

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)
▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2005

Open to Public Inspection

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

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

C Name of organization: **KIDS CAN FREE THE CHILDREN**
 C/O PAUL BATTAGLIA-JAECKLE FLEISCHMANN
 Number and street (or P O box if mail is not delivered to street address) **PARK** Room/suite **320**
400 ESSJAY RD CENTERPOINTE CORPORATE
 City or town, state or country, and ZIP + 4
WILLIAMSVILLE NY 14221-8228

D Employer identification no. **16-1533544**

E Telephone number **416-925-5894**

F Accounting method: Cash Accrual Other (specify) _____

G Website: ▶ **freethechildren.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 ▶ **2,825,660**

H and are not applicable to section 527 organizations **I**
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 instr.)
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 Sch B (Form 990, 990-EZ, or 990-PF)

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)			
Revenue	1 Contributions, gifts, grants, and similar amounts received:		
	a Direct public support	1a	2,679,500
	b Indirect public support	1b	120,227
	c Government contributions (grants)	1c	
	d Total (add lines 1a through 1c) (cash \$ 1,999,014 noncash \$ 800,713)	1d	2,799,727
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2	
	3 Membership dues and assessments	3	
	4 Interest on savings and temporary cash investments	4	7,939
	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			
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		
b Less: cost of goods sold	10b		
c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c		
11 Other revenue (from Part VII, line 103)	11		17,994
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		2,825,660
Expenses	13 Program services (from line 44, column (B))	13	2,588,614
	14 Management and general (from line 44, column (C))	14	82,107
	15 Fundraising (from line 44, column (D))	15	
	16 Payments to affiliates (attach schedule)	16	
	17 Total expenses (add lines 16 and 44, column (A))	17	
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18	154,939
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19	1,411,282
	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	

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Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) Stmt 1 (cash \$ 1,696,819 non-cash \$ 800,000) If this amount includes foreign grants, check here <input checked="" type="checkbox"/>	2,496,819	2,496,819		
23	Specific assistance to individuals (attach schedule) <input type="checkbox"/>				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc.				
26	Other salaries and wages				
27	Pension plan contributions				
28	Other employee benefits				
29	Payroll taxes				
30	Professional fundraising fees				
31	Accounting fees	24,500	0	24,500	0
32	Legal fees	800	0	800	0
33	Supplies				
34	Telephone				
35	Postage and shipping				
36	Occupancy	34,277	19,877	14,400	0
37	Equipment rental and maintenance				
38	Printing and publications				
39	Travel	17,802	14,625	3,177	0
40	Conferences, conventions, and meetings				
41	Interest				
42	Depreciation, depletion, etc. (attach schedule)	6,031	2,219	3,812	0
43	Other expenses not covered above (itemize):				
a	See Statement 2	90,492	55,074	35,418	0
b					
c					
d					
e					
f					
g					
44	Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	2,670,721	2,588,614	82,107	0

Joint Costs. Check if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to Program services \$ _____,
 (iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See the instructions.)

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? ▶ HUMANITARIAN RELIEF 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) & (4) orgs. & 4947(a)(1) trusts, but optional for others)
a SCHOOLBUILDING FOCUSES ON BUILDING PRIMARY SCHOOLS IN KENYA, SIERRA LEONE, CHINA, SRI LANKA WITH MANY YOUTH VOLUNTEERING RIGHT ON THE BUILDING SITE. (Grants and allocations \$ 675,730) If this amount includes foreign grants, check here <input checked="" type="checkbox"/>	690,427
b MEDICAL RELIEF: PROVIDE NECESSARY MEDICAL SUPPLIES TO CHILDREN-SENT MEDICAL SUPPLIES TO WEST AFRICA TSUNAMI RELIEF: PROVIDE NECESSARY FUNDS AND SUPPLIES FOR THOSE AFFECTED BY THE TSUNAMI, ESPECIALLY IN SRI LANKA. (Grants and allocations \$ 1,583,589) If this amount includes foreign grants, check here <input checked="" type="checkbox"/>	1,595,255
c LEADERSHIP: PROVIDING YOUTH OF THE WORLD WITH NETWORKING AS WELL AS THE OPPORTUNITIES TO BECOME LEADERS OF TOMORROW. (Grants and allocations \$ 190,000) If this amount includes foreign grants, check here <input checked="" type="checkbox"/>	228,050
d PEACEBUILDING WORKS TOWARD CREATING SAFE AND PEACEFUL COMMUNITY ENVIRONMENTS AND HELP CHILDREN IMPACTED BY WARS OVERCOME THEIR PAST. (Grants and allocations \$ 30,000) If this amount includes foreign grants, check here <input checked="" type="checkbox"/>	52,222
e Other program services (attach schedule) See Stmt (Grants and allocations \$ 17,500) If this amount includes foreign grants, check here <input checked="" type="checkbox"/>	22,660
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	2,588,614

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	55,223	45	283,313
	46 Savings and temporary cash investments	474,699	46	422,639
	47a Accounts receivable	47a 7,872		
	b Less: allowance for doubtful accounts	47b 0	7,868	47c 7,872
	48a Pledges receivable	48a		
	b Less: allowance for doubtful accounts	48b		48c
	49 Grants receivable			49
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)			50
	51a Other notes and loans receivable (attach schedule)	51a		
	b Less: allowance for doubtful accounts	51b		51c
	52 Inventories for sale or use		5,921	52 4,605
	53 Prepaid expenses and deferred charges		7,952	53 4,662
	54 Investments-securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV			54
	55a Investments-land, buildings, and equipment: basis	55a		
b Less: accumulated depreciation (attach schedule)	55b		55c	
56 Investments-other (attach schedule)			56	
57a Land, buildings, and equipment: basis	57a 880,445			
b Less: accumulated depreciation (attach schedule)	57b 25,278	859,619	57c 855,167	
58 Other assets (describe)			58	
59 Total assets (must equal line 74) Add lines 45 through 58		1,411,282	59 1,578,258	
Liabilities	60 Accounts payable and accrued expenses	0	60	12,037
	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)			64b
	65 Other liabilities (describe)			65
66 Total liabilities. Add lines 60 through 65		0	66 12,037	
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	817,796	67	972,818
	68 Temporarily restricted	593,486	68	593,403
	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)	1,411,282	73	1,566,221
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73.	1,411,282	74	1,578,258

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	2,825,660
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	2,825,660
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	2,825,660

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

a	Total expenses and losses per audited financial statements	a	2,670,721
b	Amounts included on line a but not 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	2,670,721
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	2,670,721

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) Contrib to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
SEE ATTACHED	0	0	0	0

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)

Yes No

75a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings 15

b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)

75b X

c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to this organization through common supervision or common control? Note. Related organizations include section 509(a)(3) supporting organizations.

75c X

If "Yes," attach a statement that identifies the individuals, explains the relationship between this organization and the other organization(s), and describes the compensation arrangements, including amounts paid to each individual by each related organization.

d Does the organization have a written conflict of interest policy?

75d X

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits

(If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

Table with 5 columns: (A) Name and address, (B) Loans and Advances, (C) Compensation, (D) Contnb to employee benefit plans & deferred compensation plans, (E) Expense account and other allowances. Row 1 contains 'N/A'.

Part VI Other Information (See the instructions.)

Yes No

76 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity

77 Were any changes made in the organizing or governing documents but not filed with the IRS? If "Yes," attach a conformed copy of the changes.

78a Did the organization have unrelated business gross income of \$1,000 or more? b If "Yes," has it filed a tax return on Form 990-T for this year?

79 Was there a liquidation, dissolution, termination, or substantial contraction of the organization? Attach a statement

80a Is the organization related (other than by association with a statewide or national common membership, governing bodies, trustees, officers, etc., to any other organization? b If "Yes," enter the name of the organization KIDS CAN FREE THE CHILDREN

81a Enter direct and indirect political expenditures. (See line 81 instructions.)

b Did the organization file Form 1120-POL for this year?

Part VI Other Information (continued)

		Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)		
82b			
83a	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	
83b			
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
84b	N/A		
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
85a	N/A		
85b	N/A		
c	Dues, assessments, and similar amounts from members		
85c			
d	Section 162(e) lobbying and political expenditures		
85d			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
85e			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		
85f			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		
85g	N/A		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		
85h	N/A		
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12		
86a			
b	Gross receipts, included on line 12, for public use of club facilities		
86b			
87	501(c)(12) orgs Enter: a Gross income from members or shareholders		
87a			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)		
87b			
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
88			
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 0 ; section 4912 0 , section 4955 0		
b	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		X
89b			
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year sections 4912, 4955, and 4958		0
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization		0
90a	List the states with which a copy of this return is filed NY		
b	Number of employees employed in the pay period that includes March 12, 2005 (See instructions.)		
90b			0
91a	The books are in care of VICTOR LI 233 CARLTON STREET Located at TORONTO, ONTARIO CANADA		
	Telephone no. 416-925-5894		
	ZIP + 4 M5A 2L2		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. At any time during the calendar year, did the organization maintain an office outside of the United States?		
91b			X
91c			X
c	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 and enter the amount of tax-exempt interest received or accrued during the tax year		
92			

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by sec 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	7,939	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a _____					
b MISCELLANEOUS INCOME					6,273
c TRAVEL & ENTERTAINMENT REIMBU					11,721
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0		7,939	17,994
105 Total (add line 104, columns (B), (D), and (E))					25,933

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).
N/A	

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

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

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

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

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

Please Sign Here

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

Signature of officer: *Marc Kielburger*, Executive Director Date: *March 8, 06*

Paid Preparer's Use Only

Preparer's signature: *Ray A. Pasieka* CAR Date: *2/26/06* Check if self-employed: Preparer's SSN or PTIN (See Gen Instr W): *P00366425*

Firm's name (or yours if self-employed), address, and ZIP + 4: *ROY A. PASIEKA, CPA*
1026 ENGLEWOOD AVE
KENMORE, NY 14223-2016 EIN: *16-1168166* Phone no: *716-875-4220*

**SCHEDULE A
(Form 990 or 990-EZ)**

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

OMB No 1545-0047

2005

Department of the Treasury
Internal Revenue Service

Supplementary Information-(See separate instructions.)

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

Name of the organization

Employer identification number

KIDS CAN FREE THE CHILDREN

C/O PAUL BATTAGLIA-JAECKLE FLEISCHMAN 16-1533544

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Comp	(d) Contnb to empl ben plans & deferred comp	(e) Expense account & 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 page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services ▶ 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 page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of other contractors receiving over \$50,000 for other services ▶ 0

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

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ (Must equal amounts on line 38, Part VI-A, or line I of Part VI-B.) 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.	1	X
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?	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 pages 3 through 6 of the instructions.)

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

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v)
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(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 page 6 of the instructions.)

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

- 14 An organization organized and operated to test for public safety Section 509(a)(4) (See page 6 of the instructions.)

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.)	1,333,201	1,850,295	979,915	1,063,160	5,226,571
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	4,723	4,054	7,046	10,866	26,689
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. Stmt 4	56,816	5,806	97	0	62,719
23 Total of lines 15 through 22	1,394,740	1,860,155	987,058	1,074,026	5,315,979
24 Line 23 minus line 17	1,394,740	1,860,155	987,058	1,074,026	5,315,979
25 Enter 1% of line 23	13,947	18,602	9,871	10,740	

26 Organizations described on lines 10 or 11:	a Enter 2% of amount in column (e), line 24	26a	106,320
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	2,850,767
c Total support for section 509(a)(1) test: Enter line 24, column (e)		26c	5,315,979
d Add: Amounts from column (e) for lines:	18 <u>26,689</u> 19 <u>0</u>	26d	2,940,175
	22 <u>62,719</u> 26b <u>2,850,767</u>	26e	2,375,804
e Public support (line 26c minus line 26d total)		26e	2,375,804
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))		26f	44.6917%

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: N/A

(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: N/A

(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	%

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 page 7 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		N/A	Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?			
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?			
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)			
32	Does the organization maintain the following:			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	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 page 9 of the 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- The lobbying nontaxable amount is-		
Not over \$500,000 20% of the amount on line 40		
Over \$500,000 but not over \$1,000,000 \$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000 \$175,000 plus 10% of the excess over \$1,000,000	41	
Over \$1,500,000 but not over \$17,000,000 \$225,000 plus 5% of the excess over \$1,500,000		
Over \$17,000,000 \$1,000,000		
42 Grassroots nontaxable amount (enter 25% of line 41)	42	
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	

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

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.)

See the instructions for lines 45 through 50 on page 11 of the instructions)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(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 nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

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

- a** Volunteers
- b** Paid staff or management (Include compensation in expenses reported on lines through **c 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 through **c h**.)

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

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

Federal Statements

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

Description	Total Expenses	Program Service	Mgt & General	Fund-Raising
	\$	\$	\$	\$
Expenses				
ADMINISTRATIVE FEE	57,600	38,940	18,660	0
ADVERTISING	4,128	4,128	0	0
BANK CHARGES	4,756	0	4,756	0
CONSULTANTS	11,000	0	11,000	0
DUES & SUBSCRIPTIONS	721	250	471	0
HANDLING FEES	11,666	11,666	0	0
OFFICE EXPENSES	621	90	531	0
Total	<u>\$ 90,492</u>	<u>\$ 55,074</u>	<u>\$ 35,418</u>	<u>\$ 0</u>

Statement 3 - Form 990, Part III, Line e - Other Program Services

Description	
HEALTH CARE, WATER AND SANITATION PUTS HEALTH KITS, CLINICS, WELLS AND OTHER CRITICAL PIECES INTO PLACE SO THAT CHILDREN GET PROPER CARE AND MAINTAIN THEIR HEALTH.	\$15,160
ALTERNATIVE INCOME IS ABOUT HELPING PARENTS AND FAMILIES FIND SUSTAINABLE SOURCES OF INCOME THUS FREEING THEIR CHILDREN TO GO TO SCHOOL.	\$ 7,500
TOTAL	<u>\$22,660</u>

Statement 4 - Schedule A, Part IV-A, Line 22 - Other Income

Description	2004	2003	2002	2001
MISCELLANEOUS INCOME	\$ 9,305	\$ 5,806	\$ 97	\$ 0
TRAVEL & ENTERTAINMENT REIMBURSEMENT	47,511	0	0	0
Total	<u>\$ 56,816</u>	<u>\$ 5,806</u>	<u>\$ 97</u>	<u>\$ 0</u>

FORM 990, PART V, LIST OF OFFICERS, DIRECTORS AND KEY EMPLOYEES

EVA HALLER-PRESIDENT
233 CARLTON STREET
TORONTO, ONTARIO M5A 2L2 CANADA

CRAIG KIELBURGER-FOUNDER
233 CARLTON STREET
TORONTO, ONTARIO M5A 2L2 CANADA

PROF. JONATHAN WHITE-VICE PRESIDENT
233 CARLTON STREET
TORONTO, ONTARIO M5A 2L2 CANADA

ERNAN ROMAN
233 CARLTON STREET
TORONTO, ONTARIO M5A 2L2 CANADA

CRAIG HEIMARK-TREASURER
233 CARLTON STREET
TORONTO, ONTARIO M5A 2L2 CANADA

VIRGINIA BENDERLY
233 CARLTON STREET
TORONTO, ONTARIO M5A 2L2 CANADA

LIBBY HEIMARK, SECRETARY
233 CARLTON STREET
TORONTO, ONTARIO M5A 2L2 CANADA

LARRY FEINBERG
233 CARLTON STREET
TORONTO, ONTARIO M5A 2L2 CANADA

MARC KIELBURGER, EXECUTIVE DIRECTOR
233 CARLTON STREET
TORONTO, ONTARIO M5A 2L2 CANADA

VINAY KUMAR
233 CARLTON STREET
TORONTO, ONTARIO M5A 2L2 CANADA

MARY LEWIS
233 CARLTON STREET
TORONTO, ONTARIO M5A 2L2 CANADA

HAL SCHWARTZ
233 CARLTON STREET
TORONTO, ONTARIO M5A 2L2 CANADA

AMY ELDON
233 CARLTON STREET
TORONTO, ONTARIO M5A 2L2 CANADA

HELAINA ROMAN, STUDENT
YOUTH REPRESENTATIVE
233 CARLTON STREET
TORONTO, ONTARIO M5A 2L2 CANADA

JOSH COHEN
233 CARLTON STREET
TORONTO, ONTARIO M5A 2L2 CANADA

MEGAN SIDHU, STUDENT
YOUTH REPRESENTATIVE
233 CARLTON STREET
TORONTO, ONTARIO M5A 2L2 CANADA

JESSICA MAYBERRY-YOUTH REPRESENTATIVE
233 CARLTON STREET
TORONTO, ONTARIO M5A 2L2 CANADA

RICHARD PRINS-YOUTH REPRESENTATIVE
233 CARLTON STREET
TORONTO, ONTARIO M5A 2L2 CANADA

NOTE: NONE OF THE ABOVE RECEIVE ANY COMPENSATION, CONTRIBUTION TO RETIREMENT PLAN OR EXPENSE REIMBURSEMENT OF ANY KIND. ALL OF THE ABOVE WORK THE NECESSARY HOURS AS NEEDED TO RUN THE ORGANIZATION.

Depreciation and Amortization

(Including Information on Listed Property)

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

Name(s) shown on return

KIDS CAN FREE THE CHILDREN

Identifying number

16-1533544

Business or activity to which this form relates

Indirect Depreciation

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	105,000.00
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	420,000.00
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 instr	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 instructions)	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 NYL or GO 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 2005	17	5,991.95
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		

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		1,579.60	5.0	MO	S/L	39.49
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 instr.	22	6,031.44
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 III - MACRS Depreciation

Asset	(a) Property Description	(b) Date In Service	(c) Tax Depr Basis	(d) Tax Period	(e) Tax Convention	(f) Tax Method	(g) Tax Depr Deduction
<u>Depreciation of MACRS Property Placed in Service In Prior Years</u>							
4	Notebook Computer-TTXX Netboo	9/15/00	3,745.54	5.0	Mid-qtr	S/L	468.18
5	Computer-6ATH 850	12/02/00	1,107.24	5.0	Mid-qtr	S/L	193.76
6	Sony DCR-TRV900 Mini DV Camc	12/30/00	2,359.73	5.0	Mid-qtr	S/L	412.94
7	Canon BJC-85 Printer	1/04/01	305.35	5.0	Mid-qtr	S/L	61.07
8	Toshiba 4300 P3 600 laptop	3/10/01	1,783.73	5.0	Mid-qtr	S/L	356.75
9	Samsung Cell Phone SCH T130	6/15/01	287.16	7.0	Mid-qtr	S/L	41.02
10	Viewsonic A90 19" Monitor	6/20/01	313.95	5.0	Mid-qtr	S/L	62.79
11	CSP Cnotebook Laptop	10/17/01	2,030.39	5.0	Mid-qtr	S/L	406.08
12	Electrocom P4 Notebook Computer	7/09/02	1,575.36	5.0	Half year	S/L	315.07
13	Vision 1700 DDR desktop Comput	7/09/02	1,355.04	5.0	Half year	S/L	271.01
14	HP OfficeJet V40 Color Multifunct	2/25/02	284.57	5.0	Half year	S/L	56.91
15	Centrino P4M 1.6 GHZ Notebook (5/24/03	2,464.29	5.0	Half year	S/L	492.86
17	House (1,253 Sq Ft)	1/01/04	86,525.40	39.0	Mid-mth	S/L	2,218.60
19	Projector	12/26/04	1,081.86	7.0	Mid-qtr	S/L	154.55
20	HP zv5330 P4HT Laptop computer	12/31/04	2,401.81	5.0	Mid-qtr	S/L	480.36
			<u>107,621.42</u>				<u>5,991.95</u>
<u>5 Year Property</u>							
21	HP dv1420CA CNT Laptop Compu	12/26/05	1,579.60	5.0	Mid-qtr	S/L	39.49
			<u>1,579.60</u>				<u>39.49</u>

**Form 4562 Part III Worksheet
All Business Activities**

Asset	Property Description	Tax Cost	Bus Pct	Bus Portion of Cost	Tax CY Sec 179 Expense	Tax CY Bonus Ded	Tax Depr Basis	Tax Current Depreciation	Tax CY Sec 179 Expense	Tax CY Bonus Ded	Tax Depr Deduction
<u>Depreciation of MACRS Property Placed in Service In Prior Years</u>											
4	Notebook Computer-TTXX Netb	3,745.54	100.00	3,745.54	0.00	0.00	3,745.54	468.18	0.00	0.00	468.18
5	Computer-6ATH 850	1,107.24	100.00	1,107.24	0.00	0.00	1,107.24	193.76	0.00	0.00	193.76
6	Sony DCR-TRV900 Mini DV Ca	2,359.73	100.00	2,359.73	0.00	0.00	2,359.73	412.94	0.00	0.00	412.94
7	Canon BJC-85 Printer	305.35	100.00	305.35	0.00	0.00	305.35	61.07	0.00	0.00	61.07
8	Toshiba 4300 P3 600 laptop	1,783.73	100.00	1,783.73	0.00	0.00	1,783.73	356.75	0.00	0.00	356.75
9	Samsung Cell Phone SCH T130	287.16	100.00	287.16	0.00	0.00	287.16	41.02	0.00	0.00	41.02
10	Viewsonic A90 19" Monitor	313.95	100.00	313.95	0.00	0.00	313.95	62.79	0.00	0.00	62.79
11	CSP Cnotebook Laptop	2,030.39	100.00	2,030.39	0.00	0.00	2,030.39	406.08	0.00	0.00	406.08
12	Electrocom P4 Notebook Comput	1,575.36	100.00	1,575.36	0.00	0.00	1,575.36	315.07	0.00	0.00	315.07
13	Vision 1700 DDR desktop Comp	1,355.04	100.00	1,355.04	0.00	0.00	1,355.04	271.01	0.00	0.00	271.01
14	HP OfficeJet V40 Color Multifun	284.57	100.00	284.57	0.00	0.00	284.57	56.91	0.00	0.00	56.91
15	Centrino P4M 1.6 GHz Noteboob	2,464.29	100.00	2,464.29	0.00	0.00	2,464.29	492.86	0.00	0.00	492.86
17	House (1,253 Sq Ft)	86,525.40	100.00	86,525.40	0.00	0.00	86,525.40	2,218.60	0.00	0.00	2,218.60
19	Projector	1,081.86	100.00	1,081.86	0.00	0.00	1,081.86	154.55	0.00	0.00	154.55
20	HP zv5330 P4HT Laptop comput	2,401.81	100.00	2,401.81	0.00	0.00	2,401.81	480.36	0.00	0.00	480.36
		<u>107,621.42</u>		<u>107,621.42</u>	<u>0.00</u>	<u>0.00</u>	<u>107,621.42</u>	<u>5,991.95</u>	<u>0.00</u>	<u>0.00</u>	<u>5,991.95</u>
<u>5 Year Property</u>											
21	HP dv1420CA CNT Laptop Com	1,579.60	100.00	1,579.60	0.00	0.00	1,579.60	39.49	0.00	0.00	39.49
		<u>1,579.60</u>		<u>1,579.60</u>	<u>0.00</u>	<u>0.00</u>	<u>1,579.60</u>	<u>39.49</u>	<u>0.00</u>	<u>0.00</u>	<u>39.49</u>

Tax Asset Detail 1/01/05 - 12/31/05

Asset *	Property Description	Date In Service	Tax Cost	Sec 179 Exp Current = c	Tax Bonus Amt	Tax Prior Depreciation	Tax Current Depreciation	Tax End Depr	Tax Net Book Value	Tax Method	Tax Period
Group: Bldgs & Improv.											
17	House (1,253 Sq Ft)	1/01/04	86,525.40	0.00	0.00	2,126.16	2,218.60	4,344.76	82,180.64	S/L	39.0
	Bldgs & Improv.		<u>86,525.40</u>	<u>0.00c</u>	<u>0.00</u>	<u>2,126.16</u>	<u>2,218.60</u>	<u>4,344.76</u>	<u>82,180.64</u>		
Group: Bldgs & Improv.-Main											
16	Building-Main House (6,235 Sq Ft)	12/31/03	593,402.28	0.00	0.00	0.00	0.00	0.00	593,402.28	User	39.0
	Bldgs & Improv.-Main		<u>593,402.28</u>	<u>0.00c</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>593,402.28</u>		
Group: Land											
18	Land	12/31/03	172,539.32	0.00	0.00	0.00	0.00	0.00	172,539.32	Land	0.0
	Land		<u>172,539.32</u>	<u>0.00c</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>172,539.32</u>		
Group: Office Equipment											
1	Computer-computer city	1/07/99	2,202.07	0.00	0.00	2,202.07	0.00	2,202.07	0.00	S/L	5.0
2	Fax Machine-KXFP250RF	10/16/99	175.45	0.00	0.00	175.45	0.00	175.45	0.00	S/L	5.0
3	2-Computers	12/23/99	2,925.00	0.00	0.00	2,925.00	0.00	2,925.00	0.00	S/L	5.0
4	Notebook Computer-TTXX Netboo	9/15/00	3,745.54	0.00	0.00	3,277.36	468.18	3,745.54	0.00	S/L	5.0
5	Computer-6ATH 850	12/02/00	1,107.24	0.00	0.00	913.48	193.76	1,107.24	0.00	S/L	5.0
6	Sony DCR-TRV900 Mini DV Camc	12/30/00	2,359.73	0.00	0.00	1,946.79	412.94	2,359.73	0.00	S/L	5.0
7	Canon BJC-85 Printer	1/04/01	305.35	0.00	0.00	236.65	61.07	297.72	7.63	S/L	5.0
8	Toshiba 4300 P3 600 laptop	3/10/01	1,783.73	0.00	0.00	1,382.40	356.75	1,739.15	44.58	S/L	5.0
9	Samsung Cell Phone SCH T130	6/15/01	287.16	0.00	0.00	148.70	41.02	189.72	97.44	S/L	7.0
10	Viewsonic A90 19" Monitor	6/20/01	313.95	0.00	0.00	227.61	62.79	290.40	23.55	S/L	5.0
11	CSP Cnotebook Laptop	10/17/01	2,030.39	0.00	0.00	1,258.85	406.08	1,664.93	365.46	S/L	5.0
12	Electrocom P4 Notebook Computer	7/09/02	1,575.36	0.00	0.00	787.68	315.07	1,102.75	472.61	S/L	5.0
13	Vision 1700 DDR desktop Computr	7/09/02	1,355.04	0.00	0.00	677.52	271.01	948.53	406.51	S/L	5.0
14	HP OfficeJet V40 Color Multifuncti	2/25/02	284.57	0.00	0.00	142.28	56.91	199.19	85.38	S/L	5.0
15	Centrino P4M 1.6 GHZ Notebook (5/24/03	2,464.29	0.00	0.00	739.29	492.86	1,232.15	1,232.14	S/L	5.0
19	Projector	12/26/04	1,081.86	0.00	0.00	19.32	154.55	173.87	907.99	S/L	7.0
20	HP zv5330 P4HT Laptop computer	12/31/04	2,401.81	0.00	0.00	60.05	480.36	540.41	1,861.40	S/L	5.0
21	HP dv1420CA CNT Laptop Compu	12/26/05	1,579.60	0.00c	0.00	0.00	39.49	39.49	1,540.11	S/L	5.0
	Office Equipment		<u>27,978.14</u>	<u>0.00c</u>	<u>0.00</u>	<u>17,120.50</u>	<u>3,812.84</u>	<u>20,933.34</u>	<u>7,044.80</u>		
	Grand Total		<u>880,445.14</u>	<u>0.00c</u>	<u>0.00</u>	<u>19,246.66</u>	<u>6,031.44</u>	<u>25,278.10</u>	<u>855,167.04</u>		