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

Please use IRS label or print or type See Specific Instructions

C Name of organization: Pacific News Service

Number and street (or P O box if mail is not delivered to street address): 275 9th Street | Room/suite:

City or town: San Francisco | State or country: CA | ZIP + 4: 94103

D Employer Identification number: 94-1709509

E Telephone number: (415) 503-4170

F Accounting method: [ ] Cash [X] 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 [X] No

H(b) If "Yes," enter number of affiliates ▶ N/A

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 [X] No

I Group Exemption Number ▶ N/A

G Website: ▶ www pacificnews org

J **Organization type** (check only one) ▶ [X] 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.**

M Check ▶ [ ] if the organization is **not** required to attach Sch B (Form 990, 990-EZ, or 990-PF)

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 6,995,884

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	3,691,248		
	b	Indirect public support	1b	0		
	c	Government contributions (grants)	1c	82,661		
	d	**Total** (add lines 1a through 1c) (cash $ 3,773,909 noncash $ 0)			1d	3,773,909
	2	Program service revenue including government fees and contracts (from Part VII, line 93)			2	3,220,855
	3	Membership dues and assessments			3	0
	4	Interest on savings and temporary cash investments			4	0
	5	Dividends and interest from securities			5	0
	6 a	Gross rents	6a			
	b	Less rental expenses	6b			
	c	Net rental income or (loss) (subtract line 6b from line 6a)			6c	0
	7	Other investment income (describe ▶)			7	0

			(A) Securities		(B) Other		
	8 a	Gross amount from sales of assets other than inventory	0	8a	0		
	b	Less cost or other basis and sales expenses	0	8b	0		
	c	Gain or (loss) (attach schedule)	0	8c	0		
	d	Net gain or (loss) (combine line 8c, columns (A) and (B))				8d	0

	9	Special events and activities (attach schedule) If any amount is from **gaming**, check here ▶ [ ]				
	a	Gross revenue (not including $ 0 of contributions reported on line 1a)	9a	0		
	b	Less direct expenses other than fundraising expenses	9b	0		
	c	Net income or (loss) from special events (subtract line 9b from line 9a)			9c	0
	10 a	Gross sales of inventory, less returns and allowances	10a	0		
	b	Less cost of goods sold	10b	0		
	c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)			10c	0
	11	Other revenue (from Part VII, line 103)			11	1,120
	12	**Total revenue** (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)			12	6,995,884
Expenses	13	Program services (from line 44, column (B))			13	6,814,682
	14	Management and general (from line 44, column (C))			14	238,978
	15	Fundraising (from line 44, column (D))			15	53,987
	16	Payments to affiliates (attach schedule)			16	0
	17	**Total expenses** (add lines 16 and 44, column (A))			17	7,107,647
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)			18	-111,763
	19	Net assets or fund balances at beginning of year (from line 73, column (A))			19	687,450
	20	Other changes in net assets or fund balances (attach explanation) Schedule 1			20	109,908
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)			21	685,595

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For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.
(HTA)

6.15 17

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) (cash $ 0 noncash $ 0) If this amount includes foreign grants, check here ▶ ☐	22	0	0		
23 Specific assistance to individuals (attach schedule)	23	0	0		
24 Benefits paid to or for members (attach schedule)	24	0	0		
25 Compensation of officers, directors, etc.	25	44,020	28,613	2,201	13,206
26 Other salaries and wages	26	2,327,832	2,064,934	250,836	12,062
27 Pension plan contributions	27	15,964	11,146	4,635	183
28 Other employee benefits	28	367,938	336,246	30,301	1,391
29 Payroll taxes	29	222,585	195,969	24,283	2,333
30 Professional fundraising fees	30	0	0	0	0
31 Accounting fees	31	32,297	7,357	24,849	91
32 Legal fees	32	8,936	0	8,936	0
33 Supplies	33	44,686	20,692	23,701	293
34 Telephone	34	33,067	9,288	23,779	0
35 Postage and shipping	35	45,052	29,841	14,159	1,052
36 Occupancy	36	125,778	3,730	122,048	0
37 Equipment rental and maintenance	37	82,852	70,390	12,462	0
38 Printing and publications	38	34,791	34,791	0	0
39 Travel	39	171,397	144,591	8,363	18,443
40 Conferences, conventions, and meetings	40	81,777	78,432	2,949	396
41 Interest	41	21,526	0	21,526	0
42 Depreciation, depletion, etc (attach schedule) **Schedule 2**	42	24,027	0	24,027	0
43 Other expenses not covered above (itemize)					
a Schedule 3	43a	3,423,122	3,778,662	-360,077	4,537
b	43b	0	0	0	0
c	43c	0	0	0	0
d	43d	0	0	0	0
e	43e	0	0	0	0
f	43f	0	0	0	0
g	43g	0	0	0	0
44 **Total functional expenses.** Add lines 22 through 43 (Organizations completing columns (B)-(D), carry these totals to lines 13–15)	44	7,107,647	6,814,682	238,978	53,987

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 $ N/A, **(ii)** the amount allocated to Program services $ N/A, **(iii)** the amount allocated to Management and general $ N/A, and **(iv)** the amount allocated to Fundraising $ N/A

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.

	Program Service Expenses (Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts, but optional for others)
What is the organization's primary exempt purpose? ▶ Public education and community organizing 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)	
a News from the New America - Served more than 7,500 at-risk youth through our youth communications program. Added 100 members to our ethnic media editorial exchange Led by our youth-driven YO!TV project, became a fully integrated multi-media producer and aggregator. (Grants and allocations $ 0) If this amount includes foreign grants, check here ▶ ☐	2,777,062
b Messaging to the New America - Channelled over $2M in advertising into the ethnic media sector, increasing their sustainability in serving their communities' communcation. Introduced 7 new marketing clients to the ethnic media sector, including several civic engagement campaigns, and increased ethnic media's capacity to report on policy, health and the environment. (Grants and allocations $ 0) If this amount includes foreign grants, check here ▶ ☐	2,653,091
c Voices of the New America - Convened first national EXPO of ethnic media in New York City Conducted 3 unique multi-lingual polls and launched a speakers bureau of young people to engage with policy makers in California to improve service delivery in the juvenile justice and foster care systems (Grants and allocations $ 0) If this amount includes foreign grants, check here ▶ ☐	1,384,529
d (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
e Other program services (attach schedule) (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) ▶	6,814,682

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		774	45	408,046
	46	Savings and temporary cash investments		62,123	46	0
	47 a	Accounts receivable	47a 464,412			
	b	Less: allowance for doubtful accounts	47b 0	29,501	47c	464,412
	48 a	Pledges receivable	48a 0			
	b	Less. allowance for doubtful accounts	48b 0	0	48c	0
	49	Grants receivable		1,514,692	49	1,145,800
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)		0	50	0
	51 a	Other notes and loans receivable (attach schedule)	51a 0			
	b	Less. allowance for doubtful accounts	51b 0	0	51c	0
	52	Inventories for sale or use		5,231	52	1,746
	53	Prepaid expenses and deferred charges		42,204	53	46,977
	54	Investments—securities (attach schedule) ▶ ☐ Cost ☐ FMV		0	54	0
	55 a	Investments—land, buildings, and equipment: basis	55a 0			
	b	Less: accumulated depreciation (attach schedule)	55b 0	0	55c	0
	56	Investments—other (attach schedule)		0	56	0
	57 a	Land, buildings, and equipment basis	57a 117,092			
	b	Less accumulated depreciation (attach schedule)	57b 68,960	68,099	57c	48,132
	58	Other assets (describe ▶ Deposits)		25,141	58	18,948
	59	**Total assets** (must equal line 74) Add lines 45 through 58		1,747,765	59	2,134,061
Liabilities	60	Accounts payable and accrued expenses		1,059,718	60	1,094,312
	61	Grants payable		0	61	0
	62	Deferred revenue		597	62	3,529
	63	Loans from officers, directors, trustees, and key employees (attach schedule)		0	63	0
	64 a	Tax-exempt bond liabilities (attach schedule)		0	64a	0
	b	Mortgages and other notes payable (attach schedule) **Schedule 4**		0	64b	350,000
	65	Other liabilities (describe ▶ Line of Credit)		0	65	625
	66	**Total liabilities.** Add lines 60 through 65		1,060,315	66	1,448,466
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here** ▶ ☒ and complete lines 67 through 69 and lines 73 and 74.				
	67	Unrestricted		-701,800	67	-557,397
	68	Temporarily restricted		1,389,250	68	1,242,992
	69	Permanently restricted			69	
		Organizations that do not follow SFAS 117, check here ▶ ☐ 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)		687,450	73	685,595
	74	**Total liabilities and net assets/fund balances.** Add lines 66 and 73		1,747,765	74	2,134,061

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	6,988,384
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	0		
	Add lines **b1** through **b4**			b	0
c	Subtract line **b** from line **a**			c	6,988,384
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): **Fiscal agency income**	d2	7,500		
	Add lines **d1** and **d2**			d	7,500
e	**Total revenue** (Part I, line 12). Add lines **c** and **d** ▶			e	6,995,884

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

a	Total expenses and losses per audited financial statements			a	7,097,231
b	Amounts included on line a but not on Part I, line 17:				
1	Donated services and use of facilities	b1			
2	Prior year adjustments reported on Part I, line 20	b2			
3	Losses reported on Part I, line 20	b3			
4	Other (specify)	b4	0		
	Add lines **b1** through **b4**			b	0
c	Subtract line **b** from line **a**			c	7,097,231
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): **Fiscal agency expense**	d2	10,416		
	Add lines **d1** and **d2**			d	10,416
e	**Total expenses** (Part I, line 17) Add lines **c** and **d** ▶			e	7,107,647

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 & deferred compensation plans	(E) Expense account and other allowances
Name **Schedule 5** Str City ST ZIP	Title Hr/WK			
Name Str City ST ZIP	Title Hr/WK			
Name Str City ST ZIP	Title Hr/WK			
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Name Str City ST ZIP	Title Hr/WK			

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

			Yes	No
75 a	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings ▶ 13			
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?	75c		X
	Note. Related organizations include section 509(a)(3) supporting organizations. 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)

(A) Name and address	(B) Loans and Advances	(C) Compensation	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
Name None Str City ST ZIP				
Name Str City ST ZIP				
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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	76		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.	77		X
78 a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	78a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	78b	N/A	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79		X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc , to any other exempt or nonexempt organization?	80a		X
b	If "Yes," enter the name of the organization ▶ **N/A** and check whether it is ☐ exempt **or** ☐ nonexempt			
81 a	Enter direct and indirect political expenditures. (See line 81 instructions.) 81a 0			
b	Did the organization file **Form 1120-POL** for this year?	81b	N/A	

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?	82a		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 N/A			
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	N/A	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	N/A	
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	N/A	
85	*501(c)(4), (5), or (6) organizations.* **a** Were substantially all dues nondeductible by members?	85a	N/A	
b	Did the organization make only in-house lobbying expenditures of $2,000 or less?	85b	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 — 85c N/A			
d	Section 162(e) lobbying and political expenditures — 85d N/A			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices — 85e N/A			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) — 85f N/A			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A	
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A	
86	*501(c)(7) orgs.* Enter: **a** Initiation fees and capital contributions included on line 12 — 86a N/A			
b	Gross receipts, included on line 12, for public use of club facilities — 86b N/A			
87	*501(c)(12) orgs.* Enter **a** Gross income from members or shareholders — 87a N/A			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) — 87b N/A			
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88		X
89 a	*501(c)(3) organizations.* Enter: Amount of tax imposed on the organization during the year under section 4911 ▶ 0 , section 4912 ▶ 0 , section 4955 ▶ 0			
b	*501(c)(3) and 501(c)(4) orgs.* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b		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 ▶ California

b Number of employees employed in the pay period that includes March 12, 2005 (See instructions.) **90b** 94

91 a The books are in care of ▶ Name Patricia Johnson Telephone no. ▶ 415-503-4170

Located at ▶ 275 9th Street City San Francisco ST CA ZIP + 4 ▶ 94103

			Yes	No
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)?	91b		X
	If "Yes," enter the name of the foreign country ▶ N/A See the instructions for exceptions and filing requirements for **Form TD F 90-22.1,** Report of Foreign Bank and Financial Accounts.			
c	At any time during the calendar year, did the organization maintain an office outside of the United States?	91c		X
	If "Yes," enter the name of the foreign country ▶ N/A			

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** N/A

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

Note: *Enter gross amounts unless otherwise indicated.*	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a Marketing services & commissions					3,098,448
b Other program fees					70,180
c Subscriptions					52,227
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue a Miscellaneous Receipts			01	1,120	
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0		1,120	3,220,855
105 **Total** (add line 104, columns (B), (D), and (E)) ▶					3,221,975

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)
93a	Fees related to increasing visibility and viability of ethnic media
93b	Payment for youth education workshops and ethnic media awards nominations
93c	Payment for syndication of unique news perspectives

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	%		0	0
	%		0	0
	%		0	0
	%		0	0

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

▶ Alexandra Close | 10/6/06

Signature of officer | Date

▶ Alexandra Close, Executive Dir.

Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ Ghaffari Zaragoza LLP	Date 9/8/2006	Check if self-employed ▶ ☐	Preparer's SSN or PTIN (See Gen Inst W)
Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ Ghaffari Zaragoza LLP		EIN ▶ 57-1155648	
1330 Broadway, Ste. 430, Oakland, CA 94612		Phone no ▶ (510) 834-6542	

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	Employer identification number
Pacific News Service	94-1709509

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) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
Julian Do 275 9th Street, San Francisco, CA 94103	Project Manager 40 hours/week	63,654	4,898	0
Patricia Johnson 275 9th Street, San Francisco, CA 94103	Financial Director 40 hours/week	61,000	6,758	0
David Pham 275 9th Street, San Francisco, CA 94103	Web Master 40 hours/week	61,000	7,221	0
Michael Ofrasio 275 9th Street, San Francisco, CA 94103	Project Manager 40 hours/week	60,000	5,553	0
David Inocencio 275 9th Street, San Francisco, CA 94103	Director, Beat Within 40 hours/week	60,000	15,271	0
Total number of other employees paid over $50,000 ▶	4			

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
Len Fong 1983 Dela Pena Avenue, Santa Clara, CA 95050	Consulting on outreach to ethnic media	84,902
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 ▶ $ 0 (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? **Schedule 5**	2c	X	
	d	Payment of compensation (or payment or reimbursement of expenses if more than $1,000)? **Schedule 5 & 6**	2d	X	
	e	Transfer of any part of its income or assets?	2e		X
3	a	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
4	a	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** ▶ ____________ City ____________ ST ______ Country ______

10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)

11 a ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)

11 b ☐ A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)

12 ☐ An organization that normally receives **(1) more than 33 1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc , functions—subject to certain exceptions, and **(2) no more than 33 1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A)

13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in **(1)** lines 5 through 12 above, or **(2)** sections 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)	4,362,723	4,873,139	2,761,055	2,702,870	14,699,787
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	2,259,451	1,296,155	698,814	490,129	4,744,549
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	770	3,968	77	6,261	11,076
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	0	0	0	0	0
23	Total of lines 15 through 22	6,622,944	6,173,262	3,459,946	3,199,260	19,455,412
24	Line 23 minus line 17	4,363,493	4,877,107	2,761,132	2,709,131	14,710,863
25	Enter 1% of line 23	66,229	61,733	34,599	31,993	

26 **Organizations described on lines 10 or 11:** a Enter 2% of amount in column (e), line 24 ▶ **26a** 294,217

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** 7,342,292

c Total support for section 509(a)(1) test Enter line 24, column (e) ▶ **26c** 14,710,863

d Add Amounts from column (e) for lines 18 11,076 19 0 22 0 26b 7,342,292 ▶ **26d** 7,353,368

e Public support (line 26c minus line 26d total) ▶ **26e** 7,357,495

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ **26f** 50 01%

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

(2004) ____ (2003) ____ (2002) ____ (2001) ____

c Add Amounts from column (e) for lines 15 0 16 0 17 0 20 0 21 0 ▶ **27c** 0

d Add Line 27a total 0 and line 27b total 0 ▶ **27d** 0

e Public support (line 27c total minus line 27d total) ▶ **27e** 0

f Total support for section 509(a)(2) test Enter amount from line 23, column (e) ▶ **27f** 0

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ **27g** 0 00%

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶ **27h** 0 00%

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 **None**

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?	29		
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?	30		
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?	31		
	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?	32d		
	If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement)			
33	Does the organization discriminate by race in any way with respect to			
a	Students' rights or privileges?	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?	33h		
	If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement)			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	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	0	0
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40	0	0
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	0	0
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	0	0
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43	0	0
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44	0	0

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)

	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					0
46 Lobbying ceiling amount (150% of line 45(e))					0
47 Total lobbying expenditures					0
48 Grassroots nontaxable amount					0
49 Grassroots ceiling amount (150% of line 48(e))					0
50 Grassroots lobbying expenditures					0

Part VI-B **Lobbying Activity by Nonelecting Public Charities**
(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions) N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of	Yes	No	Amount
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.**)			0

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

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 12 of the instructions)

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

		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of			
(i) Cash	51a(i)		X
(ii) Other assets	a(ii)		X
b Other transactions			
(i) Sales or exchanges of assets with a noncharitable exempt organization	b(i)		X
(ii) Purchases of assets from a noncharitable exempt organization	b(ii)		X
(iii) Rental of facilities, equipment, or other assets	b(iii)		X
(iv) Reimbursement arrangements	b(iv)		X
(v) Loans or loan guarantees	b(v)		X
(vi) Performance of services or membership or fundraising solicitations	b(vi)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c		X

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

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
N/A			

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

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Pacific News Service
EIN 94-1709509
Year Ended December 31, 2005
Schedules Attached to 2005 Form 990

Schedule 1 - Part I, line 20 - Other Changes in net assets or fund balances

Unconditional grant received prior to 12/31/04 and not included in 2004 return in error	100,000
Adjustment to net assets for funds held by the organization for groups that it fiscally sponsors	9,908
Total changes in net assets of fund balances	109,908

Schedule 2 - Part II, line 42 and Part IV, line 57 - Fixed assets and depreciation

Description	Method/ Life	Cost or Basis	Prior Depr.	Current Depr.	Accum. Depr.
Furniture and Equipment	SL/5 years	117,092	44,933	24,027	68,960
		117,092	44,933	24,027	68,960

Schedule 3 - Part II, line 43 - Other expenses

	(A) Total	(B) Program services	(C) Mgmt & general	(D) Fundraising
Artists fees	6,080	6,080	0	0
Clipping/wire service	10,189	10,189	0	0
Writers fees	117,014	117,014	0	0
Translation fees	42,361	42,361	0	0
Multilingual polling fees	357,928	357,928	0	0
Other professional fees	542,583	512,526	28,482	1,575
Insurance	11,358	10,794	564	0
Bank charges	4,298	1,683	2,545	70
Production	261,890	261,890	0	0
Dues & subscriptions	4,986	4,986	0	0
Marketing	12,860	12,860	0	0
Ad placement	2,007,070	2,005,842	1,228	0
Bad debt expense	5,388	5,388	0	0
Fees and taxes	1,229	0	1,229	0
Honorarium	27,210	26,160	1,050	0
Fiscal Agency expenses	10,416	10,416	0	0
Miscellaneous expense	262	145	117	0
Shared cost	0	392,400	(395,292)	2,892
Total other expenses	3,423,122	3,778,662	(360,077)	4,537

Pacific News Service
EIN: 94-1709509
Year Ended December 31, 2005
Schedules Attached to 2005 Form 990

Schedule 4 - Part IV, line 64b - Other notes payable.

	Notes
Lender's name	Nonprofit Finance Fund
Original amount	$350,000
Balance due	$350,000
Date of notes	08/26/05
Maturity Date	07/01/06
Repayment Terms	None
Interest Rate	Prime Rate plus 1%
Security provided by the borrower	Proceeds from unconditional commitment from Ford Foundation in the amount of $300,000
Purpose of the loan	Support operations

Schedule 5 - Part V - List of officers, directors, trustees and key employees

(A) Name and address	(B) Title & avg hrs/wk	(C) Compensation	(D) Contribution to employee benefit plan	(E) Expense account
Sandy Close 275 9th Street San Francisco, CA 94103	President & Executive Director 60 hrs/wk	44,020	0	0
Cobie Kwasi Harris 275 9th Street San Francisco, CA 94103	Treasurer 5 hrs/wk	11,500*	0	0
Franz Schurmann 275 9th Street San Francisco, CA 94103	Secretary 1 hr/wk	8,400*	0	0
Rosario Anaya 275 9th Street San Francisco, CA 94103	Member 1 hr/wk	0	0	0

Pacific News Service
EIN: 94-1709509
Year Ended December 31, 2005
Schedules Attached to 2005 Form 990

Schedule 5 - Part V - List of officers, directors, trustees and key employees (Continued)

(A) Name and address	(B) Title & avg hrs/wk	(C) Compensation	(D) Contribution to employee benefit plan	(E) Expense account
Rose del Castillo Guilbault 275 9th Street San Francisco, CA 94103	Member 1 hr/wk	0	0	0
Jamal Dajani 275 9th Street San Francisco, CA 94103	Member 1 hr/wk	0	0	0
Judith Pacult Ingelhart 275 9th Street San Francisco, CA 94103	Member 1 hr/wk	0	0	0
George Koo 275 9th Street San Francisco, CA 94103	Member 1 hr/wk	0	0	0
David Lee 275 9th Street San Francisco, CA 94103	Member 1 hr/wk	0	0	0
Frank Quevedo 275 9th Street San Francisco, CA 94103	Member 1 hr/wk	0	0	0
Erna Smith 275 9th Street San Francisco, CA 94103	Member 1 hr/wk	0	0	0
Ling-Chi Wang 275 9th Street San Francisco, CA 94103	Member 1 hr/wk	0	0	0
Lawrence Wilkinson 275 9th Street San Francisco, CA 94103	Member 1 hr/wk	0	0	0

* Board members received compensation for providing services as Editorial Advisor

Schedule 6 - Schedule A, Part III, 2d - Reimbursement of expenses to director

Sandy Close, Executive Director, received reimbursement of travel expenses of $12,200 during FY 2005 .

- If you are filing for an **Additional (not automatic) 3-Month Extension, complete only Part II** and check this box ▶ [X]

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 Pacific News Service	Employer identification number 94-1709509
	Number, street, and room or suite no If a P O box, see instructions 275 9th Street	For IRS use only
	City, town or post office, state, and ZIP code For a foreign address, see instructions. San Francisco, CA 94103	

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

- [X] Form 990
- [ ] Form 990-BL
- [ ] Form 990-EZ
- [ ] Form 990-PF
- [ ] Form 990-T (sec. 401(a) or 408(a) trust)
- [ ] Form 990-T (trust other than above)
- [ ] Form 1041-A
- [ ] Form 4720
- [ ] Form 5227
- [ ] Form 6069
- [ ] Form 8870

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 ▶ Pacific News Service
  Telephone No ▶ 415-503-4170 FAX No. ▶ N/A
- 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 11/15/2006.

5 For calendar year 2005, or other tax year beginning ______ and ending ______.

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

7 State in detail why you need the extension Additional time is needed to gather sufficient information in order to file a complete informational return.

8 a 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. $ 0

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 ▶ H. [illegible] Title ▶ CPA Date ▶ 8/10/06

Notice to Applicant—To Be Completed by the IRS

- [X] We **have** approved this application Please attach this form to the organization's return
- [ ] We **have not** approved this application However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions) This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return Please attach this form to the organization's return
- [ ] We **have not** approved this application After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file We are not granting a 10-day grace period
- [ ] We **cannot consider** this application because it was filed after the 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 Ghaffari Zaragoza LLP
	Number and street (include suite, room, or apt. no.) or a P.O. box number 1330 Broadway, Suite 430
	City or town, province or state, and country (including postal or ZIP code) Oakland, CA 94612

EXTENSION APPROVED
AUG 22 2006
FIELD DIRECTOR, SUBMISSION PROCESSING, OGDEN