials and parents by the Applied Scholastics School, Amager International School. This school is a model of how a school helps with the major Danish problem of integration of immigrants into society, showing how the Applied Scholastics educational programs help with all ethnic groups.

The head of Applied Scholastics CIS toured through Russia & Kazakhstan giving informational presentations on Applied Scholastics and its activities. This resulted in the opening of new Applied Scholastics groups in Kiev, N. Novgorod, Grozniy (Chechnya), Kharkov, Samara, Almaty, Krimsk, Pavlodar, Nizhnekamsk, Novokuybishevs and 3 kindergartens in Moscow.

In the USA, educators of all kinds visited our Applied Scholastics booths at 18 conventions and learned about Study Technology, Applied Scholastics and Mr. L. Ron Hubbard's breakthrough teaching methods. All received promotional materials covering the Applied Scholastics solutions to illiteracy. At some of the conventions, workshops and short training sessions were also held. As a result there were many inquiries about Applied Scholastics education programs from school principals, teachers, parents and other educators and many teachers have come to be trained at the Applied Scholastics International campus in St. Louis, Missouri.

	Grants	Expenses
To Form 990, Part III, Line c	\$ 0.	\$ 612,382.