

Form **990-EZ**

**Short Form**

**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)

OMB No 1545-1150

**2005**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

▶ For organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at the end of the year.  
▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

**A For the 2005 calendar year, or tax year beginning** January 1, 2005, and ending December 31, 20 05

**B** Check if applicable

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

ED MALLEY 29 18 200512 03 15 3 0000  
 LOTUS OUTREACH  
 403 BEACH DR  
 APTOS CA 95003-5104

**D Employer identification number**  
80 : 0013909

**E Telephone number**  
( 831 ) 662-9289

**F Group Exemption Number** . . . ▶

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

**G Accounting method.**  Cash  Accrual  
Other (specify) ▶

**I Website:** ▶ www.lotusoutreach.org

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

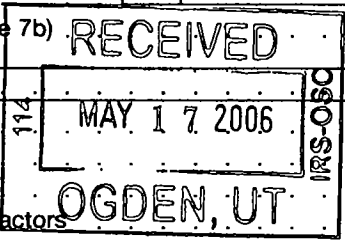
**J Organization type** (check only one)—  501(c) ( 3 ) ◀ (insert no.)  4947(a)(1) or  527

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

**L Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts; if \$100,000 or more, file Form 990 instead of Form 990-EZ . . . ▶ \$**

**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances** (See page 38 of the instructions.)

|            |  |  |        |         |
|------------|--|--|--------|---------|
| Revenue    | 1  | Contributions, gifts, grants, and similar amounts received   | 1      | 60,620  |
|            | 2  | Program service revenue including government fees and contracts  | 2      | 0       |
|            | 3  | Membership dues and assessments  | 3      | 0       |
|            | 4  | Investment income  | 4      | 1,631   |
|            | 5a   | Gross amount from sale of assets other than inventory  | 5a     | 0       |
|            | 5b   | Less: cost or other basis and sales expenses   | 5b     | 0       |
|            | 5c   | Gain or (loss) from sale of assets other than inventory (line 5a less line 5b) (attach schedule).  | 5c     | 0       |
|            | 6  | Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>                               |        |         |
|            | 6a   | Gross revenue (not including \$ 0 of contributions reported on line 1)   | 6a     | 0       |
| 6b         | Less: direct expenses other than fundraising expenses                          | 6b   | 0      |         |
| 6c         | Net income or (loss) from special events and activities (line 6a less line 6b) | 6c   | 0      |         |
| 7a         | Gross sales of inventory, less returns and allowances                          | 7a   | 0      |         |
| 7b         | Less: cost of goods sold   | 7b   | 0      |         |
| 7c         | Gross profit or (loss) from sales of inventory (line 7a less line 7b)          | 7c   | 0      |         |
| 8          | Other revenue (describe ▶ <u>Bank refund of fees</u> )                         | 8  | 45     |         |
| 9          | <b>Total revenue</b> (add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8).                | 9  | 62,296 |         |
| Expenses   | 10   | Grants and similar amounts paid (attach schedule)  | 10     | 64,941  |
|            | 11   | Benefits paid to or for members  | 11     | 0       |
|            | 12   | Salaries, other compensation, and employee benefits  | 12     | 0       |
|            | 13   | Professional fees and other payments to independent contractors  | 13     | 2,025   |
|            | 14   | Occupancy, rent, utilities, and maintenance  | 14     | 0       |
|            | 15   | Printing, publications, postage, and shipping  | 15     | 2,388   |
|            | 16   | Other expenses (describe ▶ <u>Administration and Promotion</u> )   | 16     | 12,785  |
|            | 17   | <b>Total expenses</b> (add lines 10 through 16)  | 17     | 82,139  |
| Net Assets | 18   | Excess or (deficit) for the year (line 9 less line 17)   | 18     | -19,842 |
|            | 19   | Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return) | 19     | 146,675 |
|            | 20   | Other changes in net assets or fund balances (attach explanation)  | 20     | 0       |
|            | 21   | <b>Net assets or fund balances at end of year</b> (combine lines 18 through 20)  | 21     | 126,832 |



**Part II Balance Sheets**—If Total assets on line 25, column (B) are \$250,000 or more, file Form 990 instead of Form 990-EZ.

(See page 41 of the instructions.)

|   | (A) Beginning of year | (B) End of year |
|---|-----------------------|-----------------|
| 22 Cash, savings, and investments   | 146,675               | 22 126,832      |
| 23 Land and buildings   | 0                     | 23 0            |
| 24 Other assets (describe ▶ <u>SOFTWARE</u> )   | 14,000                | 24 0            |
| 25 <b>Total assets</b>  | 160,675               | 25 126,832      |
| 26 <b>Total liabilities</b> (describe ▶ )   | 0                     | 26 0            |
| 27 <b>Net assets or fund balances</b> (line 27 of column (B) must agree with line 21) | 160,675               | 27 126,832      |

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

Cat. No 106421

Form **990-EZ** (2005)

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| <b>Part III Statement of Program Service Accomplishments</b> (See page 42 of the instructions.)  | <b>Expenses</b><br>(Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; optional for others.) |
|--|---|
| What is the organization's primary exempt purpose? <b>See Statement 1</b>  |   |
| Describe what was achieved in carrying out the organization's exempt purposes. In a clear and concise manner, describe the services provided, the number of persons benefited, or other relevant information for each program title. |   |
| <b>28 See Statement 1</b>  |   |
| (Grants \$ _____ ) If this amount includes foreign grants, check here <input type="checkbox"/>   | <b>28a</b>  |
| <b>29</b>  |   |
| (Grants \$ _____ ) If this amount includes foreign grants, check here <input type="checkbox"/>   | <b>29a</b>  |
| <b>30</b>  |   |
| (Grants \$ _____ ) If this amount includes foreign grants, check here <input type="checkbox"/>   | <b>30a</b>  |
| <b>31 Other program services</b> (attach schedule)   |   |
| (Grants \$ _____ ) If this amount includes foreign grants, check here <input type="checkbox"/>   | <b>31a</b>  |
| <b>32 Total program service expenses</b> (add lines 28a through 31a)   | <b>32</b> <b>71,941</b>   |

| <b>Part IV List of Officers, Directors, Trustees, and Key Employees</b> (List each one even if not compensated. See page 42 of 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 | (E) Expense account and other allowances |
| <b>See Statement 2</b>  |  |   |   |  |
|   |  |   |   |  |
|   |  |   |   |  |
|   |  |   |   |  |
|   |  |   |   |  |

| <b>Part V Other Information</b> (Note the attachment requirement in General Instruction V, page 14.)   | Yes        | No       |
|--|------------|----------|
| <b>33</b> Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity   | <b>33</b>  | ✓        |
| <b>34</b> Were any changes made to the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes   | <b>34</b>  | ✓        |
| <b>35</b> If the organization had income from business activities, such as those reported on lines 2, 6, and 7 (among others), but not reported on Form 990-T, attach a statement explaining your reason for not reporting the income on Form 990-T. |            |          |
| <b>a</b> Did the organization have unrelated business gross income of \$1,000 or more or 6033(e) notice, reporting, and proxy tax requirements?  | <b>35a</b> | ✓        |
| <b>b</b> If "Yes," has it filed a tax return on Form 990-T for this year?  | <b>35b</b> |          |
| <b>36</b> Was there a liquidation, dissolution, termination, or substantial contraction during the year? (If "Yes," attach a statement.)   | <b>36</b>  | ✓        |
| <b>37a</b> Enter amount of political expenditures, direct or indirect, as described in the instructions. ▶ <b>37a</b> <b>0</b>   |            |          |
| <b>b</b> Did the organization file Form 1120-POL for this year?  | <b>37b</b> | ✓        |
| <b>38a</b> Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still unpaid at the start of the period covered by this return?                   | <b>38a</b> | ✓        |
| <b>b</b> If "Yes," attach the schedule specified in the line 38 instructions and enter the amount involved   | <b>38b</b> |          |
| <b>39</b> 501(c)(7) organizations. Enter:  |            |          |
| <b>a</b> Initiation fees and capital contributions included on line 9  | <b>39a</b> |          |
| <b>b</b> Gross receipts, included on line 9, for public use of club facilities   | <b>39b</b> |          |
| <b>40a</b> 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911 ▶ <b>0</b> ; section 4912 ▶ <b>0</b> ; section 4955 ▶ <b>0</b>   |            |          |
| <b>b</b> 501(c)(3) and (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 an explanation.     | <b>40b</b> | ✓        |
| <b>c</b> Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958  |            | <b>0</b> |
| <b>d</b> Enter amount of tax on line 40c reimbursed by the organization  |            | <b>0</b> |

**Part V Other Information** (Note the attachment requirement in General Instruction V, page 14.) (Continued)

**41** List the states with which a copy of this return is filed. ▶ California

**42a** The books are in care of ▶ Ed Malley Telephone no. ▶ (. 831 ) 662-9289  
 Located at ▶ 403 Beach Drive, Aptos, CA ZIP + 4 ▶ 95003

**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)?

|            | Yes | No |
|------------|-----|----|
| <b>42b</b> |     | ✓  |
| <b>42c</b> |     | ✓  |

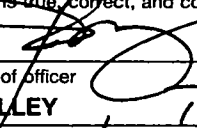
If "Yes," enter the name of the foreign country: ▶ \_\_\_\_\_  
 See the instructions for exceptions and filing requirements for Form TD F 90-22.1.

**c** At any time during the calendar year, did the organization maintain an office outside of the U.S.? . . . . .  
 If "Yes," enter the name of the foreign country: ▶ \_\_\_\_\_

**43** Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041—Check here. . . . . ▶

Under penalties of perjury, I declare that I have examined this return, and believe, it is true, correct, and complete. Declaration of preparer

**Please Sign Here**

▶   
 Signature of officer

▶ ED MALLEY TREASURER  
 Type or print name and title

**Paid Preparer's Use Only**

Preparer's signature ▶ \_\_\_\_\_  
 Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ \_\_\_\_\_

Form 990. Part III. Statement of Program Service Accomplishments  
STATEMENT A

What is the organization's primary exempt purpose?: Lotus Outreach helps the most destitute children and their communities in South Asia and Cambodia by providing access to education, vocational training, and health care.

1. Cambodia. Strey Khmer. \$20,000. Eight passenger van to transport doctors, nurses and counselors to remote villages in Cambodia for basic health care, counseling and training in basic life skills. Reaches 160 villages where 10-30 villagers, mostly women and children, are reached. Operates 3-6 days per week depending on staffing and weather.
2. Bhutan. Tarayana Foundation. Software \$14,000. Distribution of computer software donated to Lotus Outreach by Microsoft. Word, Excel, Access donated for both instruction of students in use of software and as management tools for locals schools.
3. Cambodia. Cambodian Women's Crisis Center (CWCC). \$5,048. Pays for two counselors for one year in the program "Consoling Through Counseling" which assists female victims of sexual exploitation recover from the emotional stress of being forced into the sex trade. Covers counselors' salaries and office equipment.
4. Cambodia. Khemara. Non-Formal Education (NFE). Svay Pak. \$1,953. to provide non-formal education and vocational training for female sex workers in the Khemara area and for the following specific uses: 1. Salary for a Ministry of Education trained instructor, and 2. Classroom supplies and textbooks and 3. Salary for day-care worker to care for the girls' children during class time, and 4. transport to and from the rent-free classroom provided by Khemara.
5. Cambodia. Khemara. "Women Helping Women". \$8,000. Assists impoverished Cambodian women and girls: To create a women's business cooperative composed of graduates of Khemara's vocational training program through: 1. Purchase of a delivery vehicle for product, 2. Purchase of wholesale supplies and sewing equipment and 3. establishment of a revolving micro-loan fund.
6. Cambodia. Cambodian Women's Crisis Center (CWCC). \$10,000. To purchase supplies and pay instructors to teach screen printing in on-going classes of 20 young women rescued from the sex trade in Cambodia to help them learn a marketable trade.

Program/Grant Functional Expenses:

1. Cambodia. \$5,000. Glenn W. Fawcett. Covers expenses to identify, research, and investigate potential beneficiary NGOs which fit the mission of rescue, counseling, and education of young women caught in the sex trade in Cambodia.
2. India and Bhutan: \$7,940. Glenn W. Fawcett. Covers expenses to visit, track and report on NGOs which are beneficiaries of Lotus Outreach. Also, seeks new, worthy NGOs educating the most destitute children.

Form 990. Part IV. List of Officers, Directors, Trustees, and Key Employees.  
STATEMENT B

| Name/Address                                  | Title & Average Hours | Compensation | Contributions To Plans | Expenses Account / Allowances |
|---|-----------------------|--------------|------------------------|-------------------------------|
| Dzongsar Khyentse Rinpoche                    | Chair                 | 0            | 0                      | 0                             |
| Bir Kangra Dist., Jimachal Pradesh, India     | All Necessary         |              |                        |                               |
| Yin-wah Ma                                    | President             | 0            | 0                      | 0                             |
| 2640 Green Street. San Francisco, CA 94123    | All Necessary         |              |                        |                               |
| Kathryn Meeske                                | President             | 0            | 0                      | 0                             |
| 3400 San Marino St. Los Angeles, CA 90006     | All Necessary         |              |                        |                               |
| Kathryn Meeske                                | Secretary             | 0            | 0                      | 0                             |
| 3400 San Marino St. Los Angeles, CA 90006     | All Necessary         |              |                        |                               |
| Ed Malley                                     | Treasurer             | 0            | 0                      | 0                             |
| 403 Beach Dr. Aptos, CA 95003                 | All Necessary         |              |                        |                               |
| Theow Tow                                     | Director              | 0            | 0                      | 0                             |
| 128 Central Park South, 9A New York, NY 10019 | All Necessary         |              |                        |                               |
| Penelope Tree                                 | Director              | 0            | 0                      | 0                             |
| 36 Holmbush Road, London, UK                  | All Necessary         |              |                        |                               |
| Harry Lee                                     | Director              | 0            | 0                      | 0                             |
| 59 Holland Park, London, UK                   | All Necessary         |              |                        |                               |
| Cindy Yu                                      | Director              | 0            | 0                      | 0                             |
| 2680 Broadway, San Francisco, CA 94123        | All Necessary         |              |                        |                               |