

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

2006

Open to Public
Inspection

A For the 2006 calendar year, or tax year beginning JUL 1, 2006 and ending JUN 30, 2007

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

NEPALESE YOUTH OPPORTUNITY FOUNDATION

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

3030 BRIDGEWAY

Room/suite

123

City or town, state or country, and ZIP + 4

SAUSALITO, CA 94965-2895

D Employer identification number

68-0224596

E Telephone number

415-331-8585

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

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

H and I are not applicable to section 527 organizations.

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

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

H(c) Are all affiliates included? (If "No," attach a list) N/A ☐ Yes ☐ NoH(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No

I Group Exemption Number ▶ N/A

G Website: WWW.NYOF.ORG

J Organization type (check only one) ☒ 501(c) (3) (insert no) ☐ 4947(a)(1) or ☐ 527K Check here ☐ if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.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 ▶ 1,934,466.

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

Revenue	1	Contributions, gifts, grants, and similar amounts received					
	a	Contributions to donor advised funds		1a			
	b	Direct public support (not included on line 1a)		1b	1,123,559.		
	c	Indirect public support (not included on line 1a)		1c	15,695.		
	d	Government contributions (grants) (not included on line 1a)		1d			
	e	Total (add lines 1a through 1d) (cash \$ 1,047,060. noncash \$ 92,194.)		1e		1,139,254.	
	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			
	5	Dividends and interest from securities		5		85,868.	
	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	
				713,810.	8a		
		Less: cost or other basis and sales expenses		621,870.	8b	54,211.	
		Gain or (loss) (attach schedule)		91,940.	8c	<54,211.>	
	d	Net gain or (loss). Combine line 8c, columns (A) and (B)		STMT 1	STMT 2	8d	37,729.
	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 1b)		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	<4,466.>	
12	Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11				12	1,258,385.	
Expenses	13	Program services (from line 44, column (B))				13	1,180,097.
	14	Management and general (from line 44, column (C))				14	203,039.
	15	Fundraising (from line 44, column (D))				15	10,947.
	16	Payments to affiliates (attach schedule)				16	
	17	Total expenses. Add lines 13 and 14, column (A)				17	1,394,083.
Net Assets	18	Excess or (deficit) for the year. Subtract line 17 from line 12				18	<135,698.>
	19	Net assets or fund balances at beginning of year (from line 73, column (A))				19	2,987,075.
	20	Other changes in net assets or fund balances (attach explanation)			SEE STATEMENT 3	20	223,500.
	21	Net assets or fund balances at end of year. Combine lines 18, 19, and 20				21	3,074,877.

623001
01-18-07

LHA For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2006)

01724

Part II Statement of Functional Expenses

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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash \$ 0 • noncash \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b Other grants and allocations (attach schedule) (cash \$ 1042224 • noncash \$ 0) If this amount includes foreign grants, check here <input checked="" type="checkbox"/>	1,042,224.	1,042,224.	STATEMENT 5	STATEMENT 6
23 Specific assistance to individuals (attach schedule) STATEMENT 7	5,698.	5,698.		
24 Benefits paid to or for members (attach schedule)				
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	86,827.	479.	84,240.	2,108.
25b Compensation of former officers, directors, key employees, etc. listed in Part V-B	0.	0.	0.	0.
25c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
26 Salaries and wages of employees not included on lines 25a, b, and c	74,095.	41,532.	31,768.	795.
27 Pension plan contributions not included on lines 25a, b, and c				
28 Employee benefits not included on lines 25a - 27	12,335.		12,335.	
29 Payroll taxes	10,843.	59.	10,531.	253.
30 Professional fundraising fees	<5,175.>	<5,250.>	75.	
31 Accounting fees	31,100.		31,100.	
32 Legal fees	4,901.	4,164.	737.	
33 Supplies	32,151.	28,840.	2,415.	896.
34 Telephone				
35 Postage and shipping	1,893.		1,775.	118.
36 Occupancy	14,151.	651.	13,500.	
37 Equipment rental and maintenance	8,161.	4,471.	3,690.	
38 Printing and publications	14,375.	1,189.	13,083.	103.
39 Travel	9,563.	9,125.	438.	
40 Conferences, conventions, and meetings				
41 Interest				
42 Depreciation, depletion, etc. (attach schedule)	1,160.		1,160.	
43 Other expenses not covered above (itemize):				
a				
b				
c				
d				
e				
f				
g SEE STATEMENT 4	49,781.	46,915.	<3,808.>	6,674.
44 Total functional expenses. Add lines 22a through 43g (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	1,394,083.	1,180,097.	203,039.	10,947.

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.

What is the organization's primary exempt purpose? ► <u>SEE STATEMENT 12</u>	Program Service Expenses (Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts, but optional for others)
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 <u>SEE STATEMENT 8</u>	
(Grants and allocations \$ <u>373,090.</u>) If this amount includes foreign grants, check here ► <input checked="" type="checkbox"/>	<u>374,505.</u>
b <u>SEE STATEMENT 9</u>	
(Grants and allocations \$ <u>11,573.</u>) If this amount includes foreign grants, check here ► <input checked="" type="checkbox"/>	<u>232,088.</u>
c <u>SEE STATEMENT 10</u>	
(Grants and allocations \$ <u>197,631.</u>) If this amount includes foreign grants, check here ► <input checked="" type="checkbox"/>	<u>197,631.</u>
d <u>SEE STATEMENT 11</u>	
(Grants and allocations \$ <u>170,073.</u>) If this amount includes foreign grants, check here ► <input checked="" type="checkbox"/>	<u>170,073.</u>
e Other program services (attach schedule) <u>SEE STATEMENT 13</u>	
(Grants and allocations \$ <u>205,800.</u>) If this amount includes foreign grants, check here ► <input checked="" type="checkbox"/>	<u>205,800.</u>
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ►	<u>1,180,097.</u>

Form 990 (2006)

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	498,420.	45 15,807.	
	46 Savings and temporary cash investments		46 374,798.	
	47 a Accounts receivable	47a 6,976.		
	b Less: allowance for doubtful accounts	47b	47c 6,976.	
	48 a Pledges receivable	48a 39,640.		
	b Less: allowance for doubtful accounts	48b 2,673.	48c 36,967.	
	49 Grants receivable	103,950.	49 58,950.	
	50 a Receivables from current and former officers, directors, trustees, and key employees	STATEMENT 14	50a 1,635.	
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)		50b	
	51 a Other notes and loans receivable	51a		
	b Less: allowance for doubtful accounts	51b	51c	
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges	2,581.	53 7,123.	
	54 a Investments - publicly-traded securities	STMT 16 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	2,295,045.	54a 2,627,673.
	b Investments - other securities	<input type="checkbox"/> Cost <input type="checkbox"/> FMV		54b
55 a Investments - land, buildings, and equipment: basis	STMT 15			
b Less: accumulated depreciation	55b	55c		
56 Investments - other		56		
57 a Land, buildings, and equipment: basis	57a 12,974.			
b Less: accumulated depreciation	57b 9,480.	57c 3,494.		
58 Other assets, including program-related investments (describe ► SEE STATEMENT 17)	39,033.	58 22,060.		
59 Total assets (must equal line 74). Add lines 45 through 58	2,999,829.	59 3,155,483.		
Liabilities	60 Accounts payable and accrued expenses	12,754.	60 46,229.	
	61 Grants payable		61 34,377.	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees		63	
	64 a Tax-exempt bond liabilities		64a	
	b Mortgages and other notes payable		64b	
	65 Other liabilities (describe ►)		65	
	66 Total liabilities. Add lines 60 through 65	12,754.	66 80,606.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted	1,825,003.	67 1,929,166.	
	68 Temporarily restricted	1,162,072.	68 1,145,711.	
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72 (Column (A) must equal line 19 and column (B) must equal line 21)	2,987,075.	73 3,074,877.	
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	2,999,829.	74 3,155,483.	

Form 990 (2006)

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	X
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) organizations. 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) organizations. 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 a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88a	X
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI	88b	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) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	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 .		
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e	X
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f	X
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year? N/A	89g	
90 a	List the states with which a copy of this return is filed ▶ CA		
b	Number of employees employed in the pay period that includes March 12, 2006	90b	3
91 a	The books are in care of ▶ JANIS OLSON Telephone no ▶ 415-331-8585		
	Located at ▶ 3030 BRIDGEWAY, SAUSALITO, CA ZIP + 4 ▶ 94965-2895		
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 ▶ NEPAL	91b	X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		

Form 990 (2006)

Part VI Other Information (continued)

Yes No

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

91c

X

If "Yes," enter the name of the foreign country ► **NEPAL**

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) Exclu- sion 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					
96 Dividends and interest from securities			14	85,868.	
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			01	37,729.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a MISCELLANEOUS			01	38.	
b CURRENCY REMEASUREMENT			01	<4,504.>	
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0.		119,131.	0.
105 Total (add line 104, columns (B), (D), and (E))					119,131.

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

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

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
▼	

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).

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13). N/A

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

Yes	No
-----	----

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

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

Yes	No
-----	----

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

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

Yes	No
-----	----

Please Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.	
	Signature of officer <u>Tatton P. Heffelfinger</u> Type or print name and title <u>Assistant Secretary Treasurer</u>	Date <u>3/31/08</u>
Paid Preparer's Use Only	Preparer's signature <u>al Batt</u>	Date <u>02/22/08</u>
	Firm's name (or yours if self-employed), address, and ZIP + 4 <u>WILSON MARKLE STUCKEY HARDESTY & BOTT</u> <u>101 LARKSPUR LANDING CIRCLE, #200</u> <u>LARKSPUR, CA 94939-1750</u>	Check if self-employed <input type="checkbox"/> EIN <u> </u> Phone no <u>415-925-1120</u>

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

Form 990 (2006)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information-(See separate instructions.)

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

OMB No 1545-0047

2006

Name of the organization

NEPALESE YOUTH OPPORTUNITY FOUNDATION

Employer identification number

68 0224596

Part I

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

(See page 2 of the instructions List each one If there are none, enter "None ")

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

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?

SEE STATEMENT 23

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)? SEE PART V-A, FORM 990

2d X

e Transfer of any part of its income or assets?

2e X

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

SEE STATEMENT 24

3a X

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

3b X

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

3c X

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

3d X

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

4a X

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

N/A

4b

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

N/A

4c

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

► 0

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

► 0.

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

► 0.

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

► 0.

Schedule A (Form 990 or 990-EZ) 2006

Part IV Reason for Non-Private Foundation Status (See pages 4 through 7 of the instructions)I certify that the organization is not a private foundation because it is (Please check only **ONE** applicable box)

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

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

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

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

Schedule A (Form 990 or 990-EZ) 2006

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

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	1,226,157.	524,522.	1,042,540.	920,745.	3,713,964.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose			21,805.	378.	22,183.
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	94,394.	<30,925.>	54,857.	113,203.	231,529.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.					
23 Total of lines 15 through 22	1,320,551.	493,597.	1,119,202.	1,034,326.	3,967,676.
24 Line 23 minus line 17	1,320,551.	493,597.	1,097,397.	1,033,948.	3,945,493.
25 Enter 1% of line 23	13,206.	4,936.	11,192.	10,343.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 78,910.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2002 through 2005 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 614,507.
c Total support for section 509(a)(1) test. Enter line 24, column (e)					26c 3,945,493.
d Add: Amounts from column (e) for lines 18 <u>231,529.</u> 19 <u> </u> 22 <u> </u> 26b <u>614,507.</u>					26d 846,036.
e Public support (line 26c minus line 26d total)					26e 3,099,457.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 78.5569%
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: (2005) <u>N/A</u> (2004) <u> </u> (2003) <u> </u> (2002) <u> </u>					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2005) <u> </u> (2004) <u> </u> (2003) <u> </u> (2002) <u> </u>					
c Add: Amounts from column (e) for lines 15 <u> </u> 16 <u> </u> 17 <u> </u> 20 <u> </u> 21 <u> </u>					27c N/A
d Add: Line 27a total <u> </u> and line 27b total <u> </u>					27d N/A
e Public support (line 27c total minus line 27d total)					27e N/A
f Total support for section 509(a)(2) test. Enter amount on line 23, column (e)					27f N/A
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h N/A %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See page 9 of the instructions)

N/A

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

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

Schedule A (Form 990 or 990-EZ) 2006

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 10 of the instructions)

N/A

(To be completed **ONLY** by an eligible organization that filed Form 5768)Check ☒ **a** ☐ if the organization belongs to an affiliated groupCheck ☐ **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

N/A

36 Total lobbying expenditures to influence public opinion (grassroots lobbying)**36****37** Total lobbying expenditures to influence a legislative body (direct lobbying)**37****38** Total lobbying expenditures (add lines 36 and 37)**38****39** Other exempt purpose expenditures**39****40** Total exempt purpose expenditures (add lines 38 and 39)**40****41** Lobbying nontaxable amount Enter the amount from the following table -

If the amount on line 40 is -

The lobbying nontaxable amount is -

Not over \$500,000

20% of the amount on line 40

Over \$500,000 but not over \$1,000,000

\$100,000 plus 15% of the excess over \$500,000

Over \$1,000,000 but not over \$1,500,000

\$175,000 plus 10% of the excess over \$1,000,000

Over \$1,500,000 but not over \$17,000,000

\$225,000 plus 5% of the excess over \$1,500,000

Over \$17,000,000

\$1,000,000

41**42** Grassroots nontaxable amount (enter 25% of line 41)**42****43** Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36**43****44** Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38**44****Caution:** If there is an amount on either line 43 or line 44, you must file Form 4720.**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below See the instructions for lines 45 through 50 on page 13 of the instructions)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(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 13 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

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

Yes	No	Amount
		0.

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

FORM 990	GAIN (LOSS) FROM PUBLICLY TRADED SECURITIES			STATEMENT	1
DESCRIPTION	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	NET GAIN OR (LOSS)	
CONAGRA FOOD	17,132.	17,376.	0.	<244.>	
SCHERING PLOUG	4,474.	4,547.	0.	<73.>	
STAPLES	22,580.	9,693.	0.	12,887.	
WALT DISNEY	14,296.	10,650.	0.	3,646.	
WALT DISNEY	5,718.	5,395.	0.	323.	
WALT DISNEY	5,718.	5,470.	0.	248.	
WALT DISNEY	2,859.	2,901.	0.	<42.>	
WALT DISNEY	2,859.	3,056.	0.	<197.>	
DOVER	32,407.	32,639.	0.	<232.>	
VISHAY INTERTECHNOLOGY	1,331.	1,397.	0.	<66.>	
PFIZER	7,160.	7,249.	0.	<89.>	
CISCO SYSTEM	1,006.	1,074.	0.	<68.>	
CONAGRA FOOD	25,511.	25,700.	0.	<189.>	
POWERSHARES DB COMMODITY					
INDEX TRACKING	27,457.	28,698.	0.	<1,241.>	
POWERSHARES DB COMMODITY					
INDEX TRACKING	19,969.	20,062.	0.	<93.>	
FEDERAL HOME LOAN BANK 2.75%					
11-15-06	50,000.	49,483.	0.	517.	
PROTECTIVE LIFE	1,417.	1,425.	0.	<8.>	
GOOGLE	16,300.	13,631.	0.	2,669.	
CONAGRA FOOD	210.	261.	0.	<51.>	
BERKSHIRE HATHAWAY	3,553.	3,632.	0.	<79.>	
CONAGRA FOOD	15,069.	15,206.	0.	<137.>	
SUREWEST COMMUNICATIONS	479.	526.	0.	<47.>	
ALEXANDER AND BALDWIN	2,574.	2,653.	0.	<79.>	
INTERNATIONAL BUSINESS					
MACHINES	428.	480.	0.	<52.>	
K-SWISS	3,648.	3,776.	0.	<128.>	
CVS	32,985.	13,690.	0.	19,295.	
CVS	13,194.	7,895.	0.	5,299.	
CVS	13,194.	7,616.	0.	5,578.	
GOLDMAN SACHS	15,802.	11,365.	0.	4,437.	
US TREASURY NOTE 6.25%					
02-15-2007	10,000.	10,466.	0.	<466.>	
US TREASURY NOTE 6.25%					
02-15-2007	10,000.	10,466.	0.	<466.>	
US TREASURY NOTE 6.25%					
02-15-2007	10,000.	10,747.	0.	<747.>	
US TREASURY NOTE 6.25%					
02-15-2007	10,000.	10,169.	0.	<169.>	
AVERY DENNISON	34,628.	32,270.	0.	2,358.	
CITIGROUP	9,942.	5,222.	0.	4,720.	
JOHNSON & JOHNSON	12,331.	5,843.	0.	6,488.	
JOHNSON & JOHNSON	9,248.	4,546.	0.	4,702.	
STATE STREET	25,989.	23,072.	0.	2,917.	

NEPALESE YOUTH OPPORTUNITY FOUNDATION

68-0224596

TARGET	27,014.	12,859.	0.	14,155.
STATE STREET	31,439.	28,840.	0.	2,599.
US TREASURY NOTE 3.75% 03-31-2007	125,000.	123,975.	0.	1,025.
BROADBRIDGE FINANCIAL SOLUTIONS	470.	377.	0.	93.
BROADBRIDGE FINANCIAL SOLUTIONS	470.	401.	0.	69.
BROADBRIDGE FINANCIAL SOLUTIONS	939.	948.	0.	<9.>
BROADBRIDGE FINANCIAL SOLUTIONS	939.	1,067.	0.	<128.>
CHEVRON	1,890.	1,945.	0.	<55.>
SCHERING PLOUG	4,104.	4,143.	0.	<39.>
EVEREST RE GROUP	30,077.	26,968.	0.	3,109.
TO FORM 990, PART I, LINE 8	713,810.	621,870.	0.	91,940.

FORM 990	GAIN (LOSS) FROM SALE OF OTHER ASSETS	STATEMENT	2
----------	---------------------------------------	-----------	---

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED
PROPERTY AND EQUIPMENT - NEPAL	VARIOUS	07/01/06	PURCHASED

NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
SOCIAL WELFARE COUNCIL OF NEPAL	0.	64,868.	0.	10,657.	<54,211.>
TO FM 990, PART I, LN 8		64,868.	0.	10,657.	<54,211.>

FORM 990	OTHER CHANGES IN NET ASSETS OR FUND BALANCES	STATEMENT	3
----------	--	-----------	---

DESCRIPTION	AMOUNT
UNREALIZED GAINS (LOSSES) ON INVESTMENTS CARRIED AT MARKET VALUE	162,974.
CHANGE TO RESERVE ACCOUNT - NEPAL	2,952.
CURRENCY TRANSLATION GAIN (LOSS)	57,574.
TOTAL TO FORM 990, PART I, LINE 20	223,500.

FORM 990	OTHER EXPENSES	STATEMENT	4
----------	----------------	-----------	---

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
COMMUNICATIONS	4,974.	3,118.	1,856.	0.
INSURANCE	4,265.	932.	3,333.	0.
TAXES, LICENSES AND DUES	614.	0.	614.	0.
BANK FEES	5,336.	220.	801.	4,315.
PROMOTION	915.	0.	915.	0.
TRAINING	175.	0.	175.	0.
MISCELLANEOUS	33,502.	32,695.	807.	0.
ALLOCATED	0.	9,950.	<12,309.>	2,359.
TOTAL TO FM 990, LN 43	49,781.	46,915.	<3,808.>	6,674.

FORM 990	CASH GRANTS AND ALLOCATIONS TO OTHERS	STATEMENT	5
----------	--	-----------	---

CLASS OF ACTIVITY/DONEE'S NAME AND ADDRESS	AMOUNT
SCHOOLS AND SCHOLARSHIPS FRIENDS OF NEEDY CHILDREN P O BOX 25012 KATHMANDU, NEPAL	338,287.
LIBERATING GIRLS FROM INDENTURED SERVITUDE FRIENDS OF NEEDY CHILDREN P O BOX 25012 KATHMANDU, NEPAL	170,073.
CHILDREN'S HOMES FRIENDS OF NEEDY CHILDREN P O BOX 25012 KATHMANDU, NEPAL	142,947.
NUTRITIONAL REHABILITATION HOME (NRH) FRIENDS OF NEEDY CHILDREN P O BOX 25012 KATHMANDU, NEPAL	98,109.
VOCATIONAL COUNSELING FRIENDS OF NEEDY CHILDREN P O BOX 25012 KATHMANDU, NEPAL	31,153.
RANDOM ACTS OF KINDNESS FRIENDS OF NEEDY CHILDREN P O BOX 25012 KATHMANDU, NEPAL	11,573.
OPERATIONS AND OVERHEAD FRIENDS OF NEEDY CHILDREN P O BOX 25012 KATHMANDU, NEPAL	84,057.
NUTRITIONAL REHABILITATION HOME (NRH) SAATHI P O BOX 7770 KATHMANDU, NEPAL	26,863.
NUTRITIONAL REHABILITATION HOME (NRH) NEPAL COMMUNITY DEVELOPMENT CENTRE CAMPUS MODE BHADRAPUR, JHAPA, NEPAL, 15	24,349.

NUTRITIONAL REHABILITATION HOME (NRH)
BIDHYARTHI JAGARN MANCHI IN NEPALI
P O BOX 94
BIRGUNJ, PARSA, NEPAL, 12

14,460.

NUTRITIONAL REHABILITATION HOME (NRH)
RURAL WOMEN'S DEVELOPMENT AND UNITY CENTRE
GENERAL DELIVERY
KANCHANPUR, NEPAL

33,849.

EMPOWERING DALIT DAUGHTERS
PROFESSIONAL RESEARCH AND DEVELOPMENT CENTER
GENERAL DELIVERY
KATHMANDU, NEPAL

31,700.

TOTAL INCLUDED ON FORM 990, PART II, LINE 22B

1,007,420.

FORM 990	CASH GRANTS AND ALLOCATIONS TO INDIVIDUALS	STATEMENT	6
----------	---	-----------	---

CLASS OF ACTIVITY/DONEE'S NAME AND ADDRESS	DONEE'S RELATIONSHIP	AMOUNT
SCHOOLS AND SCHOLARSHIPS VARIOUS ELEMENTARY, SECONDARY AND COLLEGE STUDENTS 3030 BRIDGEWAY, SUITE 123 SAUSALITO, CA 94965-2895	NONE	34,804.
		34,804.

TOTAL INCLUDED ON FORM 990, PART II, LINE 22B

FORM 990	SPECIFIC ASSISTANCE TO INDIVIDUALS	STATEMENT	7
----------	------------------------------------	-----------	---

DESCRIPTION	AMOUNT
FOOD, SHELTER AND CLOTHING FOR INDIGENTS, ETC.	137.
MEDICAL, DENTAL AND HOSPITAL EXPENSES PROVIDED	5,561.
TOTAL TO FORM 990, PART II, LINE 23	5,698.

FORM 990

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

STATEMENT

8

DESCRIPTION OF PROGRAM SERVICE ONE

SCHOOLS AND SCHOLARSHIPS - EDUCATION IS THE ONLY REAL TICKET OUT OF POVERTY FOR DESTITUTE OR ORPHANED CHILDREN IN NEPAL. HOWEVER, EDUCATION IN NEPAL IS NOT THE SAME AS IT IS IN WESTERN COUNTRIES. IMAGINE NOT EVEN BEING ABLE TO GO TO SCHOOL AND THUS BEING UNABLE TO LEARN THE BASIC SKILLS NEEDED TO PARTICIPATE IN SOCIETY, GET A JOB, UNDERSTAND THE CHANGING WORLD OR CREATE A BETTER LIFE FOR ONESELF. WITHOUT AN EDUCATION, A CHILD IN NEPAL IS DESTINED TO LEAD A LIFE OF EXTREME POVERTY AND BACKBREAKING LABOR. CHILDREN AT RISK OF LIVING SUCH A LIFE ARE THE BENEFICIARIES OF OUR PROGRAM. AN EDUCATION IS THE ONLY WAY TO BREAK THE BONDS OF POVERTY, LOW CASTE AND DISABILITY. THIS IS ESPECIALLY TRUE OF GIRLS, WHO ARE OFTEN ILLITERATE, MARRIED BEFORE THEY ARE 14 YEARS OLD, AND SPEND THE REST OF THEIR LIVES BEARING CHILDREN AND WORKING ENDLESS HOURS. THE FOUNDATION INTERVENES AT CRITICAL POINTS TO MAKE EDUCATION POSSIBLE FOR CHILDREN WHO HAVE NO OTHER HOPE. WE CURRENTLY GIVE SCHOLARSHIPS TO APPROXIMATELY 3,500 YOUNGSTERS, FROM KINDERGARTEN THROUGH MEDICAL SCHOOL. OUR STUDENTS ATTEND DAY SCHOOL IN KATHMANDU AND RURAL VILLAGES A DAY'S WALK FROM THE NEAREST ROAD, BOARDING SCHOOL AND COLLEGE. SOME OF THE CHILDREN WE SPONSOR ARE "UNTOUCHABLES," SHUT OUT FROM EDUCATION FOR CENTURIES. OTHERS ARE DISABLED. WE ALSO HELP TRAIN TEACHERS, BUILD AND IMPROVE CLASSROOMS AND SCHOOLS.

TO FORM 990, PART III, LINE A

GRANTSEXPENSES373,090.374,505.

FORM 990

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

STATEMENT

9

DESCRIPTION OF PROGRAM SERVICE TWO

RANDOM ACTS OF KINDNESS - ONE OF THE MOST SATISFYING ASPECTS OF THE WORK OF THE FOUNDATION IS PROVIDING TIMELY, STRATEGIC HELP-INSTANTLY AND WITHOUT RED TAPE-TO MANY DESPERATE PEOPLE. THESE SMALL ACTS OF ASSISTANCE MAKE A CRUCIAL DIFFERENCE. HERE IS A VERY PARTIAL LIST OF GOOD WORKS THE FOUNDATION HAS BEEN ABLE TO DO, WITH HELP FROM OUR SUPPORTERS:

SUBSIDIZED HEART SURGERIES FOR 50 PATIENTS AT NEPAL'S ONLY HEART HOSPITAL. MOST OF THESE WERE CHILDREN. INTERESTINGLY, ALL THESE LIFE-SAVING PROCEDURES WERE THE RESULT OF CONTRIBUTIONS MADE BY A SINGLE DONOR. THE DONOR HAS HELPED TO SAVE 50 LIVES! THE AVERAGE CONTRIBUTION OF THE FOUNDATION TO EACH SURGERY IS ABOUT \$300. THE HEART HOSPITAL DONATES SOME OF THE COST OF THE SURGERY AND HOSPITALIZATION, A FOUNDATION ESTABLISHED WITH FUNDS FROM THE ESTATE OF A MEMBER OF THE NEPALI ROYAL FAMILY DONATES A SHARE, AND SOME OF THE CHILDREN'S FAMILIES, ALL COMPLETELY IMPOVERISHED, ARE ABLE TO RAISE FUNDS IN THEIR COMMUNITIES.

PAID FOR SURGERY FOR A YOUNG BOY WHO WAS SERIOUSLY INJURED WHEN HE WAS RUN OVER BY A TRACTOR. THE ACCIDENT HAPPENED WHEN THE BOY, IN HIS EXCITEMENT AT SEEING A VEHICLE FOR THE FIRST TIME AFTER A NEW ROAD TO HIS VILLAGE OPENED, RAN BESIDE THE TRACTOR AND FELL UNDER IT.

PAID A NUMBER OF TIMES FOR DESTITUTE FAMILIES WHO WERE STRANDED IN KATHMANDU TO RETURN TO THEIR VILLAGES.

PAY THE ROOM RENT FOR THE ALCOHOLIC PARENTS OF SOME OF THE CHILDREN AT K HOUSE WHO WOULD OTHERWISE LIVE ON THE STREET.

PROVIDE LIFE-SAVING SUPPORT FOR CHILDREN WITH LEUKEMIA, CANCER AND KIDNEY FAILURE. ONE OF THEM IS A VERY BRIGHT AND SWEET-NATURED 14-YEAR-OLD ORPHAN BOY WITH LEUKEMIA. HIS TWO SISTERS, 10 AND 12 YEARS OLD, ARE BOTH WORKING AS CHILD SERVANTS. THE FOUNDATION FINANCES HIS CHEMOTHERAPY TREATMENTS.

ON REGULAR VISITS TO REMOTE AREAS WHERE THE FOUNDATION HAS PROGRAMS, OUR FIELD WORKERS IDENTIFY CHILDREN IN NEED AND BRING THEM TO KATHMANDU WITH THEIR PARENTS FOR MEDICAL CARE

OR OTHER ASSISTANCE THEY MAY REQUIRE.

SUFFERING ABOUNDS IN A POOR COUNTRY LIKE NEPAL; CONVERSELY, IT TAKES SO LITTLE, IN DEVELOPED-COUNTRY TERMS, TO MAKE A BIG DIFFERENCE.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE B	11,573.	232,088.

FORM 990	STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	STATEMENT	10
----------	--	-----------	----

DESCRIPTION OF PROGRAM SERVICE THREE

NUTRITIONAL REHABILITATION HOME (NRH) - WE HAVE ALL SEEN THE HORRIFIC IMAGES OF SEVERELY MALNOURISHED CHILDREN WITH HUGE BELLIES, GLASSY EYES AND STICKS FOR ARMS AND LEGS. THE PROBLEM CAN SEEM OVERWHELMING. HOW CAN WE TRULY HELP SUCH CHILDREN? THE FOUNDATION HAS FOUND A SIMPLE, EFFECTIVE WAY THAT TRANSFORMS THESE HEARTRENDING CHILDREN INTO BOUNCY, ACTIVE LITTLE PEOPLE WITHIN A MONTH OR TWO. MOREOVER, OUR APPROACH KEEPS THE PROBLEM FROM RECURRING. NEPAL IS NOT THE SUDAN, YET HALF THE CHILDREN UNDER FIVE ARE MALNOURISHED AND POOR NOURISHMENT IS ONE OF THE LEADING CAUSES OF DEATH FOR YOUNG CHILDREN. OFTEN, THE PROBLEM IS LESS ONE OF POVERTY THAN OF IGNORANCE. IN 1998, THE FOUNDATION OPENED THE DOORS OF THE NUTRITIONAL REHABILITATION HOME (NRH) IN KATHMANDU TO NURSE SEVERELY MALNOURISHED CHILDREN BACK TO HEALTH. CHILD AND MOTHER LIVE TOGETHER AT THE NRH DURING THE COURSE OF TREATMENT, USUALLY ABOUT FIVE TO SIX WEEKS. WHILE WE REHABILITATE THE CHILDREN, WE EDUCATE THEIR MOTHERS IN HOW TO PREPARE NUTRITIOUS MEALS USING FOODS READILY AVAILABLE IN RURAL NEPAL. WE ALSO INSTRUCT THE MOTHERS IN HOW TO PASS ON THEIR KNOWLEDGE TO OTHER MOTHERS AFTER THEY RETURN TO THEIR VILLAGES. WE HAVE ESTABLISHED FIVE MORE NRHS IN OUTLYING AREAS SO THAT CHILDREN THROUGHOUT THE COUNTRY WILL BENEFIT.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE C	197,631.	197,631.

FORM 990	STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	STATEMENT 11
----------	--	--------------

DESCRIPTION OF PROGRAM SERVICE FOUR

LIBERATING GIRLS FROM INDENTURED SERVITUDE - IN THE DANG DISTRICT IN WESTERN NEPAL, MANY INDIGENOUS FAMILIES FROM THE THARU ETHNIC GROUP SUBSIST AS FARM LABORERS. ECONOMIC CONDITIONS FORCE THEM INTO A DESPERATE TRADE-SELLING THEIR DAUGHTERS TO WORK FAR FROM HOME AS BONDED SERVANTS IN PRIVATE HOMES OR AS DISHWASHERS IN TEAHOUSES. SOME OF THESE CHILDREN ARE AS YOUNG AS SIX YEARS OLD. ALONE AND FAR FROM HOME, THESE "INDENTURED DAUGHTERS" HAVE NO KNOWLEDGE OF THE WAYS OF CITY PEOPLE OR OF OTHER CULTURES, AND MOST SPEAK ONLY THE LOCAL DIALECT. THEIR LIVING CONDITIONS ARE ENTIRELY AT THE DISCRETION OF THEIR EMPLOYERS. THE GIRLS SELDOM ATTEND SCHOOL AND HAVE NO PROSPECTS FOR A DECENT FUTURE. SOME EMPLOYERS ULTIMATELY FORCE THE GIRLS INTO PROSTITUTION. WORKING CLOSELY WITH LOCAL COMMUNITIES, THE FOUNDATION PROVIDES A CREATIVE, HUMANE ALTERNATIVE FOR THESE FAMILIES, HELPING THEM KEEP THEIR DAUGHTERS AT HOME AND PUTTING THE GIRLS IN SCHOOL.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE D	170,073.	170,073.

FORM 990	STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE PART III	STATEMENT 12
----------	--	--------------

EXPLANATION

THE FOUNDATION IS DEVOTED TO BRINGING HOPE TO THE MOST DESTITUTE CHILDREN IN THE BEAUTIFUL BUT IMPOVERISHED COUNTRY OF NEPAL. WITH A PERSONAL TOUCH, WE PROVIDE THEM WITH WHAT SHOULD BE EVERY CHILD'S BIRTHRIGHT - EDUCATION, HOUSING, MEDICAL CARE AND LOVING SUPPORT.

FORM 990

OTHER PROGRAM SERVICES

STATEMENT 13

DESCRIPTION OF OTHER PROGRAM SERVICES

GRANTS AND
ALLOCATIONS EXPENSES

CHILDREN'S HOMES - THE FOUNDATION HAS CREATED TWO OF THE BEST CHILDREN'S HOMES IN NEPAL. J HOUSE (FOR BOYS) AND K HOUSE (FOR GIRLS) EACH HOLD UP TO 30 CHILDREN. THESE CHILDREN ARE THE MOST VULNERABLE IN THE COUNTRY. SOME OF THEM ARE ORPHANS, ABANDONED BY THEIR PARENTS, BEGGARS OR DISABLED. MANY OF THEM HAVE ENDURED MORE SUFFERING AT A YOUNG AGE THAN SOME OF US HAVE EXPERIENCED IN A LIFETIME, BUT THEY HAVE FOUND WAYS TO TRIUMPH OVER THEIR DIFFICULTIES. WE GIVE THESE CHILDREN NOT ONLY ALL LIVING, EDUCATIONAL AND MEDICAL EXPENSES, BUT ALSO LOVE AND PERSONAL ATTENTION—JUST AS A GOOD PARENT WOULD DO. WE COMMIT TO THEM FOR THE LONG TERM, FROM CHILDHOOD THROUGH COLLEGE AND PROVIDE WHAT IS USUALLY THE FIRST REAL SENSE OF SECURITY IN THEIR LIVES.

142,947. 142,947.

EMPOWERING DALIT DAUGHTERS - IN NEPALI, THE WORD "DALIT" DENOTES THE UNTOUCHABLE CASTE. BY ANY MEASURE, THE MEMBERS OF THIS CASTE ARE AMONG THE MOST DOWNTRODDEN PEOPLE ANYWHERE. FOR HUNDREDS OF YEARS, THESE OCCUPATION-BASED CASTES (E.G., TAILORS, METAL AND LEATHER WORKERS, BASKET WEAVERS, POTTERS, MUSICIANS, STREET CLEANERS), HAVE ENDURED SOCIAL EXCLUSION, DISCRIMINATION, FOOD SHORTAGES, LACK OF EDUCATION AND VIOLENCE. ABOUT 70% LIVE BELOW THE POVERTY LINE. MANY MUST ENDURE WORK AS BONDED LABORERS. THERE ARE ABOUT 5 MILLION DALITS IN NEPAL. THEIR LIFE EXPECTANCY IS SEVEN YEARS LOWER THAN THE REST OF THE NEPALI POPULATION, THEIR FEMALE LITERACY RATE SHOCKINGLY LOW (12%) AND THEIR PER CAPITA INCOME FAR LESS THAN THE REST OF THE CITIZENS OF NEPAL. THE CHILD AND MATERNAL MORTALITY RATES ARE TWICE AS HIGH AS THAT OF THE REST OF THE POPULATION. MOST OF THEM ARE DEPRIVED OF AN EDUCATION, AND THOSE WHO DO GO TO SCHOOL OFTEN SUFFER SEGREGATION AND DISCRIMINATION IN THE CLASSROOM. THE FOUNDATION GIVES SPECIAL ATTENTION TO THE MEMBERS OF THIS COMMUNITY BY PROVIDING SCHOLARSHIPS FOR 400 DALIT GIRLS IN REMOTE VILLAGES IN THE LOWER GRADES AND GIVING SOME PREFERENCE IN COLLEGE SCHOLARSHIPS TO DALITS. NEVERTHELESS, THEIR STATUS REMAINS AT THE VERY BOTTOM OF NEPALI SOCIETY. THIS NEW PROGRAM, SEEKS TO PROMOTE EDUCATION OF YOUNG, ABLE DALIT WOMEN BY GRANTING THEM SPECIAL COLLEGE SCHOLARSHIPS. IN THE SUMMER OF 2006, OUR STAFF FANNED OUT THROUGHOUT THE COUNTRY TO INTERVIEW SCHOLARSHIP CANDIDATES. WE CHOSE

20 YOUNG WOMEN WHO DID WELL ON THEIR COLLEGE ENTRANCE EXAMINATIONS; SOME OF THEM ARE EXTRAORDINARY. THEY ARE NOW IN KATHMANDU, AND WE ARE PROVIDING THEM WITH LEADERSHIP TRAINING, COUNSELING AND COMMUNICATIONS SKILLS, AND PLACING THEM IN GOOD COLLEGES. A FEMALE STUDENT FROM THE DALIT COMMUNITY WHO CAN FINISH 10TH GRADE (THE END OF HIGH SCHOOL IN NEPAL) AND EVEN QUALIFY TO TAKE THE COLLEGE ENTRANCE EXAMINATION IS A RARE THING, AND THOSE WHO PASS WITH GOOD MARKS ARE EVEN RARER. IN A RECENT YEAR'S COLLEGE ENTRANCE EXAMINATIONS, ONLY 112 DALIT WOMEN PASSED IN FIRST DIVISION, WHEREAS ALMOST 11,000 NON-DALIT WOMEN ACHIEVED THESE HIGH MARKS. ALTHOUGH THE GOVERNMENT HAS A SET-ASIDE PROGRAM FOR DALITS IN MEDICAL SCHOOL, THE PLACES OFTEN GO BEGGING BECAUSE THERE ARE SO FEW STUDENTS WHO QUALIFY FOR MEDICAL SCHOOL. THE FOUNDATION HOPES TO EVEN THE PLAYING FIELD IN THIS REGARD. IT IS OUR GOAL TO PROVIDE THESE YOUNG WOMEN WITH AN EDUCATION THAT WILL MOTIVATE THEM TO GIVE BACK TO THEIR COMMUNITY SOME OF THE BENEFITS THEY RECEIVED FROM THESE SCHOLARSHIPS. THE FOUNDATION HOPES THAT SOME WILL QUALIFY TO ENTER THE PROFESSIONS - MEDICAL SCHOOL, LAW SCHOOL, ENGINEERING COLLEGE AND BUSINESS SCHOOL, SO THAT THEY WILL BECOME THE LEADERS OF THEIR COMMUNITIES. IT IS DIFFICULT TO SEE HOW THESE BELEAGUERED POPULATIONS CAN RAISE THEMSELVES FROM THEIR ABJECT STATUS WITHOUT SUCH HELP. ALREADY, THE PROGRAM HAS HAD SUCCESS: TWO YOUNG DALIT WOMEN IN THE PROGRAM ARE AN EXCEPTION TO THE RULE - ONE JUST GRADUATED FROM MEDICAL SCHOOL AND ANOTHER HAS JUST STARTED. THEY PLAN TO GO BACK TO THEIR COMMUNITIES TO PRACTICE MEDICINE.

31,700. 31,700.

VOCATIONAL COUNSELING - ANOTHER MAJOR DEFICIT IN NEPAL IS VOCATIONAL COUNSELING. THE UNEMPLOYMENT RATE IN NEPAL HOVERS AROUND 50%. WE SELECT CHILDREN FOR J AND K HOUSE AND SCHOLARSHIPS (OTHER THAN COLLEGE SCHOLARSHIPS) BASED ON NEED RATHER THAN ON THEIR ACADEMIC ABILITY. MANY OF THESE CHILDREN ARE NOT ACADEMICALLY GIFTED BUT HAVE OTHER ABILITIES THAT WOULD ENABLE THEM TO FIND EMPLOYMENT, IF ONLY THEY HAD SOME IDEA ABOUT WHAT THEY WANTED TO DO AND COULD RECEIVE TRAINING ON HOW TO DO IT. THE CENTER WILL PROVIDE COUNSELING FOR J AND K HOUSE CHILDREN AND OTHERS SUPPORTED BY THE FOUNDATION, FROM EIGHTH GRADE ONWARD, EXPLORING THEIR INTERESTS AND APTITUDES. IF, AFTER DISCUSSIONS WITH THESE CHILDREN OVER TIME, THEY DECIDE TO PURSUE VOCATIONAL TRAINING RATHER THAN ATTENDING COLLEGE, THE CENTER WILL FIND THE BEST TRAINING PROGRAM FOR THEIR CHOSEN FIELD, PAY FOR THE COST OF TRAINING AND HELP THEM TO FIND EMPLOYMENT FOLLOWING THE COMPLETION OF THEIR COURSES. THERE ARE WELL-PAYING JOBS AVAILABLE IN AREAS LIKE CONSTRUCTION

THAT FOREIGNERS DO BECAUSE THERE ARE FEW NEPALIS WHO HAVE THE PROPER TRAINING. THE CONSULTATION SERVICES WILL BE AVAILABLE TO YOUNGSTERS IN ADDITION TO THE J AND K HOUSE CHILDREN.

31,153. 31,153.

PSYCHOLOGICAL COUNSELING - NEPAL IS IN ITS INFANCY AS FAR AS PSYCHOLOGICAL COUNSELING IS CONCERNED. THERE IS MUCH TRAUMA AMONG CHILDREN BECAUSE OF THE INSURGENCY, WHICH HAS BEEN RAGING IN THE COUNTRY FOR THE LAST 13 YEARS - HOPEFULLY ON ITS WAY TO RESOLUTION. DISABLED CHILDREN ALSO SUFFER FROM OPPRESSION AND DISCRIMINATION, AND THEY, TOO, ARE IN NEED OF COUNSELING. IN ORDER TO MEET THIS NEED, THE FOUNDATION HAS ESTABLISHED A COUNSELING CENTER AIMED AT TRAINING NEPALI COUNSELORS TO PROVIDE PROFESSIONAL SERVICES TO THE MANY CHILDREN WHO NEED IT AND TO OTHERS WHOSE JOB ENTAILS DEALING WITH CHILDREN AND THEIR PROBLEMS. THE NEPALI COUNSELORS WILL ALSO PROVIDE DIRECT THERAPY TO CHILDREN. THE CENTER HAS INTRODUCED SAND PLAY THERAPY TO NEPAL - A FORM OF THERAPY THAT TRANSCENDS LANGUAGE AND IS THEREFORE PARTICULARLY SUITABLE TO THE NEEDS OF CHILDREN.

TOTAL TO FORM 990, PART III, LINE E

205,800. 205,800.

FORM 990 RECEIVABLES DUE FROM OFFICERS, DIRECTORS, TRUSTEES AND OTHER KEY EMPLOYEES - REPORTED SEPARATELY STATEMENT 14

BORROWER'S NAME AND TITLE			ORIGINAL LOAN AMOUNT
SOM PANERU, EXECUTIVE DIRECTOR - NEPAL			1,635.
DATE OF NOTE	MATURITY DATE	TERMS OF REPAYMENT	INTEREST RATE
07/01/06	VARIOUS	NEXT PAYROLL	.00%
SECURITY PROVIDED BY BORROWER		PURPOSE OF LOAN	
NONE		SALARY AND TRAVEL ADVANCE	
DESCRIPTION OF CONSIDERATION		FMV OF CONSIDERATION	BALANCE DUE
NONE		0.	1,635.
TOTAL INCLUDED ON FORM 990, PART IV, LINE 50A, COLUMN B			1,635.

FORM 990 NON-GOVERNMENT SECURITIES STATEMENT 15

SECURITY DESCRIPTION	COST/FMV	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	TOTAL NON-GOV'T SECURITIES
CORPORATE EQUITIES	FMV	1,456,311.			1,456,311.
MUTUAL FUNDS	FMV			384,872.	384,872.
MONEY MARKET FUNDS	FMV			194,525.	194,525.
TO FORM 990, LINE 54A, COL B		1,456,311.		579,397.	2,035,708.

FORM 990	GOVERNMENT SECURITIES	STATEMENT 16
----------	-----------------------	--------------

DESCRIPTION	COST/FMV	U.S. GOVERNMENT	STATE AND LOCAL GOV'T	TOTAL GOV'T SECURITIES
U. S. GOVERNMENT AND AGENCIES	FMV	591,965.		591,965.
TOTAL TO FORM 990, LINE 54A, COL B		591,965.		591,965.

FORM 990	OTHER ASSETS	STATEMENT 17
----------	--------------	--------------

DESCRIPTION	AMOUNT
GRANTS ADVANCED	20,507.
DEPOSITS	1,553.
TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B	22,060.

FORM 990	OTHER REVENUE NOT INCLUDED ON FORM 990	STATEMENT 18
----------	--	--------------

DESCRIPTION	AMOUNT
LOSSES REPORTED ON LINE 8C	54,211.
ROUNDING	1.
TOTAL TO FORM 990, PART IV-A	54,212.

FORM 990	OTHER EXPENSES NOT INCLUDED ON FORM 990	STATEMENT 19
----------	---	--------------

DESCRIPTION	AMOUNT
LOSSES REPORTED ON LINE 8C	54,211.
ROUNDING	1.
TOTAL TO FORM 990, PART IV-B	54,212.

FORM 990 PART V-A - LIST OF CURRENT OFFICERS, DIRECTORS, STATEMENT 20
 TRUSTEES AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
OLGA MURRAY 3030 BRIDGEWAY, SUITE 123 SAUSALITO, CA 94965-2895	PRESIDENT 40.00	0.	0.	0.
TOTTON HEFFELFINGER 3030 BRIDGEWAY, SUITE 123 SAUSALITO, CA 94965-2895	ASSTISTANT. SEC./TREAS. 10.00	0.	0.	0.
YALE JONES 3030 BRIDGEWAY, SUITE 123 SAUSALITO, CA 94965-2895	SECRETARY 10.00	0.	0.	0.
MICHAEL PREISS 3030 BRIDGEWAY, SUITE 123 SAUSALITO, CA 94965-2895	CHAIR 10.00	0.	0.	0.
IAN COATS MACCOLL 3030 BRIDGEWAY, SUITE 123 SAUSALITO, CA 94965-2895	DIRECTOR 10.00	0.	0.	0.
LORI PERLSTADT 3030 BRIDGEWAY, SUITE 123 SAUSALITO, CA 94965-2895	DIRECTOR 5.00	0.	0.	0.
STEVE FOX 3030 BRIDGEWAY, SUITE 123 SAUSALITO, CA 94965-2895	TREASURER 10.00	0.	0.	0.
HAYDI SOWERWIRE 3030 BRIDGEWAY, SUITE 123 SAUSALITO, CA 94965-2895	DIRECTOR 5.00	0.	0.	0.
JANIS OLSON 3030 BRIDGEWAY, SUITE 123 SAUSALITO, CA 94965-2895	EXECUTIVE DIRECTOR 37.50	86,827.	0.	0.
TOTALS INCLUDED ON FORM 990, PART V-A		86,827.	0.	0.

FORM 990	EXPLANATION OF RELATIONSHIP PART V-A, LINE 75B	STATEMENT 21
----------	---	--------------

INDIVIDUAL'S NAMETITLE OR ROLE

SOM PANERU

EXECUTIVE DIRECTOR - NEPAL

INDIVIDUAL'S NAMETITLE OR ROLE

SAJANI AMATYA

PRESIDENT - GRANTEE

EXPLANATION OF RELATIONSHIP

AN OFFICER OF THE FOUNDATION IN NEPAL IS MARRIED TO AN OFFICER OF ANOTHER ENTITY THAT RECEIVES SUPPORT FROM THE FOUNDATION. DURING THE YEAR ENDED JUNE 30, 2007, THE ENTITY RECEIVED SUPPORT FROM THE FOUNDATION TOTALING \$900,347.

FORM 990	STATEMENT OF CHANGES IN ACTIVITIES PART VI, LINE 76	STATEMENT 22
----------	--	--------------

EXPLANATION

ORIGINALLY THE FOUNDATION CARRIED OUT ITS PRIMARY PURPOSES BY ENGAGING IN DIRECT ACTIVITIES IN FURTHERANCE OF THOSE PURPOSES. THE FOUNDATION CURRENTLY CARRIES OUT IS PURPOSES BY MAKING GRANTS TO OTHER ORGANIZATIONS. SEE STATEMENT 12 OF THE IRS FORM 990 FOR A DESCRIPTION OF THE PRIMARY PURPOSES OF THE FOUNDATION, AND STATEMENTS 8, 9, 10, 11 AND 13 FOR DETAILED DESCRIPTIONS OF THE GRANTMAKING PROGRAMS. THERE HAVE BEEN NO CHANGES TO THE GOVERNING DOCUMENTS OF THE FOUNDATION.

SCHEDULE A	EXPLANATION OF TRANSACTIONS PART III, LINE 2B	STATEMENT 23
------------	--	--------------

AS OF JUNE 30, 2007, AN OFFICER OF THE FOUNDATION IN NEPAL OWES THE FOUNDATION \$1,635 FOR SALARY AND TRAVEL ADVANCES.

SCHEDULE A	EXPLANATION OF QUALIFICATIONS TO RECEIVE PAYMENTS	STATEMENT	24
	PART III, LINE 3A		

THE FOUNDATION PROVIDES GRANTS TO ORGANIZATIONS IN NEPAL THAT PROVIDE
ELEMENTARY- AND SECONDARY-SCHOOL AND COLLEGE SCHOLARSHIPS. IN ADDITION, THE
FOUNDATIONS PROVIDES A LIMITED NUMBER OF COLLEGE SCHOLARSHIPS TO NEPALIS
ATTENDING COLLEGES OUTSIDE OF NEPAL.

- 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. You 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	Employer identification number
	NEPALESE YOUTH OPPORTUNITY FOUNDATION	68-0224596
	Number, street, and room or suite no. If a P.O. box, see instructions. 3030 BRIDGEWAY, NO. 123	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. SAUSALITO, CA 94965-2895	

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

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

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 **JANIS OLSON**
 Telephone No. **415-331-8585** FAX No. **415-331-4027**
- 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 **MAY 15, 2008**
- 5 For calendar year _____, or other tax year beginning **JUL 1, 2006**, and ending **JUN 30, 2007**
- 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
MORE TIME IS NEEDED TO COLLECT THE INFORMATION NECESSARY TO PREPARE A COMPLETE AND ACCURATE RETURN

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$
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.	8b	\$
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	8c	\$ N/A

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 **CPA** Title **CPA** Date

Notice to Applicant. (To Be Completed by the IRS)

- ☐ We have approved this application. Please attach this form to the organization's return.
- ☐ We have not approved this application. However, we have granted a 10-day grace period from the 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 623832 05-01-07	Name
	WILSON MARKLE STUCKEY HARDESTY & BOTT
	Number and street (include suite, room, or apt. no.) or a P.O. box number 101 LARKSPUR LANDING CIRCLE, #200
	City or town, province or state, and country (including postal or ZIP code) LARKSPUR, CA 94939-1750