

2011 TAX RETURN

Client Copy

Client: 1

Prepared for: Books Aloud, Inc.
P. O. Box 5731
San Jose, CA 95150
408-808-2613

Prepared by: Mary F. Vettorel
Mary F. Vettorel, CPA
1952 Camden Ave., Suite 102
San Jose, CA 95124
(408) 364-2322

Date: September 10, 2012

Comments:

Route to: _____

2011 Exempt Org. Return
prepared for:

Books Aloud, Inc.
P. O. Box 5731
San Jose, CA 95150

Mary F. Vettorel, CPA
1952 Camden Ave., Suite 102
San Jose, CA 95124

**MARY F. VETTOREL, CPA
1952 CAMDEN AVE., SUITE 102
SAN JOSE, CA 95124
(408) 364-2322**

September 10, 2012

Books Aloud, Inc.
P. O. Box 5731
San Jose, CA 95150

Dear Executive Director:

Enclosed is your 2011 Federal Return of Organization Exempt from Income Tax. The original should be signed at the bottom of page one. No tax is payable with the filing of this return. Mail your Federal return on or before November 15, 2012 to:

DEPARTMENT OF TREASURY
INTERNAL REVENUE SERVICE
OGDEN, UT 84201-0027

Enclosed is your 2011 California Exempt Organization Annual Information Return. The original should be signed at the bottom of page one. No tax is payable with the filing of this return. Mail the California return on or before November 15, 2012 to:

FRANCHISE TAX BOARD
P.O. BOX 942857
SACRAMENTO, CA 94257-0700

Enclosed is your California Registration/Renewal Fee Report to the Attorney General. The original should be signed at the bottom of page one. There is a fee due of \$75 payable by November 15, 2012. Make the check or money order payable to "Attorney General's Registry of Charitable Trusts" and mail your California report on or before November 15, 2012 to:

REGISTRY OF CHARITABLE TRUSTS
P.O. BOX 903447
SACRAMENTO, CA 94203-4470

Please be sure to call us if you have any questions.

Sincerely,

Mary F. Vettorel

Return of Organization Exempt From Income TaxUnder 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

2011**Open to Public
Inspection****A** For the 2011 calendar year, or tax year beginning 7/01, 2011, and ending 6/30, 2012**B** Check if applicable:

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

C
 Books Aloud, Inc.
 P. O. Box 5731
 San Jose, CA 95150

D Employer Identification Number

23-7317533

E Telephone number

408-808-2613

G Gross receipts \$ 459,977.**H(a)** Is this a group return for affiliates? ☐ Yes ☒ No**H(b)** Are all affiliates included?
If 'No,' attach a list. (see instructions) ☐ Yes ☒ No**I** Tax-exempt status ☒ 501(c)(3) ☐ 501(c) () ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527**J** Website: ▶ www.booksaloud.org**H(c)** Group exemption number ▶**K** Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶**L** Year of formation: 1973**M** State of legal domicile: CA**Part I Summary**

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>Our mission is to improve the quality of life for people unable to benefit directly from the printed page, by providing a service to stimulate minds, stir emotions, and foster independence through our "Reading by Listening" program.</u>		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	10
	4	Number of independent voting members of the governing body (Part VI, line 1b)	10
	5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	9
	6	Total number of volunteers (estimate if necessary)	128
	Revenue	7a	Total unrelated business revenue from Part VIII, column (C), line 12
7b		Net unrelated business taxable income from Form 990-T, line 34	0.
		Prior Year	
8		Contributions and grants (Part VIII, line 1h)	182,535.
9		Program service revenue (Part VIII, line 2g)	
10		Investment income (Part VIII, column (A), lines 3, 4, and 7d)	272.
11		Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	5,298.
12		Total revenue — add lines 8 through 11 (must equal Part VIII, column (A), line 12)	188,105.
		Current Year	
13		Grants and similar amounts paid (Part IX, column (A), lines 1-3)	421,328.
Expenses	14	Benefits paid to or for members (Part IX, column (A), line 4)	
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	219,088.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	122,516.
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 18,307.	
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	89,270.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	230,031.
	19	Revenue less expenses. Subtract line 18 from line 12	308,358.
	20	Total assets (Part X, line 16)	352,547.
Net Assets or Fund Balances	21	Total liabilities (Part X, line 26)	-120,253.
	22	Net assets or fund balances. Subtract line 21 from line 20	99,039.
			Beginning of Current Year
		195,217.	End of Year
		54,757.	239,759.
		140,460.	261.

Part II Signature Block

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.

Sign Here	Signature of officer		Date	
	Joyce L. Meurer		Executive Director	
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input checked="" type="checkbox"/> if self-employed
	Mary F. Vettorel			PTIN P01408132
	Firm's name ▶ Mary F. Vettorel, CPA			
	Firm's address ▶ 1952 Camden Ave., Suite 102 San Jose, CA 95124	Firm's EIN ▶ 77-0038808	Phone no. (408) 364-2322	

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III ☒ **X****1** Briefly describe the organization's mission:

Our mission is to improve the quality of life for people unable to benefit directly
from the printed page, by providing a service to stimulate minds, stir emotions, and
foster independence through our "Reading by Listening" program.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If 'Yes,' describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If 'Yes,' describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.**4a** (Code:) (Expenses \$ 320,352. including grants of \$) (Revenue \$)See Schedule O**4b** (Code:) (Expenses \$ including grants of \$) (Revenue \$)**4c** (Code:) (Expenses \$ including grants of \$) (Revenue \$)**4d** Other program services. (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ▶ 320,352.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If 'Yes,' complete Schedule A.</i>	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If 'Yes,' complete Schedule C, Part I.</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If 'Yes,' complete Schedule C, Part II.</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If 'Yes,' complete Schedule C, Part III.</i>		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If 'Yes,' complete Schedule D, Part I.</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? <i>If 'Yes,' complete Schedule D, Part II.</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If 'Yes,' complete Schedule D, Part III.</i>		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If 'Yes,' complete Schedule D, Part IV.</i>		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If 'Yes,' complete Schedule D, Part V.</i>	X	
11 If the organization's answer to any of the following questions is 'Yes', then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings and equipment in Part X, line 10? <i>If 'Yes,' complete Schedule D, Part VI.</i>	X	
b Did the organization report an amount for investments— other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If 'Yes,' complete Schedule D, Part VII.</i>		X
c Did the organization report an amount for investments— program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If 'Yes,' complete Schedule D, Part VIII.</i>		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If 'Yes,' complete Schedule D, Part IX.</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If 'Yes,' complete Schedule D, Part X.</i>	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If 'Yes,' complete Schedule D, Part X.</i>		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If 'Yes,' complete Schedule D, Parts XI, XII, and XIII.</i>		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If 'Yes,' and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional.</i>		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If 'Yes,' complete Schedule E.</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If 'Yes,' complete Schedule F, Parts I and IV.</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If 'Yes,' complete Schedule F, Parts II and IV.</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If 'Yes,' complete Schedule F, Parts III and IV.</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If 'Yes,' complete Schedule G, Part I (see instructions).</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If 'Yes,' complete Schedule G, Part II.</i>	X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If 'Yes,' complete Schedule G, Part III.</i>		X
20a Did the organization operate one or more hospital facilities? <i>If 'Yes,' complete Schedule H.</i>		X
b If 'Yes' to line 20a, did the organization attach a copy of its audited financial statements to this return?		

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If 'Yes,' complete Schedule I, Parts I and II.</i>		X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If 'Yes,' complete Schedule I, Parts I and III.</i>		X
23 Did the organization answer 'Yes' to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If 'Yes,' complete Schedule J.</i>		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, and that was issued after December 31, 2002? <i>If 'Yes,' answer lines 24b through 24d and complete Schedule K. If 'No,' go to line 25.</i>		X
24b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
24c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
24d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If 'Yes,' complete Schedule L, Part I.</i>		X
25b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If 'Yes,' complete Schedule L, Part I.</i>		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If 'Yes,' complete Schedule L, Part II.</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If 'Yes,' complete Schedule L, Part III.</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
28a A current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV.</i>		X
28b A family member of a current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV.</i>	X	
28c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If 'Yes,' complete Schedule L, Part IV.</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M.</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If 'Yes,' complete Schedule M.</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I.</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If 'Yes,' complete Schedule N, Part II.</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If 'Yes,' complete Schedule R, Part I.</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1.</i>	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
35b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If 'Yes,' complete Schedule R, Part V, line 2.</i>		X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If 'Yes,' complete Schedule R, Part V, line 2.</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If 'Yes,' complete Schedule R, Part VI.</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O.	X	

BAA

Form 990 (2011)

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response to any question in this Part V. ☐

		Yes	No
1 a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1 a 2		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1 b 0		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1 c	X	
2 a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2 a 9		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2 b	X	
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. (see instructions)			
3 a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3 a		X
b If 'Yes' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O.	3 b		
4 a 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)?	4 a		X
b If 'Yes,' enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			
5 a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5 a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5 b		X
c If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T?	5 c		
6 a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6 a		X
b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6 b		
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7 a		X
b If 'Yes,' did the organization notify the donor of the value of the goods or services provided?	7 b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7 c		X
d If 'Yes,' indicate the number of Forms 8282 filed during the year.	7 d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7 e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7 f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7 g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7 h		
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the organization make any taxable distributions under section 4966?	9 a		
b Did the organization make a distribution to a donor, donor advisor, or related person?	9 b		
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12.	10 a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10 b		
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders.	11 a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11 b		
12 a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12 a		
b If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year.	12 b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state?	13 a		
Note. See the instructions for additional information the organization must report on Schedule O.			
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13 b		
c Enter the amount of reserves on hand.	13 c		
14 a Did the organization receive any payments for indoor tanning services during the tax year?	14 a		X
b If 'Yes,' has it filed a Form 720 to report these payments? If 'No,' provide an explanation in Schedule O.	14 b		

Part VI Governance, Management and Disclosure For each 'Yes' response to lines 2 through 7b below, and for a 'No' response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.Check if Schedule O contains a response to any question in this Part VI ☒**Section A. Governing Body and Management**

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year. 1a 10 If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
b Enter the number of voting members included in line 1a, above, who are independent. 1b 10		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?	2	X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5	X
6 Did the organization have members or stockholders?	6	X
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	X
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or other persons other than the governing body?	7b	X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8a	X
b Each committee with authority to act on behalf of the governing body?	8b	X
9 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O.	9	X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a	X
b If 'Yes,' did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X
b Describe in Schedule O the process, if any, used by the organization to review this Form 990. See Schedule O		
12a Did the organization have a written conflict of interest policy? If 'No,' go to line 13.	12a	X
b Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done.	12c	X
13 Did the organization have a written whistleblower policy?	13	X
14 Did the organization have a written document retention and destruction policy?	14	X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official. See Schedule O.	15a	X
b Other officers of key employees of the organization. See Schedule O.	15b	X
If 'Yes' to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	X
b If 'Yes,' did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ CA

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.

☒ Own website ☒ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public during the tax year. See Schedule O

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization:

▶ Joyce L. Meurer 150 E. San Fernando Street San Jose CA 95112 408-808-2615

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response to any question in this Part VII. ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1 a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of 'key employee.'
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☒ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Betsy Kerr Secretary	1	X		X				0.	0.	0.
(2) Alfred V. Reuter President	2	X		X				0.	0.	0.
(3) Deb Wible Director	1	X						0.	0.	0.
(4) Dan Caputo Jr Vice President	1	X		X				0.	0.	0.
(5) Mark Tonnesen Director	1	X						0.	0.	0.
(6) Christine Tower Director	1	X						0.	0.	0.
(7) Thomas Robinson Treasurer	2	X		X				0.	0.	0.
(8) Ron Westphal Director	1	X						0.	0.	0.
(9) Edward Pansullo Director	1	X						0.	0.	0.
(10) Won Cho Director	1	X						0.	0.	0.
(11) Joyce L Meurer Executive Director	40				X			48,750.	0.	0.
(12) _____										
(13) _____										
(14) _____										

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (cont)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Sch O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) _____										
(16) _____										
(17) _____										
(18) _____										
(19) _____										
(20) _____										
(21) _____										
(22) _____										
(23) _____										
(24) _____										
(25) _____										
1 b Sub-total								48,750.	0.	0.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								48,750.	0.	0.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **0**

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If 'Yes,' complete Schedule J for such individual.</i>		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If 'Yes' complete Schedule J for such individual.</i>		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If 'Yes,' complete Schedule J for such person.</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
None ,		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **0**

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS	1 a Federated campaigns	1 a				
	b Membership dues	1 b				
	c Fundraising events	1 c 5,000.				
	d Related organizations	1 d				
	e Government grants (contributions)	1 e 144,871.				
	f All other contributions, gifts, grants, and similar amounts not included above ...	1 f 271,457.				
	g Noncash contributions included in lns 1a-1f: \$	1,260.				
	h Total. Add lines 1a-1f		421,328.			
PROGRAM SERVICE REVENUE	Business Code					
	2 a					
	b					
	c					
	d					
	e					
	f All other program service revenue ...					
	g Total. Add lines 2a-2f					
OTHER REVENUE	3 Investment income (including dividends, interest and other similar amounts)		339.			339.
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6 a Gross rents	(i) Real (ii) Personal				
	b Less: rental expenses					
	c Rental income or (loss)					
	d Net rental income or (loss)					
	7 a Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
	b Less: cost or other basis and sales expenses		500.			
	c Gain or (loss)		500.			
	d Net gain or (loss)		500.			500.
	8 a Gross income from fundraising events (not including: \$ 5,000. of contributions reported on line 1c). See Part IV, line 18	a 37,810.				
	b Less: direct expenses	b 8,391.				
	c Net income or (loss) from fundraising events		29,419.			29,419.
	9 a Gross income from gaming activities. See Part IV, line 19	a				
	b Less: direct expenses	b				
	c Net income or (loss) from gaming activities					
	10 a Gross sales of inventory, less returns and allowances	a				
	b Less: cost of goods sold	b				
	c Net income or (loss) from sales of inventory					
Miscellaneous Revenue		Business Code				
11 a						
b						
c						
d All other revenue						
e Total. Add lines 11a-11d						
12 Total revenue. See instructions		451,586.	0.	0.	30,258.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Check if Schedule O contains a response to any question in this Part IX. ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21.				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22.				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.				
4 Benefits paid to or for members.				
5 Compensation of current officers, directors, trustees, and key employees.	48,750.	39,000.	4,875.	4,875.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	0.	0.	0.	0.
7 Other salaries and wages.	51,687.	51,687.		
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions).				
9 Other employee benefits.	12,647.	12,647.		
10 Payroll taxes.	9,432.	8,517.	457.	458.
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17.				
f Investment management fees.				
g Other.	53,383.	53,383.		
12 Advertising and promotion.	409.	409.		
13 Office expenses.	379.	355.	12.	12.
14 Information technology.				
15 Royalties.				
16 Occupancy.	115,000.	107,709.	3,646.	3,645.
17 Travel.				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19 Conferences, conventions, and meetings.	685.			685.
20 Interest.				
21 Payments to affiliates.				
22 Depreciation, depletion, and amortization.	27,691.	26,723.	327.	641.
23 Insurance.	3,505.	1,976.	1,453.	76.
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Consulting-Grant Writing	6,737.			6,737.
b Book Mailers & Oper Supplies	5,695.	5,695.		
c Miscellaneous	2,754.	220.	2,534.	
d Storage Rent	2,640.	2,472.	84.	84.
e All other expenses.	11,153.	9,559.	500.	1,094.
25 Total functional expenses. Add lines 1 through 24e.	352,547.	320,352.	13,888.	18,307.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input checked="" type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
ASSETS	1 Cash — non-interest-bearing.....		1	9,196.
	2 Savings and temporary cash investments.....	41,915.	2	91,971.
	3 Pledges and grants receivable, net.....		3	
	4 Accounts receivable, net.....		4	
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L.....		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions).....		6	
	7 Notes and loans receivable, net.....		7	
	8 Inventories for sale or use.....		8	
	9 Prepaid expenses and deferred charges.....		9	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D.....	10a 421,513.		
	b Less: accumulated depreciation.....	10b 282,921.	153,302.	10c 138,592.
	11 Investments — publicly traded securities.....		11	
	12 Investments — other securities. See Part IV, line 11.....		12	
	13 Investments — program-related. See Part IV, line 11.....		13	
	14 Intangible assets.....		14	
	15 Other assets. See Part IV, line 11.....		15	
16 Total assets. Add lines 1 through 15 (must equal line 34).....		195,217.	16	239,759.
LIABILITIES	17 Accounts payable and accrued expenses.....		17	
	18 Grants payable.....		18	
	19 Deferred revenue.....		19	
	20 Tax-exempt bond liabilities.....		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D.....		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L.....		22	
	23 Secured mortgages and notes payable to unrelated third parties.....		23	
	24 Unsecured notes and loans payable to unrelated third parties.....	50,000.	24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D.....	4,757.	25	261.
	26 Total liabilities. Add lines 17 through 25.....	54,757.	26	261.
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29 and lines 33 and 34.			
	27 Unrestricted net assets.....	-112,842.	27	906.
	28 Temporarily restricted net assets.....	100,000.	28	100,000.
	29 Permanently restricted net assets.....	153,302.	29	138,592.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds.....		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund.....		31	
	32 Retained earnings, endowment, accumulated income, or other funds.....		32	
	33 Total net assets or fund balances.	140,460.	33	239,498.
	34 Total liabilities and net assets/fund balances.	195,217.	34	239,759.

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Form 990 (2011)

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response to any question in this Part XI. ☒

1	Total revenue (must equal Part VIII, column (A), line 12).....	1	451,586.
2	Total expenses (must equal Part IX, column (A), line 25).....	2	352,547.
3	Revenue less expenses. Subtract line 2 from line 1.....	3	99,039.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)).....	4	140,460.
5	Other changes in net assets or fund balances (explain in Schedule O). See Schedule O.....	5	-1.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B)).....	6	239,498.

Part XII Financial Statements and ReportingCheck if Schedule O contains a response to any question in this Part XII. ☐

	Yes	No
1 Accounting method used to prepare the Form 990: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked 'Other,' explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	X
b Were the organization's financial statements audited by an independent accountant?	2b	X
c If 'Yes' to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.		
d If 'Yes' to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	X
b If 'Yes,' did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.	3b	

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Form 990 (2011)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization

Books Aloud, Inc.

Employer identification number

23-7317533

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 ☐ A church, convention of churches or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 ☐ A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 ☐ 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 exempt 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)**. (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a ☐ Type I
 - b ☐ Type II
 - c ☐ Type III — Functionally integrated
 - d ☐ Type III — Other
- e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f ☐ If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization, check this box.
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
- (ii) A family member of a person described in (i) above?
- (iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11 g (i)		
11 g (ii)		
11 g (iii)		

h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in column (i) listed in your governing document?		(v) Did you notify the organization in column (i) of your support?		(vi) Is the organization in column (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2011

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any 'unusual grants'.)	271,332.	224,480.	216,003.	182,535.	306,328.	1,200,678.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf.						0.
3 The value of services or facilities furnished by a governmental unit to the organization without charge.	114,660.	114,660.	114,660.	114,660.	115,000.	573,640.
4 Total. Add lines 1 through 3.	385,992.	339,140.	330,663.	297,195.	421,328.	1,774,318.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f).						369,833.
6 Public support. Subtract line 5 from line 4.						1,404,485.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4.	385,992.	339,140.	330,663.	297,195.	421,328.	1,774,318.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources.	2,500.	2,281.	380.	272.	339.	5,772.
9 Net income from unrelated business activities, whether or not the business is regularly carried on.						0.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						0.
11 Total support. Add lines 7 through 10.						1,780,090.
12 Gross receipts from related activities, etc (see instructions).					12	0.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here. ▶ <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f)).	14	78.90 %
15 Public support percentage from 2010 Schedule A, Part II, line 14.	15	80.25 %
16a 33-1/3% support test – 2011. If the organization did not check the box on line 13, and the line 14 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization. ▶ <input checked="" type="checkbox"/>		
b 33-1/3% support test – 2010. If the organization did not check a box on line 13 or 16a, and line 15 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
17a 10%-facts-and-circumstances test – 2011. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
b 10%-facts-and-circumstances test – 2010. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions. ▶ <input type="checkbox"/>		

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Schedule A (Form 990 or 990-EZ) 2011

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions and membership fees received. (Do not include any 'unusual grants'.)						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose.						
3 Gross receipts from activities that are not an unrelated trade or business under section 513.						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf.						
5 The value of services or facilities furnished by a governmental unit to the organization without charge.						
6 Total. Add lines 1 through 5.						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons.						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year.						
c Add lines 7a and 7b.						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6.						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources.						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975.						
c Add lines 10a and 10b.						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on.						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**. ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f)).	15	%
16 Public support percentage from 2010 Schedule A, Part III, line 15.	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2011 (line 10c, column (f) divided by line 13, column (f)).	17	%
18 Investment income percentage from 2010 Schedule A, Part III, line 17.	18	%

19a 33-1/3% support tests — 2011. If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization. ☐

b 33-1/3% support tests — 2010. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization. ☐

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions. ☐

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

[illegible]

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

► **Attach to Form 990, Form 990-EZ, or Form 990-PF**

OMB No. 1545-0047

2011

Name of the organization

Books Aloud, Inc.

Employer identification number

23-7317533

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

☒ 501(c)(3) (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

☐ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

Special Rules

☒ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ► \$ _____

Caution: An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF) but it **must** answer 'No' on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on Part I, line 2, of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2011)

Name of organization

Employer identification number

Books Aloud, Inc.

23-7317533

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	Variety Audio Foundation P. O. Box 5731 San Jose, CA 95150	\$ 55,126.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	City of San Jose 200 E. Santa Clara Ave San Jose, CA 95113	\$ 29,871.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	E & J Colombo Charitable Trust P. O. Box 1121 San Jose, CA 95108	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	The Valley Foundation 16450 Los Gatos Blvd Ste 210 Los Gatos, CA 95032	\$ 75,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	The Sharks Foundation 525 W. Santa Clara Avenue San Jose, CA 95113	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6	Leo M Shortino Family Foundation 1760 The Alameda San Jose, CA 95126	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

Books Aloud, Inc.

Employer identification number

23-7317533

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
	N/A		
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

BAA

Schedule B (Form 990, 990-EZ, or 990-PF) (2011)

Name of organization

Books Aloud, Inc.

Employer identification number

23-7317533

Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10)**organizations that total more than \$1,000 for the year.** Complete cols (a) through (e) and the following line entry.

For organizations completing Part III, enter total of *exclusively* religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this information once. See instructions.) ▶ \$ N/A

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**
▶ **Attach to Form 990. ▶ See separate instructions.**

OMB No. 1545-0047

2011

**Open to Public
Inspection**

Name of the organization

Employer identification number

Books Aloud, Inc.

23-7317533

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered 'Yes' to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year.....		
2 Aggregate contributions to (during year).....		
3 Aggregate grants from (during year).....		
4 Aggregate value at end of year.....		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?..... <input type="checkbox"/> Yes <input type="checkbox"/> No		
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?..... <input type="checkbox"/> Yes <input type="checkbox"/> No		

Part II Conservation Easements. Complete if the organization answered 'Yes' to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements.....	2a
b Total acreage restricted by conservation easements.....	2b
c Number of conservation easements on a certified historic structure included in (a).....	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register.....	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?..... ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?..... ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered 'Yes' to Form 990, Part IV, line 8.

1 a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1..... ▶ \$ _____

(ii) Assets included in Form 990, Part X..... ▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1..... ▶ \$ _____

b Assets included in Form 990, Part X..... ▶ \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition

d ☐ Loan or exchange programs

b ☐ Scholarly research

e ☐ Other _____

c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered 'Yes' to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1 a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If 'Yes,' explain the arrangement in Part XIV and complete the following table:

	Amount
c Beginning balance.....	1c
d Additions during the year.....	1d
e Distributions during the year.....	1e
f Ending balance.....	1f

2 a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If 'Yes,' explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered 'Yes' to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1 a Beginning of year balance.....	100,000.	100,000.	100,000.	100,000.	
b Contributions.....					
c Net investment earnings, gains, and losses.....					
d Grants or scholarships.....					
e Other expenditures for facilities and programs.....				0.	
f Administrative expenses.....					
g End of year balance.....	100,000.	100,000.	100,000.	100,000.	

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ▶ _____ %

b Permanent endowment ▶ _____ %

c Temporarily restricted endowment ▶ 100.00 %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3 a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) unrelated organizations.....

(ii) related organizations.....

	Yes	No
3a(i)	X	
3a(ii)		X
3b		

b If 'Yes' to 3a(ii), are the related organizations listed as required on Schedule R?.....

4 Describe in Part XIV the intended uses of the organization's endowment funds. See Part XIV

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1 a Land.....				
b Buildings.....				
c Leasehold improvements.....				
d Equipment.....		88,648.	49,234.	39,414.
e Other.....		332,865.	233,687.	99,178.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).).....				138,592.

BAA

Schedule D (Form 990) 2011

Part VII Investments – Other Securities. See Form 990, Part X, line 12. N/A

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) -----		
(B) -----		
(C) -----		
(D) -----		
(E) -----		
(F) -----		
(G) -----		
(H) -----		
(I) -----		
Total. (Column (b) must equal Form 990 Part X, column (B) line 12.) ▶		

Part VIII Investments – Program Related. See Form 990, Part X, line 13. N/A

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, column (B) line 13.) ▶		

Part IX Other Assets. See Form 990, Part X, line 15. N/A

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, column (B), line 15.) ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

(a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) Withheld Payroll Tax Payable	261.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, column (B) line 25.) ▶	

2 FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

N/A

1	Total revenue (Form 990, Part VIII, column (A), line 12).....	
2	Total expenses (Form 990, Part IX, column (A), line 25).....	
3	Excess or (deficit) for the year. Subtract line 2 from line 1.....	
4	Net unrealized gains (losses) on investments.....	
5	Donated services and use of facilities.....	
6	Investment expenses.....	
7	Prior period adjustments.....	
8	Other (Describe in Part XIV.).....	
9	Total adjustments (net). Add lines 4 through 8.....	
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9.....	

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return N/A

1	Total revenue, gains, and other support per audited financial statements.....	1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments.....	2a	
b	Donated services and use of facilities.....	2b	
c	Recoveries of prior year grants.....	2c	
d	Other (Describe in Part XIV.).....	2d	
e	Add lines 2a through 2d.....	2e	
3	Subtract line 2e from line 1.....	3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b.....	4a	
b	Other (Describe in Part XIV.).....	4b	
c	Add lines 4a and 4b.....	4c	
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.).....	5	

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return N/A

1	Total expenses and losses per audited financial statements.....	1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities.....	2a	
b	Prior year adjustments.....	2b	
c	Other losses.....	2c	
d	Other (Describe in Part XIV.).....	2d	
e	Add lines 2a through 2d.....	2e	
3	Subtract line 2e from line 1.....	3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b.....	4a	
b	Other (Describe in Part XIV.).....	4b	
c	Add lines 4a and 4b.....	4c	
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.).....	5	

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Part V, Line 4 - Intended Uses Of Endowment Fund

Income to be used for program operating expenses

Part XIV	Supplemental Information <i>(continued)</i>
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[illegible]

Department of the Treasury
Internal Revenue Service

Complete if the organization answered 'Yes' to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization

Books Aloud, Inc.

Employer identification number

23-7317533

Part I

Fundraising Activities. Complete if the organization answered 'Yes' to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

- 1** Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a ☐ Mail solicitations
- b ☐ Internet and email solicitations
- c ☐ Phone solicitations
- d ☐ In-person solicitations
- e ☐ Solicitation of non-government grants
- f ☐ Solicitation of government grants
- g ☒ Special fundraising events

- 2a** Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ Yes ☒ No

- b** If 'Yes,' list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in column (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						

Total.....▶			0.
-------------	--	--	----

- 3** List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

[illegible]

Part II Fundraising Events. Complete if the organization answered 'Yes' to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

REVENUE		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		Masquerade Bal (event type)	(event type)	(total number)	(add column (a) through column (c))
	1 Gross receipts	42,810.			42,810.
	2 Less: Charitable contributions	5,000.			5,000.
	3 Gross income (line 1 minus line 2)	37,810.			37,810.
DIRECT EXPENSES	4 Cash prizes	600.			600.
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages	3,548.			3,548.
	8 Entertainment	500.			500.
	9 Other direct expenses	3,743.			3,743.
	10 Direct expense summary. Add lines 4 through 9 in column (d)				8,391.
	11 Net income summary. Combine line 3, column (d), and line 10				29,419.

Part III Gaming. Complete if the organization answered 'Yes' to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

REVENUE		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming
					(add column (a) through column (c))
	1 Gross revenue				
DIRECT EXPENSES	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
	7 Direct expense summary. Add lines 2 through 5 in column (d)				
	8 Net gaming income summary. Combine lines 1, column (d) and line 7				

9 Enter the state(s) in which the organization operates gaming activities: _____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If 'No,' explain: _____

10 a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If 'Yes,' explain: _____

BAA TEEA3703L 05/20/11 Schedule G (Form 990 or 990-EZ) 2011

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

► **Complete if the organization answered**
'Yes' on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c,
or Form 990-EZ, Part V, line 38a or 40b.
► **Attach to Form 990 or Form 990-EZ. ► See separate instructions.**

OMB No. 1545-0047

2011

**Open to Public
Inspection**

Name of the organization

Books Aloud, Inc.

Employer identification number

23-7317533

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

Complete if the organization answered 'Yes' on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958. ► \$

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization. ► \$

Part II Loans to and/or From Interested Persons.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 26 or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
(1)										
(2)										
(3)										
(4)										
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										

Total. ► \$

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount and type of assistance
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule L (Form 990 or 990-EZ) 2011

SCHEDULE R
(Form 990)Department of the Treasury
Internal Revenue Service

Name of the organization

Books Aloud, Inc.

Related Organizations and Unrelated Partnerships

- Complete if the organization answered 'Yes' to Form 990, Part IV, line 33, 34, 35, 36, or 37.
► Attach to Form 990. ► See separate instructions.

OMB No. 1545-0047

2011**Open to Public
Inspection**

Employer identification number

23-7317533

Part I Identification of Disregarded Entities (Complete if the organization answered 'Yes' to Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) _____ _____ _____					
(2) _____ _____ _____					
(3) _____ _____ _____					

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Sec 512(b)(13) controlled entity?	
						Yes	No
(1) <u>Variety Audio Foundation</u> <u>P.O. Box 5731</u> <u>San Jose, CA 95150</u> <u>77-0077076</u>	Endowment	CA	501 (c) (3)	509 (a) (3) Type 1	N/A		X
(2) _____ _____ _____							
(3) _____ _____ _____							
(4) _____ _____ _____							

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Dispropor- tionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) ----- ----- -----												
(2) ----- ----- -----												
(3) ----- ----- -----												

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) ----- ----- -----							
(2) ----- ----- -----							
(3) ----- ----- -----							

Part V Transactions With Related Organizations (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34, 35, 35a, or 36.)**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

	Yes	No
1 During the tax year did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to related organization(s)		X
c Gift, grant, or capital contribution from related organization(s)	X	
d Loans or loan guarantees to or for related organization(s)		X
e Loans or loan guarantees by related organization(s)		X
f Sale of assets to related organization(s)		X
g Purchase of assets from related organization(s)		X
h Exchange of assets with related organization(s)		X
i Lease of facilities, equipment, or other assets to related organization(s)		X
j Lease of facilities, equipment, or other assets from related organization(s)		X
k Performance of services or membership or fundraising solicitations for related organization(s)		X
l Performance of services or membership or fundraising solicitations by related organization(s)		X
m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)		X
n Sharing of paid employees with related organization(s)		X
o Reimbursement paid to related organization(s) for expenses		X
p Reimbursement paid by related organization(s) for expenses		X
q Other transfer of cash or property to related organization(s)		X
r Other transfer of cash or property from related organization(s)		X

2 If the answer to any of the above is 'Yes,' see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) Variety Audio Foundation	c	55,126.	Cash
(2)			
(3)			
(4)			
(5)			
(6)			

Part VI **Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrel- ated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Dispropor- tionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 Form (1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1) ----- ----- -----													
(2) ----- ----- -----													
(3) ----- ----- -----													
(4) ----- ----- -----													
(5) ----- ----- -----													
(6) ----- ----- -----													
(7) ----- ----- -----													
(8) ----- ----- -----													

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

[illegible]

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047

2011

**Open to Public
Inspection**

Name of the organization

Books Aloud, Inc.

Employer identification number

23-7317533

Form 990, Part III, Line 4a - Program Service Accomplishments

The program service activity provided by Books Aloud, Inc is a free lending library of books recorded by volunteer voices digitally and transferred onto cassette tapes and CDs for those who can only read by listening..the blind and disabled. During fiscal year ended June 30, 2012, 163 new recorded book titles were added to the library. A selection committee of volunteers met regularly to plan for excellence in book material. 21,401 albums were in circulation during this fiscal year, providing an average of 15,104 listening hours each month. The average book taped by volunteers is from 200 to 400 pages and takes about four to twelve cassettes to record. Staff and volunteers duplicate each master tape, so that many albums of the book are available for circulation. Tapes are mailed out for 30 to 90 days to a client. Client files are maintained to record preference to type of books, book requests and other information in order to service each client individually. In addition, many schools, hospitals and senior citizen facilities and organizations use the services. This year 46 mini satellite libraries were serviced in collaboration with senior homes and 34 Special Education Classes in Santa Clara County School Systems. Home deliveries continue by staff and volunteers using the donated delivery vehicle. While clients are mainly located in California, 15% of the taped books are loaned to clients out-of-state. The Lions Club's monthly magazine is recorded and sent to an average of 140 blind members of Lions Clubs in the United States, Canada and four other countries. In this fiscal year, the volunteer voices also recorded the many community service materials for the City of San Jose, the County of Santa Clara, various community service organizations and art agencies for distribution to blind and disabled persons. An average of 57 volunteers assist the staff every month with work of the program, ranging from cataloging, circulation, editing, repair, mailing and making labels in Braille for the cassettes and albums. An average of 46

Name of the organization

Books Aloud, Inc.

Employer identification number

23-7317533

Form 990, Part III, Line 4a - Program Service Accomplishments

individuals record the books, magazines and city and county informational materials

in the recording booth every month. Portable tape recorders are available to loan to

clients. Government support is realized by the provisions of US PO Free Matter for

the Blind mailing and the use of occupancy and delivery by the San Jose Public

Library. This year the "Sight & Sound" project was enlarged due to the requests from

parents and teachers of the learning disabled and dyslexic students. The audio book

along with the printed book is sent to this classification of clients, thereby,

increasing their ability of becoming "readers". We currently have over 1150 kits.

Due to the availability of commercially recorded audio books, we now have an even

greater number of titles for our disabled clients. Commercially recorded books have

been donated to Books Aloud, which in turn, are assembled and placed in the

collection and available for distribution to our clients. This year we placed 83

commercially recorded albums in our collection.

Form 990, Part VI, Line 11b - Form 990 Review Process

Presented to and Reviewed by Executive Director Prior to Filing

Form 990, Part VI, Line 15a - Compensation Review & Approval Process for CEO, Exec. Dir., or Top Mgtment

Annual discussion and approval of executive director compensation by Board of

Directors.

Form 990, Part VI, Line 15b - Compensation Review & Approval Process for Officers & Key Employees

Annual employee reviews with discussion and approval by Board of Directors

Form 990, Part VI, Line 19 - Other Organization Documents Publicly Available

Form 990 available annually on charity website. A copy of the Form 990 is given or

mailed to anyone requesting a copy and is posted on organization's website.

Books Aloud, Inc.

23-7317533

Form 990, Part XI, Line 5
Other Changes in Net Assets or Fund Balances

Rounding.....	Total	\$	-1.
		\$	<u>-1.</u>

6/30/12

2011 Federal Book Depreciation Schedule

Page 1

Books Aloud, Inc.

23-7317533

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
Form 990/990-PF																
Furniture and Fixtures																
1	Braille Typewriter	12/01/75		150							150	150	S/L	15		0
2	File Cabinets	5/01/78		145							145	145	S/L	15		0
3	File Cabinet	5/01/79		237							237	237	S/L	15		0
4	Table, Cabinet, Cart	9/01/79		289							289	289	S/L	15		0
5	5 Cabinets, Table	6/01/80		1,148							1,148	1,148	S/L	15		0
6	File Cabinets	6/01/81		726							726	726	S/L	15		0
7	4 Cabinets	12/01/81		656							656	656	S/L	15		0
8	2 Tape Cabinets	10/01/82		632							632	632	S/L	15		0
9	File Cabinet	6/01/84		148							148	148	S/L	15		0
10	Cabinets, Book Truck	6/01/85		863							863	863	S/L	15		0
11	Cabinets	6/01/86		515							515	515	S/L	15		0
12	5-Shelf Cabinet	12/01/86		310							310	310	S/L	15		0
13	Cabinets	12/01/86		385							385	385	S/L	10		0
14	Cabinet	1/01/87		347							347	347	S/L	15		0
15	Cassette Cabinets	2/01/88		1,708							1,708	1,708	S/L	10		0
16	Cabinet	3/01/89		1,277							1,277	1,277	S/L	10		0
17	File & Cassette Cabinets	5/01/90		1,677							1,677	1,677	S/L	10		0
18	Book Truck	6/01/91		398							398	398	S/L	10		0
19	Cabinets	3/01/92		382							382	382	S/L	10		0
21	Book Truck & Cabinets	5/01/93		5,214							5,214	5,214	S/L	10		0
35	Picture	9/03/97		116							116	116	S/L	10		0
36	Cassette Cabinet	12/02/98		4,839							4,839	4,839	S/L	10		0
44	Silk Plants	8/05/03		290							290	290	S/L	7		0

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2011 Federal Book Depreciation Schedule

Page 2

Books Aloud, Inc.

23-7317533

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
45	Konica 7055 Copier	8/04/03		10,000							10,000	10,000	S/L	5		0
46	Laminator	8/07/03		75							75	75	S/L	5		0
47	Conference Table,Chairs	8/14/03		2,500							2,500	1,979	S/L	10		250
48	Cassette Cabinets	12/18/03		517							517	411	S/L	10		52
49	Braille	6/30/04		1,140							1,140	1,140	S/L	5		0
59	3 DVD Players	3/30/05		227							227	227	S/L	5		0
89	Bookcases	9/11/07		333							333	127	S/L	10		33
90	Lateral Files & Bookcases	1/18/08		953							953	333	S/L	10		95
96	Laminating Machine	4/16/09		208							208	94	S/L	5		42
111	6 Bookcases	5/06/10		552							552	101	S/L	10		55
112	Copy Machine	7/18/09		546							546	119	S/L	5		109
113	Presentation Projector	6/18/10		2,000							2,000	433	S/L	5		400
114	Binding Machine	10/02/09		448							448	98	S/L	5		90
Total Furniture and Fixtures				41,951		0	0	0	0	0	41,951	37,589				1,126
Machinery and Equipment																
20	Binder,Calculator	3/01/92		651							651	651	S/L	5		0
22	Electric Braille	8/01/92		925							925	925	S/L	5		0
40	Otari Duplicator	8/16/01		6,745							6,745	6,745	S/L	7		0
50	3 Loaner Head Sets	4/09/04		53							53	53	S/L	5		0
51	2 Sony Tape Decks	7/02/03		1,126							1,126	1,126	S/L	7		0
52	Microphone, Foam	12/10/03		899							899	899	S/L	7		0
53	Booth Table & Plexiglass	12/30/03		179							179	136	S/L	10		18
54	CD Recorder	3/18/04		665							665	665	S/L	7		0
55	18 Loaner Head Sets	7/13/04		109							109	109	S/L	5		0
58	17 Headsets	6/20/05		158							158	158	S/L	5		0

6/30/12

2011 Federal Book Depreciation Schedule

Page 3

Books Aloud, Inc.

23-7317533

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
60	5 Barcode Scanners	2/28/05		2,177							2,177	2,177	S/L	5		0
67	Sonicwall Firewall	7/05/05		731							731	731	S/L	5		0
68	Epson RX50	3/30/06		230							230	230	S/L	5		0
69	Yamaha Amplifier, Hard Di	5/31/06		2,147							2,147	2,147	S/L	5		0
70	Readers Lamp	11/15/05		162							162	131	S/L	7		23
71	2 Headsets	11/15/05		32							32	32	S/L	5		0
72	13 Loaner Recorders	2/04/06		678							678	678	S/L	5		0
77	Computer 500GB External	7/14/06		433							433	433	S/L	5		0
78	Computer Adobe Audition	9/18/06		638							638	618	S/L	5		20
79	Computer Compaq V520	12/13/06		1,070							1,070	963	S/L	5		107
80	Computer for Studio	3/16/07		1,100							1,100	953	S/L	5		147
81	Garned Degausser	10/26/06		1,250							1,250	850	S/L	7		178
82	Studio Equipment	3/29/07		372							372	230	S/L	7		53
83	17 Loaner Recorders	10/30/06		202							202	190	S/L	5		12
84	7 Loaner Recorders	4/27/07		192							192	168	S/L	5		24
85	13 Loaner Recorders	6/01/07		217							217	176	S/L	5		41
91	8 Loaner Recorders	9/20/07		210							210	161	S/L	5		42
97	2 Duplicators	10/31/08		7,562							7,562	2,880	S/L	7		1,081
98	Studio Lamp	4/16/09		207							207	67	S/L	7		29
99	Laptop Computer	7/09/08		852							852	510	S/L	5		170
100	35 Loaner Recorders	10/01/08		1,303							1,303	717	S/L	5		261
102	20 Headsets	3/05/10		312							312	84	S/L	5		63
103	6 Loaner Recorders	3/05/10		192							192	51	S/L	5		38
104	6 Loaner Recorders	6/01/10		330							330	71	S/L	5		66
106	HP Computer & Installatio	8/27/09		2,085							2,085	799	S/L	5		417
107	Donor Perfect Software	9/30/09		5,780							5,780	2,119	S/L	5		1,156
108	4 HP Computers,3 Monitors	10/30/09		8,546							8,546	2,991	S/L	5		1,709

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2011 Federal Book Depreciation Schedule

Page 4

Books Aloud, Inc.

23-7317533

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
109	HP P2035 Printer	11/06/09		962							962	320	S/L	5		192
110	6 52002Z P Computers	12/31/09		7,791							7,791	2,467	S/L	5		1,558
116	6 Panasonic Loaner Record	9/27/10		240							240	40	S/L	5		48
117	20 Loaner Tape Players	11/19/10		515							515	69	S/L	5		103
118	2 Sony Dual Cassettee	9/27/10		238							238	28	S/L	7		34
119	Dual Tape Deck	11/19/10		488							488	47	S/L	7		70
120	4 CD Players	11/19/10		429							429	41	S/L	7		61
121	HP Server & Installation	7/09/10		5,843							5,843	1,169	S/L	5		1,169
122	Studio Computers & Instal	10/12/10		7,314							7,314	1,097	S/L	5		1,463
123	Team Viewer & Installatio	1/28/11		4,377							4,377	438	S/L	5		875
124	Hard Drives & Bay	4/16/11		569							569	28	S/L	5		114
128	20 Loaner Tape Players	12/23/11		898							898		S/L	5		90
129	24 Port & UPS Systems	7/11/11		460							460		S/L	5		92
130	DP-8-C3L Duplicator Maste	10/31/11		4,942							4,942		S/L	7		529
131	DP-8-Z4L Duplicator Slave	12/20/11		4,638							4,638		S/L	7		387
Total Machinery and Equipment				90,224		0	0	0	0	0	90,224	38,368				12,440
Miscellaneous																
23	Tapes and Albums	1/01/87		1,434							1,434	1,434	S/L	12		0
24	Tapes and Albums	1/01/88		9,633							9,633	9,633	S/L	12		0
25	Tapes and Albums	1/01/89		13,750							13,750	13,750	S/L	12		0
26	Tapes and Albums	1/01/90		10,573							10,573	10,573	S/L	12		0
27	Tapes and Albums	1/01/91		14,512							14,512	14,512	S/L	12		0
28	Tapes and Albums	1/01/92		7,175							7,175	7,175	S/L	12		0
29	Tapes and Albums	1/01/93		1,839							1,839	1,839	S/L	12		0
30	Tapes and Albums	1/01/94		9,259							9,259	9,259	S/L	12		0

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2011 Federal Book Depreciation Schedule

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Books Aloud, Inc.

23-7317533

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
31	Tapes and Albums	1/01/95		7,841							7,841	7,841	S/L	12		0
32	Tapes and Albums	1/01/96		7,462							7,462	7,462	S/L	12		0
33	Tapes and Albums	1/01/97		6,811							6,811	6,811	S/L	12		0
34	Tapes and Albums	1/01/98		6,433							6,433	6,433	S/L	12		0
37	Tapes and Albums	1/01/99		6,963							6,963	6,963	S/L	12		0
38	Tapes and Albums	1/01/00		5,821							5,821	5,578	S/L	12		243
39	Tapes and Albums	1/01/01		7,382							7,382	6,459	S/L	12		615
41	Tapes and Albums	1/01/02		2,980							2,980	2,358	S/L	12		248
42	Tapes and Albums	1/01/03		870							870	618	S/L	12		73
43	Tapes and Albums	1/01/04		10,115							10,115	6,322	S/L	12		843
62	Tapes & Albums	1/01/05		5,508							5,508	2,984	S/L	12		459
63	CDs & Albums	1/01/05		769							769	416	S/L	12		64
64	Commercial Audio Books	6/27/05		1,506							1,506	1,506	S/L	5		0
65	Commercial Audio Books	6/28/05		21,425							21,425	21,425	S/L	5		0
66	Commercial Audio Books	6/30/05		3,100							3,100	3,100	S/L	5		0
73	Tapes & Albums	1/01/06		6,339							6,339	2,905	S/L	12		528
74	Commercial Audio Tapes	12/29/05		664							664	664	S/L	5		0
75	Commercial Audio Tapes	3/30/06		427							427	427	S/L	5		0
76	Commercial Audio Tapes	5/31/06		384							384	384	S/L	5		0
86	Tapes & Albums	1/01/07		7,848							7,848	2,943	S/L	12		654
87	Commercial Audio Books	8/12/06		211							211	90	S/L	12		18
88	Commercial Audio Books	9/12/06		15,000							15,000	6,042	S/L	12		1,250
92	Tapes & Albums	1/01/08		12,037							12,037	3,508	S/L	12		1,003
93	Commercial Audio Books	9/14/07		210							210	68	S/L	12		18
94	Commercial Audio Books	6/02/08		17,500							17,500	4,496	S/L	12		1,458
95	Commercial Audio Books	6/19/08		135							135	38	S/L	12		11
101	Tapes & Albums	1/01/09		4,828							4,828	1,005	S/L	12		402

6/30/12

2011 Federal Book Depreciation Schedule

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Books Aloud, Inc.

23-7317533

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
105	Tapes & Albums	1/01/10		5,377							5,377	672	S/L	12		448
115	Promotional DVD	11/19/09		1,885							1,885	1,047	S/L	3		628
125	Tapes and Albums	1/01/11		3,008							3,008	125	S/L	12		251
126	4828 Commercial Audio Boo	6/01/11		48,280							48,280	402	S/L	10		4,828
127	Tapes and Albums	1/01/12		2,043							2,043		S/L	12		85
Total Miscellaneous				289,337		0	0	0	0	0	289,337	179,267				14,127
Total Depreciation				<u>421,512</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>421,512</u>	<u>255,224</u>				<u>27,693</u>
Grand Total Depreciation				<u>421,512</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>421,512</u>	<u>255,224</u>				<u>27,693</u>

2011

California Exempt Organization
Annual Information Return

199

Calendar Year 2011 or fiscal year beginning month 07 day 01 year 2011, and ending month 06 day 30 year 2012

Corporation/Organization Name

BOOKS ALOUD, INC.

California corporation number

D-0687948

Address (suite, room, or PMB no.)

P. O. BOX 5731

FEIN

23-7317533

City

State ZIP Code

SAN JOSE, CA 95150

A First Return ☐ Yes ☒ NoB Amended Return ☒ Yes ☒ NoC IRC Section 4947(a)(1) trust ☐ Yes ☒ NoD Final Return ☐ Yes ☒ No
☒ Dissolved ☐ Surrendered (Withdrawn)

☐ Merged/Reorganized Enter date:

E Check accounting method:

1 ☒ Cash 2 ☐ Accrual 3 ☐ Other

F Federal return filed?

1 ☐ 990T 2 ☐ 990 (PF) 3 ☐ Sch H (990)G Is this a group filing for the subordinates/affiliates? ☐ Yes ☒ No

If 'Yes,' attach a roster. See instructions

H Is this organization in a group exemption? ☐ Yes ☒ No

If 'Yes,' What's the parent's name?

I Did the organization have any changes in its activities, governing instrument, articles of incorporation, or bylaws that have not been reported to the Franchise Tax Board? ☐ Yes ☒ No

If 'Yes,' explain, and attach copies of revised documents.

J If exempt under R&TC Section 23701d, has the organization during the year: (1) participated in any political campaign, or (2) attempted to influence legislation or any ballot measure, or (3) made an election under R&TC Section 23704.5 (relating to lobbying by public charities)? ☐ Yes ☒ No

If 'Yes,' complete and attach form FTB 3509.

K Is the organization exempt under R&TC Section 23701g? ☐ Yes ☒ No

If 'Yes,' enter gross receipts from

nonmember sources \$

L If organization is exempt under R&TC Section 23701d and is exclusively religious, educational, or charitable, and is supported primarily (50% or more) by public contributions, check box. No filing fee is required. ☒M Is the organization a Limited Liability Company? ☐ Yes ☒ NoN Did the organization file Form 100 or Form 109 to report taxable income? ☐ Yes ☒ NoO Is the organization under audit by the IRS or has the IRS audited in a prior year? ☐ Yes ☒ No

Part I Complete Part I unless not required to file this form. See General Instructions B and C.

Receipts and Revenues	1	Gross sales or receipts from other sources. From Side 2, Part II, line 8.	38,649.	
	2	Gross dues and assessments from members and affiliates.		
	3	Gross contributions, gifts, grants, and similar amounts received. SEE SCH. B	421,328.	
	4	Total gross receipts for filing requirement test. Add line 1 through line 3. This line must be completed. If the result is less than \$25,000, see General Instruction B.	459,977.	
	5	Cost of goods sold.	5	
	6	Cost or other basis, and sales expenses of assets sold.	6	
	7	Total costs. Add line 5 and line 6.		
	8	Total gross income. Subtract line 7 from line 4.	459,977.	
Expenses	9	Total expenses and disbursements. From Side 2, Part II, line 18.	360,938.	
	10	Excess of receipts over expenses and disbursements. Subtract line 9 from line 8.	99,039.	
Filing Fee	11	Filing fee \$10 or \$25. See General Instruction F.		
	12	Total payments.		
	13	Penalties and Interest. See General Instruction J.		
	14	Use tax. See General Instruction K.		
	15	Balance due. Add line 11, line 13, and line 14. Then subtract line 12 from the result.		
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 taxpayer) is based on all information of which preparer has any knowledge.			
	Signature of officer	Title EXECUTIVE DIRECTOR	Date	Telephone 408-808-2613
Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input checked="" type="checkbox"/>	Paid PTIN P01408132
	Firm's name (or yours, if self-employed) and address	MARY F. VETTOREL, CPA 1952 CAMDEN AVE., SUITE 102 SAN JOSE, CA 95124		FEIN 77-0038808
				Telephone (408) 364-2322
	May the FTB discuss this return with the preparer shown above? See instructions.			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Part II Organizations with gross receipts of more than \$25,000 and private foundations regardless of amount of gross receipts – complete Part II or furnish substitute information. See Specific Line Instructions.

Receipts from Other Sources	1	Gross sales or receipts from all business activities. See instructions.	•	1	
	2	Interest	•	2	339.
	3	Dividends	•	3	
	4	Gross rents	•	4	
	5	Gross royalties	•	5	
	6	Gross amount received from sale of assets (See instructions)	•	6	500.
	7	Other income. Attach schedule. SEE STATEMENT 1	•	7	37,810.
	8	Total gross sales or receipts from other sources. Add line 1 through line 7. Enter here and on Side 1, Part I, line 1.		8	38,649.
Expenses and Disbursements	9	Contributions, gifts, grants, and similar amounts paid. Attach schedule	•	9	
	10	Disbursements to or for members.	•	10	
	11	Compensation of officers, directors, and trustees. Attach schedule. . SEE STATEMENT 2	•	11	48,750.
	12	Other salaries and wages	•	12	51,687.
	13	Interest	•	13	
	14	Taxes	•	14	9,432.
	15	Rents	•	15	115,000.
	16	Depreciation and depletion (See instructions)	•	16	27,691.
	17	Other Expenses and Disbursements. Attach schedule. SEE STATEMENT 3	•	17	108,378.
	18	Total expenses and disbursements. Add line 9 through line 17. Enter here and on Side 1, Part I, line 9.		18	360,938.

Schedule L Balance Sheets		Beginning of taxable year		End of taxable year	
Assets		(a)	(b)	(c)	(d)
1	Cash		41,915.		101,167.
2	Net accounts receivable				
3	Net notes receivable				
4	Inventories				
5	Federal and state government obligations				
6	Investments in other bonds				
7	Investments in stock				
8	Mortgage loans				
9	Other investments Attach schedule.				
10 a	Depreciable assets.	416,909.		421,513.	
b	Less accumulated depreciation.	263,607.	153,302.	282,921.	138,592.
11	Land				
12	Other assets. Attach schedule.				
13	Total assets.		195,217.		239,759.
Liabilities and net worth					
14	Accounts payable				
15	Contributions, gifts, or grants payable				
16	Bonds and notes payable		50,000.		
17	Mortgages payable				
18	Other liabilities. Attach schedule. STM. 4		4,757.		261.
19	Capital stock or principle fund		140,460.		239,498.
20	Paid-in or capital surplus. Attach reconciliation.				
21	Retained earnings or income fund				
22	Total liabilities and net worth.		195,217.		239,759.

Schedule M-1 Reconciliation of income per books with income per return

Do not complete this schedule if the amount on Schedule L, line 13, column (d), is less than \$25,000

1	Net income per books	•	99,039.	7	Income recorded on books this year not included in this return. Attach schedule.	•	
2	Federal income tax	•		8	Deductions in this return not charged against book income this year. Attach schedule.	•	
3	Excess of capital losses over capital gains	•		9	Total. Add line 7 and line 8		
4	Income not recorded on books this year. Attach schedule.	•		10	Net income per return. Subtract line 9 from line 6		99,039.
5	Expenses recorded on books this year not deducted in this return. Attach schedule	•					
6	Total. Add line 1 through line 5		99,039.				

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

California Copy

Schedule of Contributors

► **Attach to Form 990, Form 990-EZ, or Form 990-PF**

OMB No. 1545-0047

2011

Name of the organization

Books Aloud, Inc.

Employer identification number

23-7317533

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

☒ 501(c)(3) (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

Special Rules

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ► \$ _____

Caution: An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF) but it **must** answer 'No' on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on Part I, line 2, of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2011)

Name of organization

Employer identification number

Books Aloud, Inc.

23-7317533

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	Variety Audio Foundation P. O. Box 5731 San Jose, CA 95150	\$ 55,126.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	City of San Jose 200 E. Santa Clara Ave San Jose, CA 95113	\$ 29,871.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	E & J Colombo Charitable Trust P. O. Box 1121 San Jose, CA 95108	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	The Valley Foundation 16450 Los Gatos Blvd Ste 210 Los Gatos, CA 95032	\$ 75,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	The Sharks Foundation 525 W. Santa Clara Avenue San Jose, CA 95113	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6	Leo M Shortino Family Foundation 1760 The Alameda San Jose, CA 95126	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

Books Aloud, Inc.

23-7317533

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
7	Fidelity Charitable Gift Fund PO Box 770001 Cincinnati, OH 45277	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
8	Oracle America Inc 1001 Sunset Blvd Rocklin, CA 95765	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

Books Aloud, Inc.

Employer identification number

23-7317533

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
	N/A		
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

BAA

Schedule B (Form 990, 990-EZ, or 990-PF) (2011)

Name of organization

Books Aloud, Inc.

Employer identification number

23-7317533

Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10)**organizations that total more than \$1,000 for the year.** Complete cols (a) through (e) and the following line entry.For organizations completing Part III, enter total of *exclusively* religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this information once. See instructions.) ▶ \$ N/A
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	BRaille TYPEWRIT	12/01/75	150.	150.	S/L	15		
	FILE CABINETS	5/01/78	145.	145.	S/L	15		
	FILE CABINET	5/01/79	237.	237.	S/L	15		
	TABLE, CABINET,	9/01/79	289.	289.	S/L	15		
	5 CABINETS, TABL	6/01/80	1,148.	1,148.	S/L	15		
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....					15	27,691.	

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20	Total. Add the amounts in column (g).....						20
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.....						21
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12.....						22

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	FILE CABINETS	6/01/81	726.	726.	S/L	15		
	4 CABINETS	12/01/81	656.	656.	S/L	15		
	2 TAPE CABINETS	10/01/82	632.	632.	S/L	15		
	FILE CABINET	6/01/84	148.	148.	S/L	15		
	CABINETS, BOOK TR	6/01/85	863.	863.	S/L	15		
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....						15	

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20	Total. Add the amounts in column (g).....						20
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.....						21
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12.....						22

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	CABINETS	6/01/86	515.	515.	S/L	15		
	5-SHELF CABINET	12/01/86	310.	310.	S/L	15		
	CABINETS	12/01/86	385.	385.	S/L	10		
	CABINET	1/01/87	347.	347.	S/L	15		
	CASSETTE CABINET	2/01/88	1,708.	1,708.	S/L	10		
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....						15	

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20	Total. Add the amounts in column (g).....						20
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.....						21
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12.....						22

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	CABINET	3/01/89	1,277.	1,277.	S/L	10		
	FILE & CASSETTE	5/01/90	1,677.	1,677.	S/L	10		
	BOOK TRUCK	6/01/91	398.	398.	S/L	10		
	CABINETS	3/01/92	382.	382.	S/L	10		
	BINDER, CALCULATO	3/01/92	651.	651.	S/L	5		
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....						15	

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20	Total. Add the amounts in column (g).....						20
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.....						21
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12.....						22

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	BOOK TRUCK & CAB	5/01/93	5,214.	5,214.	S/L	10		
	ELECTRIC BRAILLE	8/01/92	925.	925.	S/L	5		
	TAPES AND ALBUMS	1/01/87	1,434.	1,434.	S/L	12		
	TAPES AND ALBUMS	1/01/88	9,633.	9,633.	S/L	12		
	TAPES AND ALBUMS	1/01/89	13,750.	13,750.	S/L	12		
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....						15	

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20	Total. Add the amounts in column (g).....						20
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.....						21
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12.....						22

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	TAPES AND ALBUMS	1/01/90	10,573.	10,573.	S/L	12		
	TAPES AND ALBUMS	1/01/91	14,512.	14,512.	S/L	12		
	TAPES AND ALBUMS	1/01/92	7,175.	7,175.	S/L	12		
	TAPES AND ALBUMS	1/01/93	1,839.	1,839.	S/L	12		
	TAPES AND ALBUMS	1/01/94	9,259.	9,259.	S/L	12		
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....						15	

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20	Total. Add the amounts in column (g).....						20
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.....						21
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12.....						22

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	TAPES AND ALBUMS	1/01/95	7,841.	7,841.	S/L	12		
	TAPES AND ALBUMS	1/01/96	7,462.	7,462.	S/L	12		
	TAPES AND ALBUMS	1/01/97	6,811.	6,811.	S/L	12		
	TAPES AND ALBUMS	1/01/98	6,433.	6,433.	S/L	12		
	PICTURE	9/03/97	116.	116.	S/L	10		
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....						15	

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20	Total. Add the amounts in column (g).....						20
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.....						21
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12.....						22

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	CASSETTE CABINET	12/02/98	4,839.	4,839.	S/L	10		
	TAPES AND ALBUMS	1/01/99	6,963.	6,963.	S/L	12		
	TAPES AND ALBUMS	1/01/00	5,821.	5,578.	S/L	12	243.	
	TAPES AND ALBUMS	1/01/01	7,382.	6,459.	S/L	12	615.	
	OTARI DUPLICATOR	8/16/01	6,745.	6,745.	S/L	7		
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....					15		

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20	Total. Add the amounts in column (g).....						20
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.....						21
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12.....						22

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	TAPES AND ALBUMS	1/01/02	2,980.	2,358.	S/L	12	248.	
	TAPES AND ALBUMS	1/01/03	870.	618.	S/L	12	73.	
	TAPES AND ALBUMS	1/01/04	10,115.	6,322.	S/L	12	843.	
	SILK PLANTS	8/05/03	290.	290.	S/L	7		
	KONICA 7055 COPI	8/04/03	10,000.	10,000.	S/L	5		
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....						15	

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20	Total. Add the amounts in column (g).....						20
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.....						21
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12.....						22

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	LAMINATOR	8/07/03	75.	75.	S/L	5		
	CONFERENCE TABLE	8/14/03	2,500.	1,979.	S/L	10	250.	
	CASSETTE CABINET	12/18/03	517.	411.	S/L	10	52.	
	BRAILLER	6/30/04	1,140.	1,140.	S/L	5		
	3 LOANER HEAD SE	4/09/04	53.	53.	S/L	5		
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....						15	

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20	Total. Add the amounts in column (g).....						20
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.....						21
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12.....						22

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
2	SONY TAPE DEC	7/02/03	1,126.	1,126.	S/L	7		
	MICROPHONE, FOA	12/10/03	899.	899.	S/L	7		
	BOOTH TABLE & PL	12/30/03	179.	136.	S/L	10	18.	
	CD RECORDER	3/18/04	665.	665.	S/L	7		
18	LOANER HEAD S	7/13/04	109.	109.	S/L	5		
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....						15	

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20	Total. Add the amounts in column (g).....						20
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.....						21
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12.....						22

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
17	HEADSETS	6/20/05	158.	158.	S/L	5		
3	DVD PLAYERS	3/30/05	227.	227.	S/L	5		
5	BARCODE SCANNE	2/28/05	2,177.	2,177.	S/L	5		
	TAPES & ALBUMS	1/01/05	5,508.	2,984.	S/L	12	459.	
	CDS & ALBUMS	1/01/05	769.	416.	S/L	12	64.	
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....					15		

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20	Total. Add the amounts in column (g).....					20	
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.....					21	
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12.....					22	

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	COMMERCIAL AUDIO	6/27/05	1,506.	1,506.	S/L	5		
	COMMERCIAL AUDIO	6/28/05	21,425.	21,425.	S/L	5		
	COMMERCIAL AUDIO	6/30/05	3,100.	3,100.	S/L	5		
	SONICWALL FIREWA	7/05/05	731.	731.	S/L	5		
	EPSON RX50	3/30/06	230.	230.	S/L	5		
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....						15	

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20	Total. Add the amounts in column (g).....						20
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.....						21
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12.....						22

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	YAMAHA AMPLIFIER	5/31/06	2,147.	2,147.	S/L	5		
	READERS LAMP	11/15/05	162.	131.	S/L	7	23.	
	2 HEADSETS	11/15/05	32.	32.	S/L	5		
	13 LOANER RECORD	2/04/06	678.	678.	S/L	5		
	TAPES & ALBUMS	1/01/06	6,339.	2,905.	S/L	12	528.	
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....					15		

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20	Total. Add the amounts in column (g).....						20
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.....						21
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12.....						22

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	COMMERCIAL AUDIO	12/29/05	664.	664.	S/L	5		
	COMMERCIAL AUDIO	3/30/06	427.	427.	S/L	5		
	COMMERCIAL AUDIO	5/31/06	384.	384.	S/L	5		
	COMPUTER 500GB E	7/14/06	433.	433.	S/L	5		
	COMPUTER ADOBE A	9/18/06	638.	618.	S/L	5	20.	
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....					15		

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20	Total. Add the amounts in column (g).....						20
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.....						21
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12.....						22

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	COMPUTER COMPAQ	12/13/06	1,070.	963.	S/L	5	107.	
	COMPUTER FOR STU	3/16/07	1,100.	953.	S/L	5	147.	
	GARNED DEGAUSSER	10/26/06	1,250.	850.	S/L	7	178.	
	STUDIO EQUIPMENT	3/29/07	372.	230.	S/L	7	53.	
	17 LOANER RECORD	10/30/06	202.	190.	S/L	5	12.	
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....						15	

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20	Total. Add the amounts in column (g).....						20
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.....						21
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12.....						22

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
7	LOANER RECORDER	4/27/07	192.	168.	S/L	5	24.	
13	LOANER RECORD	6/01/07	217.	176.	S/L	5	41.	
	TAPES & ALBUMS	1/01/07	7,848.	2,943.	S/L	12	654.	
	COMMERCIAL AUDIO	8/12/06	211.	90.	S/L	12	18.	
	COMMERCIAL AUDIO	9/12/06	15,000.	6,042.	S/L	12	1,250.	
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....					15		

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20	Total. Add the amounts in column (g).....						20
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.....						21
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12.....						22

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	BOOKCASES	9/11/07	333.	127.	S/L	10	33.	
	LATERAL FILES &	1/18/08	953.	333.	S/L	10	95.	
	8 LOANER RECORDE	9/20/07	210.	161.	S/L	5	42.	
	TAPES & ALBUMS	1/01/08	12,037.	3,508.	S/L	12	1,003.	
	COMMERCIAL AUDIO	9/14/07	210.	68.	S/L	12	18.	
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....						15	

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20	Total. Add the amounts in column (g).....						20
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.....						21
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12.....						22

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	COMMERCIAL AUDIO	6/02/08	17,500.	4,496.	S/L	12	1,458.	
	COMMERCIAL AUDIO	6/19/08	135.	38.	S/L	12	11.	
	LAMINATING MACHI	4/16/09	208.	94.	S/L	5	42.	
	2 DUPLICATORS	10/31/08	7,562.	2,880.	S/L	7	1,081.	
	STUDIO LAMP	4/16/09	207.	67.	S/L	7	29.	
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....						15	

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20	Total. Add the amounts in column (g).....						20
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.....						21
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12.....						22

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	LAPTOP COMPUTER	7/09/08	852.	510.	S/L	5	170.	
	35 LOANER RECORD	10/01/08	1,303.	717.	S/L	5	261.	
	TAPES & ALBUMS	1/01/09	4,828.	1,005.	S/L	12	402.	
	20 HEADSETS	3/05/10	312.	84.	S/L	5	63.	
	6 LOANER RECORDER	3/05/10	192.	51.	S/L	5	38.	
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....					15		

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20	Total. Add the amounts in column (g).....						20
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.....						21
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12.....						22

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

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2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	6 LOANER RECORDER	6/01/10	330.	71.	S/L	5	66.	
	TAPES & ALBUMS	1/01/10	5,377.	672.	S/L	12	448.	
	HP COMPUTER & IN	8/27/09	2,085.	799.	S/L	5	417.	
	DONOR PERFECT SO	9/30/09	5,780.	2,119.	S/L	5	1,156.	
	4 HP COMPUTERS, 3	10/30/09	8,546.	2,991.	S/L	5	1,709.	
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....					15		

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20	Total. Add the amounts in column (g).....						20
21	Total amortization claimed for federal purposes from federal Form 4562, line 44.....						21
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12.....						22

2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
2	Total cost of IRC Section 179 property placed in service.....	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation.....	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-.....	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	HP P2035 PRINTER	11/06/09	962.	320.	S/L	5	192.	
	6 52002Z P COMPU	12/31/09	7,791.	2,467.	S/L	5	1,558.	
	6 BOOKCASES	5/06/10	552.	101.	S/L	10	55.	
	COPY MACHINE	7/18/09	546.	119.	S/L	5	109.	
	PRESENTATION PRO	6/18/10	2,000.	433.	S/L	5	400.	
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....						15	

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
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Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
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2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

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2	Total cost of IRC Section 179 property placed in service.....	2	
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6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
10	Carryover of disallowed deduction from prior taxable years.....	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5.....	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11.....	12	
13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	BINDING MACHINE	10/02/09	448.	98.	S/L	5	90.	
	PROMOTIONAL DVD	11/19/09	1,885.	1,047.	S/L	3	628.	
	6 PANASONIC LOAN	9/27/10	240.	40.	S/L	5	48.	
	20 LOANER TAPE P	11/19/10	515.	69.	S/L	5	103.	
	2 SONY DUAL CASS	9/27/10	238.	28.	S/L	7	34.	
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....						15	

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22.....	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
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2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

Corporation name

California corporation number

BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under IRC Section 179 for California.....	1	\$25,000
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6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected IRC Section 179 cost).....	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7.....	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	
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13	Carryover of disallowed deduction to 2012. Add line 9 and line 10, less line 12.....	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	DUAL TAPE DECK	11/19/10	488.	47.	S/L	7	70.	
	4 CD PLAYERS	11/19/10	429.	41.	S/L	7	61.	
	HP SERVER & INST	7/09/10	5,843.	1,169.	S/L	5	1,169.	
	STUDIO COMPUTERS	10/12/10	7,314.	1,097.	S/L	5	1,463.	
	TEAM VIEWER & IN	1/28/11	4,377.	438.	S/L	5	875.	
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....						15	

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
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18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.).....	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
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Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	HARD DRIVES & BA	4/16/11	569.	28.	S/L	5	114.	
	TAPES AND ALBUMS	1/01/11	3,008.	125.	S/L	12	251.	
	4828 COMMERCIAL	6/01/11	48,280.	402.	S/L	10	4,828.	
	TAPES AND ALBUMS	1/01/12	2,043.		S/L	12	85.	
	20 LOANER TAPE P	12/23/11	898.		S/L	5	90.	
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....						15	

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
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Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
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2011 Corporation Depreciation and Amortization**3885**Attach to Form 100 or Form 100W. **FORM 199**

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BOOKS ALOUD, INC.**D-0687948****Part I Election to Expense Certain Property Under IRC Section 179**

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Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Deprecia- tion method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
	24 PORT & UPS SY	7/11/11	460.		S/L	5	92.	
	DP-8-C3L DUPLICA	10/31/11	4,942.		S/L	7	529.	
	DP-8-Z4L DUPLICA	12/20/11	4,638.		S/L	7	387.	
15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h).....						15	

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g).....	16	
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Part IV Amortization

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Books Aloud, Inc.

23-7317533

Statement 1
Form 199, Part II, Line 7
Other Income

Income from Special Events.....	\$	37,810.
Total	\$	<u>37,810.</u>

Statement 2
Form 199, Part II, Line 11
Compensation of Officers, Directors, Trustees and Key Employees

Current Officers:

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compen- sation</u>	<u>Contri- bution to EBP & DC</u>	<u>Expense Account/ Other</u>
Betsy Kerr 1931 Alford Avenue Los Altos, CA 94024	Secretary 1.00	\$ 0.	\$ 0.	\$ 0.
Alfred V. Reuter 394 Creekview Drive Morgan Hill, CA 95037	President 2.00	0.	0.	0.
Deb Wible 2323 Owen Street Santa Clara, CA 95054	Director 1.00	0.	0.	0.
Dan Caputo Jr 2323 S. Bascom Ave Ste 100 Campbell, CA 95008	Vice President 1.00	0.	0.	0.
Mark Tonnesen 1571 Morton Avenue Los Altos, CA 94024	Director 1.00	0.	0.	0.
Christine Tower 2170 Laurelei Avenue San Jose, CA 95128	Director 1.00	0.	0.	0.
Thomas Robinson 48780 Amarilla Court Fremont, CA 94539	Treasurer 2.00	0.	0.	0.
Ron Westphal 261 Manchester Ave Campbell, CA 95008	Director 1.00	0.	0.	0.
Edward Pansullo 123 John Kirk Court Campbell, CA 95008	Director 1.00	0.	0.	0.
Won Cho 925 McBride Loop San Jose, CA 95125	Director 1.00	0.	0.	0.
Total		\$ <u>0.</u>	\$ <u>0.</u>	\$ <u>0.</u>

Books Aloud, Inc.

23-7317533

Statement 2 (continued)
Form 199, Part II, Line 11
Compensation of Officers, Directors, Trustees and Key Employees

Key Employees:

Name	Title and Average Hours Per Week Devoted	Compen- sation	Contri- bution to EBP & DC	Expense Account/ Other
Joyce L Meurer 1671 Milroy Place San Jose, CA 95124	Executive Directo 40	\$ 48,750.	\$ 0.	\$ 0.
Total		\$ 48,750.	\$ 0.	\$ 0.

Statement 3
Form 199, Part II, Line 17
Other Expenses

Advertising and Promotion.....	\$ 409.
Bank Charges.....	612.
Book Mailers & Oper Supplies.....	5,695.
Computer Supplies.....	2,398.
Conferences, Conventions, and Meetings.....	685.
Consulting-Grant Writing.....	6,737.
Delivery.....	2,466.
Dues.....	480.
Insurance.....	3,505.
Maintenance Contract.....	390.
Miscellaneous.....	2,754.
Newsletter Labels & Brochures.....	441.
Office Expenses.....	379.
Other Employee Benefit.....	12,647.
Other fees.....	53,383.
Parking.....	1,200.
Postage and Shipping.....	1,215.
Printing and Publications.....	1,120.
Special Event Expenses.....	8,391.
Storage Rent.....	2,640.
Volunteer Recognition.....	831.
Total	\$ 108,378.

Statement 4
Form 199, Schedule L, Line 18
Other Liabilities

Withheld Payroll Tax Payable.....	261.
Total	\$ 261.

IN

MAIL TO:
 Registry of Charitable Trusts
 P.O. Box 903447
 Sacramento, CA 94203-4470
 Telephone: (916) 445-2021

WEBSITE ADDRESS:
<http://ag.ca.gov/charities/>

ANNUAL REGISTRATION RENEWAL FEE REPORT TO ATTORNEY GENERAL OF CALIFORNIA

Sections 12586 and 12587, California Government Code
 11 Cal. Code Regs. sections 301-307, 311 and 312

Failure to submit this report annually no later than four months and fifteen days after the end of the organization's accounting period may result in the loss of tax exemption and the assessment of a minimum tax of \$800, plus interest, and/or fines or filing penalties as defined in Government Code Section 12586.1. IRS extensions will be honored.



State Charity Registration Number <u>015365</u> BOOKS ALOUD, INC. <small>Name of Organization</small> <u>P. O. BOX 5731</u> <small>Address (Number and Street)</small> <u>SAN JOSE, CA 95150</u> <small>City or Town State ZIP Code</small>	Check if: <input type="checkbox"/> Change of address <input type="checkbox"/> Amended report Corporate or Organization No. <u>D-0687948</u> Federal Employer ID No. <u>23-7317533</u>
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ANNUAL REGISTRATION RENEWAL FEE SCHEDULE (11 Cal. Code Regs. sections 301-307, 311 and 312) Make Check Payable to Attorney General's Registry of Charitable Trusts

Gross Annual Revenue	Fee	Gross Annual Revenue	Fee	Gross Annual Revenue	Fee
Less than \$25,000	0	Between \$100,001 and \$250,000	\$50	Between \$1,000,001 and \$10 million	\$150
Between \$25,000 and \$100,000	\$25	Between \$250,001 and \$1 million	\$75	Between \$10,000,001 and \$50 million	\$225
				Greater than \$50 million	\$300

PART A – ACTIVITIES

For your most recent full accounting period (beginning 7/01/11 ending 6/30/12) list:
 Gross annual revenue \$ 451,586. Total assets \$ 239,759.

PART B – STATEMENTS REGARDING ORGANIZATION DURING THE PERIOD OF THIS REPORT

Note: If you answer 'yes' to any of the questions below, you must attach a separate sheet providing an explanation and details for each 'yes' response. Please review RRF-1 instructions for information required.

	Yes	No
1 During this reporting period, were there any contracts, loans, leases or other financial transactions between the organization and any officer, director or trustee thereof either directly or with an entity in which any such officer, director or trustee had any financial interest?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2 During this reporting period, was there any theft, embezzlement, diversion or misuse of the organization's charitable property or funds?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 During this reporting period, did non-program expenditures exceed 50% of gross revenues?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4 During this reporting period, were any organization funds used to pay any penalty, fine or judgment? If you filed a Form 4720 with the Internal Revenue Service, attach a copy. SEE STATEMENT 1	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5 During this reporting period, were the services of a commercial fundraiser or fundraising counsel for charitable purposes used? If 'yes,' provide an attachment listing the name, address, and telephone number of the service provider.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6 During this reporting period, did the organization receive any governmental funding? If so, provide an attachment listing the name of the agency, mailing address, contact person, and telephone number. SEE STATEMENT 2	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7 During this reporting period, did the organization hold a raffle for charitable purposes? If 'yes,' provide an attachment indicating the number of raffles and the date(s) they occurred.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8 Does the organization conduct a vehicle donation program? If 'yes,' provide an attachment indicating whether the program is operated by the charity or whether the organization contracts with a commercial fundraiser for charitable purposes.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
9 Did your organization have prepared an audited financial statement in accordance with generally accepted accounting principles for this reporting period?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Organization's area code and telephone number 408-808-2613

Organization's e-mail address _____

I declare under penalty of perjury that I have examined this report, including accompanying documents, and to the best of my knowledge and belief, it is true, correct and complete.

JOYCE L. MEURER

EXECUTIVE DIRECTOR

Signature of authorized officer

Printed Name

Title

Date

Books Aloud, Inc.

23-7317533

Statement 1
Form RRF-1, Part B, line 4
Payments of Penalty, Fine, or Judgement

A penalty was paid to the Internal Revenue Service for late filing of the 2009 federal tax return Form 990.

Statement 2
Form RRF-1, Part B, Line 6
Government Agency That Provided Funding

City of San Jose
200 E. Santa Clara Ave
San Jose, CA 95113
Lyn Harris
408-808-2000

Return of Organization Exempt From Income TaxUnder 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

2011**Open to Public
Inspection****A** For the 2011 calendar year, or tax year beginning 7/01, 2011, and ending 6/30, 2012**B** Check if applicable:

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

C
 Books Aloud, Inc.
 P. O. Box 5731
 San Jose, CA 95150

D Employer Identification Number

23-7317533

E Telephone number

408-808-2613

G Gross receipts \$ 459,977.**H(a)** Is this a group return for affiliates? ☐ Yes ☒ No**H(b)** Are all affiliates included?
If 'No,' attach a list. (see instructions) ☐ Yes ☒ No**I** Tax-exempt status ☒ 501(c)(3) ☐ 501(c) () ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527**J** Website: ▶ www.booksaloud.org**H(c)** Group exemption number ▶**K** Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶**L** Year of Formation: 1973**M** State of legal domicile: CA**Part I Summary**

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>Our mission is to improve the quality of life for people unable to benefit directly from the printed page, by providing a service to stimulate minds, stir emotions, and foster independence through our "Reading by Listening" program.</u>		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	10
	4	Number of independent voting members of the governing body (Part VI, line 1b)	10
	5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	9
	6	Total number of volunteers (estimate if necessary)	128
	Revenue	7a	Total unrelated business revenue from Part VIII, column (C), line 12
7b		Net unrelated business taxable income from Form 990-T, line 34	0.
		Prior Year	
8		Contributions and grants (Part VIII, line 1h)	182,535.
9		Program service revenue (Part VIII, line 2g)	
10		Investment income (Part VIII, column (A), lines 3, 4, and 7d)	272.
11		Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	5,298.
12		Total revenue — add lines 8 through 11 (must equal Part VIII, column (A), line 12)	188,105.
		Current Year	
13		Grants and similar amounts paid (Part IX, column (A), lines 1-3)	421,328.
Expenses	14	Benefits paid to or for members (Part IX, column (A), line 4)	
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	219,088.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	122,516.
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 18,307.	
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	89,270.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	230,031.
	19	Revenue less expenses. Subtract line 18 from line 12	308,358.
	20	Total assets (Part X, line 16)	352,547.
Net Assets or Fund Balances	21	Total liabilities (Part X, line 26)	-120,253.
	22	Net assets or fund balances. Subtract line 21 from line 20	99,039.
			Beginning of Current Year
		195,217.	End of Year
		54,757.	239,759.
		140,460.	261.

Part II Signature Block

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.

Sign Here	Signature of officer		Date		
	Joyce L. Meurer		Executive Director		
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input checked="" type="checkbox"/> if self-employed	PTIN
	Mary F. Vettorel				P01408132
	Firm's name	Firm's EIN			
	Firm's address	Phone no.			
Mary F. Vettorel, CPA		77-0038808			
1952 Camden Ave., Suite 102		(408) 364-2322			
San Jose, CA 95124					

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III. ☒ **X****1** Briefly describe the organization's mission:

Our mission is to improve the quality of life for people unable to benefit directly
from the printed page, by providing a service to stimulate minds, stir emotions, and
foster independence through our "Reading by Listening" program.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If 'Yes,' describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If 'Yes,' describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.**4a** (Code: ☐) (Expenses \$ 320,352. including grants of \$) (Revenue \$)See Schedule O**4b** (Code: ☐) (Expenses \$ including grants of \$) (Revenue \$)**4c** (Code: ☐) (Expenses \$ including grants of \$) (Revenue \$)**4d** Other program services. (Describe in Schedule O.)(Expenses \$ including grants of \$) (Revenue \$)**4e** Total program service expenses **▶** 320,352.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If 'Yes,' complete Schedule A.</i>	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If 'Yes,' complete Schedule C, Part I.</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If 'Yes,' complete Schedule C, Part II.</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If 'Yes,' complete Schedule C, Part III.</i>		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If 'Yes,' complete Schedule D, Part I.</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? <i>If 'Yes,' complete Schedule D, Part II.</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If 'Yes,' complete Schedule D, Part III.</i>		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If 'Yes,' complete Schedule D, Part IV.</i>		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If 'Yes,' complete Schedule D, Part V.</i>	X	
11 If the organization's answer to any of the following questions is 'Yes', then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings and equipment in Part X, line 10? <i>If 'Yes,' complete Schedule D, Part VI.</i>	X	
b Did the organization report an amount for investments— other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If 'Yes,' complete Schedule D, Part VII.</i>		X
c Did the organization report an amount for investments— program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If 'Yes,' complete Schedule D, Part VIII.</i>		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If 'Yes,' complete Schedule D, Part IX.</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If 'Yes,' complete Schedule D, Part X.</i>	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If 'Yes,' complete Schedule D, Part X.</i>		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If 'Yes,' complete Schedule D, Parts XI, XII, and XIII.</i>		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If 'Yes,' and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional.</i>		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If 'Yes,' complete Schedule E.</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If 'Yes,' complete Schedule F, Parts I and IV.</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If 'Yes,' complete Schedule F, Parts II and IV.</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If 'Yes,' complete Schedule F, Parts III and IV.</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If 'Yes,' complete Schedule G, Part I (see instructions).</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If 'Yes,' complete Schedule G, Part II.</i>	X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If 'Yes,' complete Schedule G, Part III.</i>		X
20 a Did the organization operate one or more hospital facilities? <i>If 'Yes,' complete Schedule H.</i>		X
b If 'Yes' to line 20a, did the organization attach a copy of its audited financial statements to this return?		

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If 'Yes,' complete Schedule I, Parts I and II.</i>	21	X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If 'Yes,' complete Schedule I, Parts I and III.</i>	22	X
23 Did the organization answer 'Yes' to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If 'Yes,' complete Schedule J.</i>	23	X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, and that was issued after December 31, 2002? <i>If 'Yes,' answer lines 24b through 24d and complete Schedule K. If 'No,' go to line 25.</i>	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If 'Yes,' complete Schedule L, Part I.</i>	25a	X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If 'Yes,' complete Schedule L, Part I.</i>	25b	X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If 'Yes,' complete Schedule L, Part II.</i>	26	X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If 'Yes,' complete Schedule L, Part III.</i>	27	X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV.</i>	28a	X
b A family member of a current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV.</i>	28b	X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If 'Yes,' complete Schedule L, Part IV.</i>	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M.</i>	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If 'Yes,' complete Schedule M.</i>	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I.</i>	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If 'Yes,' complete Schedule N, Part II.</i>	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If 'Yes,' complete Schedule R, Part I.</i>	33	X
34 Was the organization related to any tax-exempt or taxable entity? <i>If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1.</i>	34	X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X
b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If 'Yes,' complete Schedule R, Part V, line 2.</i>	35b	X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If 'Yes,' complete Schedule R, Part V, line 2.</i>	36	X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If 'Yes,' complete Schedule R, Part VI.</i>	37	X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O.	38	X

BAA

Form 990 (2011)

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response to any question in this Part V. ☐

		Yes	No
1 a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1 a 2		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1 b 0		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1 c	X	
2 a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2 a 9		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2 b	X	
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. (see instructions)			
3 a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3 a		X
b If 'Yes' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O.	3 b		
4 a 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)?	4 a		X
b If 'Yes,' enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			
5 a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5 a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5 b		X
c If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T?	5 c		
6 a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6 a		X
b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6 b		
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7 a		X
b If 'Yes,' did the organization notify the donor of the value of the goods or services provided?	7 b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7 c		X
d If 'Yes,' indicate the number of Forms 8282 filed during the year.	7 d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7 e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7 f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7 g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7 h		
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the organization make any taxable distributions under section 4966?	9 a		
b Did the organization make a distribution to a donor, donor advisor, or related person?	9 b		
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12.	10 a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10 b		
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders.	11 a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11 b		
12 a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12 a		
b If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year.	12 b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state?	13 a		
Note. See the instructions for additional information the organization must report on Schedule O.			
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13 b		
c Enter the amount of reserves on hand.	13 c		
14 a Did the organization receive any payments for indoor tanning services during the tax year?	14 a		X
b If 'Yes,' has it filed a Form 720 to report these payments? If 'No,' provide an explanation in Schedule O.	14 b		

Part VI Governance, Management and Disclosure For each 'Yes' response to lines 2 through 7b below, and for a 'No' response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.Check if Schedule O contains a response to any question in this Part VI ☒**Section A. Governing Body and Management**

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year. 1a 10 If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
b Enter the number of voting members included in line 1a, above, who are independent 1b 10		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?	2	X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5	X
6 Did the organization have members or stockholders?	6	X
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	X
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or other persons other than the governing body?	7b	X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8a	X
b Each committee with authority to act on behalf of the governing body?	8b	X
9 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O.	9	X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a	X
b If 'Yes,' did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X
b Describe in Schedule O the process, if any, used by the organization to review this Form 990. See Schedule O		
12a Did the organization have a written conflict of interest policy? If 'No,' go to line 13.	12a	X
b Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done.	12c	X
13 Did the organization have a written whistleblower policy?	13	X
14 Did the organization have a written document retention and destruction policy?	14	X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official. See Schedule O.	15a	X
b Other officers of key employees of the organization. See Schedule O.	15b	X
If 'Yes' to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	X
b If 'Yes,' did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ CA

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.

☒ Own website ☒ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public during the tax year. See Schedule O

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization:

▶ Joyce L. Meurer 150 E. San Fernando Street San Jose CA 95112 408-808-2615

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response to any question in this Part VII. ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1 a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of 'key employee.'
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☒ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Betsy Kerr Secretary	1	X		X				0.	0.	0.
(2) Alfred V. Reuter President	2	X		X				0.	0.	0.
(3) Deb Wible Director	1	X						0.	0.	0.
(4) Dan Caputo Jr Vice President	1	X		X				0.	0.	0.
(5) Mark Tonnesen Director	1	X						0.	0.	0.
(6) Christine Tower Director	1	X						0.	0.	0.
(7) Thomas Robinson Treasurer	2	X		X				0.	0.	0.
(8) Ron Westphal Director	1	X						0.	0.	0.
(9) Edward Pansullo Director	1	X						0.	0.	0.
(10) Won Cho Director	1	X						0.	0.	0.
(11) Joyce L Meurer Executive Director	40				X			48,750.	0.	0.
(12) _____										
(13) _____										
(14) _____										

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (cont)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Sch O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) _____										
(16) _____										
(17) _____										
(18) _____										
(19) _____										
(20) _____										
(21) _____										
(22) _____										
(23) _____										
(24) _____										
(25) _____										
1 b Sub-total								48,750.	0.	0.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								48,750.	0.	0.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **0**

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If 'Yes,' complete Schedule J for such individual.</i>		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If 'Yes' complete Schedule J for such individual.</i>		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If 'Yes,' complete Schedule J for such person.</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
None ,		
2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization 0		

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS	1 a Federated campaigns	1 a				
	b Membership dues	1 b				
	c Fundraising events	1 c 5,000.				
	d Related organizations	1 d				
	e Government grants (contributions)	1 e 144,871.				
	f All other contributions, gifts, grants, and similar amounts not included above ...	1 f 271,457.				
	g Noncash contributions included in lns 1a-1f: \$	1,260.				
	h Total. Add lines 1a-1f		421,328.			
PROGRAM SERVICE REVENUE	Business Code					
	2 a					
	b					
	c					
	d					
	e					
	f All other program service revenue ...					
	g Total. Add lines 2a-2f					
OTHER REVENUE	3 Investment income (including dividends, interest and other similar amounts)		339.			339.
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6 a Gross rents	(i) Real (ii) Personal				
	b Less: rental expenses					
	c Rental income or (loss)					
	d Net rental income or (loss)					
	7 a Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
	b Less: cost or other basis and sales expenses		500.			
	c Gain or (loss)		500.			
	d Net gain or (loss)		500.			500.
	8 a Gross income from fundraising events (not including: \$ 5,000. of contributions reported on line 1c). See Part IV, line 18	a 37,810.				
	b Less: direct expenses	b 8,391.				
	c Net income or (loss) from fundraising events		29,419.			29,419.
	9 a Gross income from gaming activities. See Part IV, line 19	a				
	b Less: direct expenses	b				
	c Net income or (loss) from gaming activities					
	10 a Gross sales of inventory, less returns and allowances	a				
	b Less: cost of goods sold	b				
	c Net income or (loss) from sales of inventory					
Miscellaneous Revenue		Business Code				
11 a						
b						
c						
d All other revenue						
e Total. Add lines 11a-11d						
12 Total revenue. See instructions		451,586.	0.	0.	30,258.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Check if Schedule O contains a response to any question in this Part IX. ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21.				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22.				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.				
4 Benefits paid to or for members.				
5 Compensation of current officers, directors, trustees, and key employees.	48,750.	39,000.	4,875.	4,875.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	0.	0.	0.	0.
7 Other salaries and wages.	51,687.	51,687.		
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions).				
9 Other employee benefits.	12,647.	12,647.		
10 Payroll taxes.	9,432.	8,517.	457.	458.
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17.				
f Investment management fees.				
g Other.	53,383.	53,383.		
12 Advertising and promotion.	409.	409.		
13 Office expenses.	379.	355.	12.	12.
14 Information technology.				
15 Royalties.				
16 Occupancy.	115,000.	107,709.	3,646.	3,645.
17 Travel.				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19 Conferences, conventions, and meetings.	685.			685.
20 Interest.				
21 Payments to affiliates.				
22 Depreciation, depletion, and amortization.	27,691.	26,723.	327.	641.
23 Insurance.	3,505.	1,976.	1,453.	76.
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Consulting-Grant Writing	6,737.			6,737.
b Book Mailers & Oper Supplies	5,695.	5,695.		
c Miscellaneous	2,754.	220.	2,534.	
d Storage Rent	2,640.	2,472.	84.	84.
e All other expenses.	11,153.	9,559.	500.	1,094.
25 Total functional expenses. Add lines 1 through 24e.	352,547.	320,352.	13,888.	18,307.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input checked="" type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
ASSETS	1 Cash — non-interest-bearing.....		1	9,196.
	2 Savings and temporary cash investments.....	41,915.	2	91,971.
	3 Pledges and grants receivable, net.....		3	
	4 Accounts receivable, net.....		4	
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L.....		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions).....		6	
	7 Notes and loans receivable, net.....		7	
	8 Inventories for sale or use.....		8	
	9 Prepaid expenses and deferred charges.....		9	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D.....	10a 421,513.		
	b Less: accumulated depreciation.....	10b 282,921.	153,302.	10c 138,592.
	11 Investments — publicly traded securities.....		11	
	12 Investments — other securities. See Part IV, line 11.....		12	
	13 Investments — program-related. See Part IV, line 11.....		13	
	14 Intangible assets.....		14	
	15 Other assets. See Part IV, line 11.....		15	
16 Total assets. Add lines 1 through 15 (must equal line 34).....		195,217.	16	239,759.
LIABILITIES	17 Accounts payable and accrued expenses.....		17	
	18 Grants payable.....		18	
	19 Deferred revenue.....		19	
	20 Tax-exempt bond liabilities.....		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D.....		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L.....		22	
	23 Secured mortgages and notes payable to unrelated third parties.....		23	
	24 Unsecured notes and loans payable to unrelated third parties.....	50,000.	24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D.....	4,757.	25	261.
	26 Total liabilities. Add lines 17 through 25.....	54,757.	26	261.
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29 and lines 33 and 34.			
	27 Unrestricted net assets.....	-112,842.	27	906.
	28 Temporarily restricted net assets.....	100,000.	28	100,000.
	29 Permanently restricted net assets.....	153,302.	29	138,592.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds.....		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund.....		31	
	32 Retained earnings, endowment, accumulated income, or other funds.....		32	
	33 Total net assets or fund balances.	140,460.	33	239,498.
	34 Total liabilities and net assets/fund balances.	195,217.	34	239,759.

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Form 990 (2011)

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response to any question in this Part XI. ☒

1	Total revenue (must equal Part VIII, column (A), line 12).....	1	451,586.
2	Total expenses (must equal Part IX, column (A), line 25).....	2	352,547.
3	Revenue less expenses. Subtract line 2 from line 1.....	3	99,039.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)).....	4	140,460.
5	Other changes in net assets or fund balances (explain in Schedule O). See Schedule O.....	5	-1.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B)).....	6	239,498.

Part XII Financial Statements and ReportingCheck if Schedule O contains a response to any question in this Part XII. ☐

	Yes	No
1 Accounting method used to prepare the Form 990: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked 'Other,' explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	X
b Were the organization's financial statements audited by an independent accountant?	2b	X
c If 'Yes' to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.		
d If 'Yes' to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	X
b If 'Yes,' did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.	3b	

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Form 990 (2011)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

OMB No. 1545-0047

2011

**Open to Public
Inspection**

Name of the organization

Books Aloud, Inc.

Employer identification number

23-7317533

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 ☐ A church, convention of churches or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 ☐ A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 ☐ 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 exempt 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)**. (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
- a ☐ Type I b ☐ Type II c ☐ Type III — Functionally integrated d ☐ Type III — Other
- e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f ☐ If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization, check this box.
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
- (ii) A family member of a person described in (i) above?
- (iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11 g (i)		
11 g (ii)		
11 g (iii)		

h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in column (i) listed in your governing document?		(v) Did you notify the organization in column (i) of your support?		(vi) Is the organization in column (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2011

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	271,332.	224,480.	216,003.	182,535.	306,328.	1,200,678.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf.						0.
3 The value of services or facilities furnished by a governmental unit to the organization without charge	114,660.	114,660.	114,660.	114,660.	115,000.	573,640.
4 Total. Add lines 1 through 3	385,992.	339,140.	330,663.	297,195.	421,328.	1,774,318.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						369,833.
6 Public support. Subtract line 5 from line 4						1,404,485.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4	385,992.	339,140.	330,663.	297,195.	421,328.	1,774,318.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	2,500.	2,281.	380.	272.	339.	5,772.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						0.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						0.
11 Total support. Add lines 7 through 10						1,780,090.
12 Gross receipts from related activities, etc (see instructions)					12	0.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶ <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f))	14	78.90 %
15 Public support percentage from 2010 Schedule A, Part II, line 14	15	80.25 %
16a 33-1/3% support test – 2011. If the organization did not check the box on line 13, and the line 14 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization. ▶ <input checked="" type="checkbox"/>		
b 33-1/3% support test – 2010. If the organization did not check a box on line 13 or 16a, and line 15 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
17a 10%-facts-and-circumstances test – 2011. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
b 10%-facts-and-circumstances test – 2010. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions. ▶ <input type="checkbox"/>		

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Schedule A (Form 990 or 990-EZ) 2011

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions and membership fees received. (Do not include any 'unusual grants'.)						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose.						
3 Gross receipts from activities that are not an unrelated trade or business under section 513.						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf.						
5 The value of services or facilities furnished by a governmental unit to the organization without charge.						
6 Total. Add lines 1 through 5.						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons.						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year.						
c Add lines 7a and 7b.						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6.						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources.						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975.						
c Add lines 10a and 10b.						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on.						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**. ☐ ▶ ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f)).	15	%
16 Public support percentage from 2010 Schedule A, Part III, line 15.	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2011 (line 10c, column (f) divided by line 13, column (f)).	17	%
18 Investment income percentage from 2010 Schedule A, Part III, line 17.	18	%

19a 33-1/3% support tests — 2011. If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization. ☐ ▶ ☐

b 33-1/3% support tests — 2010. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization. ☐ ▶ ☐

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions. ☐ ▶ ☐

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

This image shows a full page of a handwriting practice worksheet. It consists of multiple rows of horizontal dashed lines spaced evenly apart, providing a guide for letter height and placement. The background is plain white, and there are no other markings or text on the page.

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

► **Attach to Form 990, Form 990-EZ, or Form 990-PF**

OMB No. 1545-0047

2011

Name of the organization

Books Aloud, Inc.

Employer identification number

23-7317533

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

☒ 501(c)(3) (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

☐ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

Special Rules

☒ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ► \$ _____

Caution: An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF) but it **must** answer 'No' on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on Part I, line 2, of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2011)

Name of organization

Employer identification number

Books Aloud, Inc.

23-7317533

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	Variety Audio Foundation P. O. Box 5731 San Jose, CA 95150	\$ 55,126.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	City of San Jose 200 E. Santa Clara Ave San Jose, CA 95113	\$ 29,871.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	E & J Colombo Charitable Trust P. O. Box 1121 San Jose, CA 95108	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	The Valley Foundation 16450 Los Gatos Blvd Ste 210 Los Gatos, CA 95032	\$ 75,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	The Sharks Foundation 525 W. Santa Clara Avenue San Jose, CA 95113	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6	Leo M Shortino Family Foundation 1760 The Alameda San Jose, CA 95126	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

Books Aloud, Inc.

Employer identification number

23-7317533

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
	N/A		
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

BAA

Schedule B (Form 990, 990-EZ, or 990-PF) (2011)

Name of organization

Books Aloud, Inc.

Employer identification number

23-7317533

Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10)**organizations that total more than \$1,000 for the year.** Complete cols (a) through (e) and the following line entry.For organizations completing Part III, enter total of *exclusively* religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this information once. See instructions.) ▶ \$ N/A
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**
▶ **Attach to Form 990.** ▶ **See separate instructions.**

OMB No. 1545-0047

2011

**Open to Public
Inspection**

Name of the organization

Employer identification number

Books Aloud, Inc.

23-7317533

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered 'Yes' to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year.....		
2 Aggregate contributions to (during year).....		
3 Aggregate grants from (during year).....		
4 Aggregate value at end of year.....		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?..... <input type="checkbox"/> Yes <input type="checkbox"/> No		
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?..... <input type="checkbox"/> Yes <input type="checkbox"/> No		

Part II Conservation Easements. Complete if the organization answered 'Yes' to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements.....	2a
b Total acreage restricted by conservation easements.....	2b
c Number of conservation easements on a certified historic structure included in (a).....	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register.....	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?..... ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?..... ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered 'Yes' to Form 990, Part IV, line 8.

1 a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1..... ▶ \$ _____

(ii) Assets included in Form 990, Part X..... ▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1..... ▶ \$ _____

b Assets included in Form 990, Part X..... ▶ \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition

d ☐ Loan or exchange programs

b ☐ Scholarly research

e ☐ Other _____

c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered 'Yes' to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1 a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If 'Yes,' explain the arrangement in Part XIV and complete the following table:

	Amount
c Beginning balance.....	1c
d Additions during the year.....	1d
e Distributions during the year.....	1e
f Ending balance.....	1f

2 a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If 'Yes,' explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered 'Yes' to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1 a Beginning of year balance.....	100,000.	100,000.	100,000.	100,000.	
b Contributions.....					
c Net investment earnings, gains, and losses.....					
d Grants or scholarships.....					
e Other expenditures for facilities and programs.....				0.	
f Administrative expenses.....					
g End of year balance.....	100,000.	100,000.	100,000.	100,000.	

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ▶ _____ %

b Permanent endowment ▶ _____ %

c Temporarily restricted endowment ▶ 100.00 %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3 a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) unrelated organizations.....

(ii) related organizations.....

	Yes	No
3a(i)	X	
3a(ii)		X
3b		

b If 'Yes' to 3a(ii), are the related organizations listed as required on Schedule R?.....

4 Describe in Part XIV the intended uses of the organization's endowment funds. See Part XIV

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1 a Land.....				
b Buildings.....				
c Leasehold improvements.....				
d Equipment.....		88,648.	49,234.	39,414.
e Other.....		332,865.	233,687.	99,178.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).).....				138,592.

BAA

Schedule D (Form 990) 2011

Part VII Investments – Other Securities. See Form 990, Part X, line 12. N/A

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) -----		
(B) -----		
(C) -----		
(D) -----		
(E) -----		
(F) -----		
(G) -----		
(H) -----		
(I) -----		
Total. (Column (b) must equal Form 990 Part X, column (B) line 12.) ▶		

Part VIII Investments – Program Related. See Form 990, Part X, line 13. N/A

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, column (B) line 13.) ▶		

Part IX Other Assets. See Form 990, Part X, line 15. N/A

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, column (B), line 15.) ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

(a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) Withheld Payroll Tax Payable	261.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, column (B) line 25.) ▶	

2 FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

N/A

1	Total revenue (Form 990, Part VIII, column (A), line 12).....	
2	Total expenses (Form 990, Part IX, column (A), line 25).....	
3	Excess or (deficit) for the year. Subtract line 2 from line 1.....	
4	Net unrealized gains (losses) on investments.....	
5	Donated services and use of facilities.....	
6	Investment expenses.....	
7	Prior period adjustments.....	
8	Other (Describe in Part XIV.).....	
9	Total adjustments (net). Add lines 4 through 8.....	
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9.....	

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return N/A

1	Total revenue, gains, and other support per audited financial statements.....	1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments.....	2a	
b	Donated services and use of facilities.....	2b	
c	Recoveries of prior year grants.....	2c	
d	Other (Describe in Part XIV.).....	2d	
e	Add lines 2a through 2d.....	2e	
3	Subtract line 2e from line 1.....	3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b.....	4a	
b	Other (Describe in Part XIV.).....	4b	
c	Add lines 4a and 4b.....	4c	
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.).....	5	

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return N/A

1	Total expenses and losses per audited financial statements.....	1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities.....	2a	
b	Prior year adjustments.....	2b	
c	Other losses.....	2c	
d	Other (Describe in Part XIV.).....	2d	
e	Add lines 2a through 2d.....	2e	
3	Subtract line 2e from line 1.....	3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b.....	4a	
b	Other (Describe in Part XIV.).....	4b	
c	Add lines 4a and 4b.....	4c	
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.).....	5	

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Part V, Line 4 - Intended Uses Of Endowment Fund

Income to be used for program operating expenses

Part XIV	Supplemental Information <i>(continued)</i>
-----------------	--

[illegible]

Department of the Treasury
Internal Revenue Service

Complete if the organization answered 'Yes' to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization

Books Aloud, Inc.

Employer identification number

23-7317533

Part I

Fundraising Activities. Complete if the organization answered 'Yes' to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

- 1** Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a ☐ Mail solicitations
- b ☐ Internet and email solicitations
- c ☐ Phone solicitations
- d ☐ In-person solicitations
- e ☐ Solicitation of non-government grants
- f ☐ Solicitation of government grants
- g ☒ Special fundraising events

- 2a** Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ Yes ☒ No

- b** If 'Yes,' list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in column (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						

Total.....	▶		0.
------------	---	--	----

- 3** List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

Part II Fundraising Events. Complete if the organization answered 'Yes' to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

REVENUE		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		Masquerade Bal (event type)	(event type)	(total number)	(add column (a) through column (c))
REVENUE	1 Gross receipts	42,810.			42,810.
	2 Less: Charitable contributions	5,000.			5,000.
	3 Gross income (line 1 minus line 2)	37,810.			37,810.
DIRECT EXPENSES	4 Cash prizes	600.			600.
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages	3,548.			3,548.
	8 Entertainment	500.			500.
	9 Other direct expenses	3,743.			3,743.
	10 Direct expense summary. Add lines 4 through 9 in column (d)				8,391.
	11 Net income summary. Combine line 3, column (d), and line 10				29,419.

Part III Gaming. Complete if the organization answered 'Yes' to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

REVENUE		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming
					(add column (a) through column (c))
DIRECT EXPENSES	1 Gross revenue				
	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
	7 Direct expense summary. Add lines 2 through 5 in column (d)				
	8 Net gaming income summary. Combine lines 1, column (d) and line 7				

9 Enter the state(s) in which the organization operates gaming activities: _____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If 'No,' explain: _____

10 a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If 'Yes,' explain: _____

BAA TEEA3703L 05/20/11 Schedule G (Form 990 or 990-EZ) 2011

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

► **Complete if the organization answered**
'Yes' on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c,
or Form 990-EZ, Part V, line 38a or 40b.
► **Attach to Form 990 or Form 990-EZ. ► See separate instructions.**

OMB No. 1545-0047

2011

**Open to Public
Inspection**

Name of the organization

Books Aloud, Inc.

Employer identification number

23-7317533

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

Complete if the organization answered 'Yes' on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958. ► \$

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization. ► \$

Part II Loans to and/or From Interested Persons.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 26 or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
(1)										
(2)										
(3)										
(4)										
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										

Total. ► \$

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount and type of assistance
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule L (Form 990 or 990-EZ) 2011

SCHEDULE R
(Form 990)Department of the Treasury
Internal Revenue Service

Name of the organization

Books Aloud, Inc.

Related Organizations and Unrelated Partnerships

- Complete if the organization answered 'Yes' to Form 990, Part IV, line 33, 34, 35, 36, or 37.
► Attach to Form 990. ► See separate instructions.

OMB No. 1545-0047

2011**Open to Public
Inspection**

Employer identification number

23-7317533

Part I Identification of Disregarded Entities (Complete if the organization answered 'Yes' to Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) _____ _____ _____					
(2) _____ _____ _____					
(3) _____ _____ _____					

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Sec 512(b)(13) controlled entity?	
						Yes	No
(1) <u>Variety Audio Foundation</u> <u>P.O. Box 5731</u> <u>San Jose, CA 95150</u> <u>77-0077076</u>	Endowment	CA	501 (c) (3)	509 (a) (3) Type 1	N/A		X
(2) _____ _____ _____							
(3) _____ _____ _____							
(4) _____ _____ _____							

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Dispropor- tionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) ----- ----- -----												
(2) ----- ----- -----												
(3) ----- ----- -----												

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) ----- ----- -----							
(2) ----- ----- -----							
(3) ----- ----- -----							

Part V Transactions With Related Organizations (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34, 35, 35a, or 36.)**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

	Yes	No
1 During the tax year did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to related organization(s)		X
c Gift, grant, or capital contribution from related organization(s)	X	
d Loans or loan guarantees to or for related organization(s)		X
e Loans or loan guarantees by related organization(s)		X
f Sale of assets to related organization(s)		X
g Purchase of assets from related organization(s)		X
h Exchange of assets with related organization(s)		X
i Lease of facilities, equipment, or other assets to related organization(s)		X
j Lease of facilities, equipment, or other assets from related organization(s)		X
k Performance of services or membership or fundraising solicitations for related organization(s)		X
l Performance of services or membership or fundraising solicitations by related organization(s)		X
m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)		X
n Sharing of paid employees with related organization(s)		X
o Reimbursement paid to related organization(s) for expenses		X
p Reimbursement paid by related organization(s) for expenses		X
q Other transfer of cash or property to related organization(s)		X
r Other transfer of cash or property from related organization(s)		X

2 If the answer to any of the above is 'Yes,' see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) Variety Audio Foundation	c	55,126.	Cash
(2)			
(3)			
(4)			
(5)			
(6)			

Part VI **Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unre- lated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Dispropor- tionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 Form (1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1) ----- ----- -----													
(2) ----- ----- -----													
(3) ----- ----- -----													
(4) ----- ----- -----													
(5) ----- ----- -----													
(6) ----- ----- -----													
(7) ----- ----- -----													
(8) ----- ----- -----													

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

[illegible]

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047

2011

**Open to Public
Inspection**

Name of the organization

Books Aloud, Inc.

Employer identification number

23-7317533

Form 990, Part III, Line 4a - Program Service Accomplishments

The program service activity provided by Books Aloud, Inc is a free lending library of books recorded by volunteer voices digitally and transferred onto cassette tapes and CDs for those who can only read by listening...the blind and disabled. During fiscal year ended June 30, 2012, 163 new recorded book titles were added to the library. A selection committee of volunteers met regularly to plan for excellence in book material. 21,401 albums were in circulation during this fiscal year, providing an average of 15,104 listening hours each month. The average book taped by volunteers is from 200 to 400 pages and takes about four to twelve cassettes to record. Staff and volunteers duplicate each master tape, so that many albums of the book are available for circulation. Tapes are mailed out for 30 to 90 days to a client. Client files are maintained to record preference to type of books, book requests and other information in order to service each client individually. In addition, many schools, hospitals and senior citizen facilities and organizations use the services. This year 46 mini satellite libraries were serviced in collaboration with senior homes and 34 Special Education Classes in Santa Clara County School Systems. Home deliveries continue by staff and volunteers using the donated delivery vehicle. While clients are mainly located in California, 15% of the taped books are loaned to clients out-of-state. The Lions Club's monthly magazine is recorded and sent to an average of 140 blind members of Lions Clubs in the United States, Canada and four other countries. In this fiscal year, the volunteer voices also recorded the many community service materials for the City of San Jose, the County of Santa Clara, various community service organizations and art agencies for distribution to blind and disabled persons. An average of 57 volunteers assist the staff every month with work of the program, ranging from cataloging, circulation, editing, repair, mailing and making labels in Braille for the cassettes and albums. An average of 46

Name of the organization

Books Aloud, Inc.

Employer identification number

23-7317533

Form 990, Part III, Line 4a - Program Service Accomplishments

individuals record the books, magazines and city and county informational materials in the recording booth every month. Portable tape recorders are available to loan to clients. Government support is realized by the provisions of US PO Free Matter for the Blind mailing and the use of occupancy and delivery by the San Jose Public Library. This year the "Sight & Sound" project was enlarged due to the requests from parents and teachers of the learning disabled and dyslexic students. The audio book along with the printed book is sent to this classification of clients, thereby, increasing their ability of becoming "readers". We currently have over 1150 kits. Due to the availability of commercially recorded audio books, we now have an even greater number of titles for our disabled clients. Commercially recorded books have been donated to Books Aloud, which in turn, are assembled and placed in the collection and available for distribution to our clients. This year we placed 83 commercially recorded albums in our collection.

Form 990, Part VI, Line 11b - Form 990 Review Process

Presented to and Reviewed by Executive Director Prior to Filing

Form 990, Part VI, Line 15a - Compensation Review & Approval Process for CEO, Exec. Dir., or Top Mgtment

Annual discussion and approval of executive director compensation by Board of Directors.

Form 990, Part VI, Line 15b - Compensation Review & Approval Process for Officers & Key Employees

Annual employee reviews with discussion and approval by Board of Directors

Form 990, Part VI, Line 19 - Other Organization Documents Publicly Available

Form 990 available annually on charity website. A copy of the Form 990 is given or mailed to anyone requesting a copy and is posted on organization's website.

Books Aloud, Inc.

23-7317533

Form 990, Part XI, Line 5
Other Changes in Net Assets or Fund Balances

Rounding.....	Total	\$	-1.
		\$	<u>-1.</u>

6/30/12

2011 California Book Depreciation Schedule

Page 1

Books Aloud, Inc.

23-7317533

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
Form 199																
Furniture and Fixtures																
1	Braille Typewriter	12/01/75		150							150	150	S/L	15		0
2	File Cabinets	5/01/78		145							145	145	S/L	15		0
3	File Cabinet	5/01/79		237							237	237	S/L	15		0
4	Table, Cabinet, Cart	9/01/79		289							289	289	S/L	15		0
5	5 Cabinets, Table	6/01/80		1,148							1,148	1,148	S/L	15		0
6	File Cabinets	6/01/81		726							726	726	S/L	15		0
7	4 Cabinets	12/01/81		656							656	656	S/L	15		0
8	2 Tape Cabinets	10/01/82		632							632	632	S/L	15		0
9	File Cabinet	6/01/84		148							148	148	S/L	15		0
10	Cabinets, Book Truck	6/01/85		863							863	863	S/L	15		0
11	Cabinets	6/01/86		515							515	515	S/L	15		0
12	5-Shelf Cabinet	12/01/86		310							310	310	S/L	15		0
13	Cabinets	12/01/86		385							385	385	S/L	10		0
14	Cabinet	1/01/87		347							347	347	S/L	15		0
15	Cassette Cabinets	2/01/88		1,708							1,708	1,708	S/L	10		0
16	Cabinet	3/01/89		1,277							1,277	1,277	S/L	10		0
17	File & Cassette Cabinets	5/01/90		1,677							1,677	1,677	S/L	10		0
18	Book Truck	6/01/91		398							398	398	S/L	10		0
19	Cabinets	3/01/92		382							382	382	S/L	10		0
21	Book Truck & Cabinets	5/01/93		5,214							5,214	5,214	S/L	10		0
35	Picture	9/03/97		116							116	116	S/L	10		0
36	Cassette Cabinet	12/02/98		4,839							4,839	4,839	S/L	10		0
44	Silk Plants	8/05/03		290							290	290	S/L	7		0

6/30/12

2011 California Book Depreciation Schedule

Page 2

Books Aloud, Inc.

23-7317533

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
45	Konica 7055 Copier	8/04/03		10,000							10,000	10,000	S/L	5		0
46	Laminator	8/07/03		75							75	75	S/L	5		0
47	Conference Table,Chairs	8/14/03		2,500							2,500	1,979	S/L	10		250
48	Cassette Cabinets	12/18/03		517							517	411	S/L	10		52
49	Braille	6/30/04		1,140							1,140	1,140	S/L	5		0
59	3 DVD Players	3/30/05		227							227	227	S/L	5		0
89	Bookcases	9/11/07		333							333	127	S/L	10		33
90	Lateral Files & Bookcases	1/18/08		953							953	333	S/L	10		95
96	Laminating Machine	4/16/09		208							208	94	S/L	5		42
111	6 Bookcases	5/06/10		552							552	101	S/L	10		55
112	Copy Machine	7/18/09		546							546	119	S/L	5		109
113	Presentation Projector	6/18/10		2,000							2,000	433	S/L	5		400
114	Binding Machine	10/02/09		448							448	98	S/L	5		90
Total Furniture and Fixtures				41,951		0	0	0	0	0	41,951	37,589				1,126
Machinery and Equipment																
20	Binder,Calculator	3/01/92		651							651	651	S/L	5		0
22	Electric Braille	8/01/92		925							925	925	S/L	5		0
40	Otari Duplicator	8/16/01		6,745							6,745	6,745	S/L	7		0
50	3 Loaner Head Sets	4/09/04		53							53	53	S/L	5		0
51	2 Sony Tape Decks	7/02/03		1,126							1,126	1,126	S/L	7		0
52	Microphone, Foam	12/10/03		899							899	899	S/L	7		0
53	Booth Table & Plexiglass	12/30/03		179							179	136	S/L	10		18
54	CD Recorder	3/18/04		665							665	665	S/L	7		0
55	18 Loaner Head Sets	7/13/04		109							109	109	S/L	5		0
58	17 Headsets	6/20/05		158							158	158	S/L	5		0

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2011 California Book Depreciation Schedule

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Books Aloud, Inc.

23-7317533

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
60	5 Barcode Scanners	2/28/05		2,177							2,177	2,177	S/L	5		0
67	Sonicwall Firewall	7/05/05		731							731	731	S/L	5		0
68	Epson RX50	3/30/06		230							230	230	S/L	5		0
69	Yamaha Amplifier, Hard Di	5/31/06		2,147							2,147	2,147	S/L	5		0
70	Readers Lamp	11/15/05		162							162	131	S/L	7		23
71	2 Headsets	11/15/05		32							32	32	S/L	5		0
72	13 Loaner Recorders	2/04/06		678							678	678	S/L	5		0
77	Computer 500GB External	7/14/06		433							433	433	S/L	5		0
78	Computer Adobe Audition	9/18/06		638							638	618	S/L	5		20
79	Computer Compaq V520	12/13/06		1,070							1,070	963	S/L	5		107
80	Computer for Studio	3/16/07		1,100							1,100	953	S/L	5		147
81	Garned Degausser	10/26/06		1,250							1,250	850	S/L	7		178
82	Studio Equipment	3/29/07		372							372	230	S/L	7		53
83	17 Loaner Recorders	10/30/06		202							202	190	S/L	5		12
84	7 Loaner Recorders	4/27/07		192							192	168	S/L	5		24
85	13 Loaner Recorders	6/01/07		217							217	176	S/L	5		41
91	8 Loaner Recorders	9/20/07		210							210	161	S/L	5		42
97	2 Duplicators	10/31/08		7,562							7,562	2,880	S/L	7		1,081
98	Studio Lamp	4/16/09		207							207	67	S/L	7		29
99	Laptop Computer	7/09/08		852							852	510	S/L	5		170
100	35 Loaner Recorders	10/01/08		1,303							1,303	717	S/L	5		261
102	20 Headsets	3/05/10		312							312	84	S/L	5		63
103	6 Loaner Recorders	3/05/10		192							192	51	S/L	5		38
104	6 Loaner Recorders	6/01/10		330							330	71	S/L	5		66
106	HP Computer & Installatio	8/27/09		2,085							2,085	799	S/L	5		417
107	Donor Perfect Software	9/30/09		5,780							5,780	2,119	S/L	5		1,156
108	4 HP Computers,3 Monitors	10/30/09		8,546							8,546	2,991	S/L	5		1,709

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2011 California Book Depreciation Schedule

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Books Aloud, Inc.

23-7317533

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
109	HP P2035 Printer	11/06/09		962							962	320	S/L	5		192
110	6 52002Z P Computers	12/31/09		7,791							7,791	2,467	S/L	5		1,558
116	6 Panasonic Loaner Record	9/27/10		240							240	40	S/L	5		48
117	20 Loaner Tape Players	11/19/10		515							515	69	S/L	5		103
118	2 Sony Dual Cassette	9/27/10		238							238	28	S/L	7		34
119	Dual Tape Deck	11/19/10		488							488	47	S/L	7		70
120	4 CD Players	11/19/10		429							429	41	S/L	7		61
121	HP Server & Installation	7/09/10		5,843							5,843	1,169	S/L	5		1,169
122	Studio Computers & Instal	10/12/10		7,314							7,314	1,097	S/L	5		1,463
123	Team Viewer & Installatio	1/28/11		4,377							4,377	438	S/L	5		875
124	Hard Drives & Bay	4/16/11		569							569	28	S/L	5		114
128	20 Loaner Tape Players	12/23/11		898							898		S/L	5		90
129	24 Port & UPS Systems	7/11/11		460							460		S/L	5		92
130	DP-8-C3L Duplicator Maste	10/31/11		4,942							4,942		S/L	7		529
131	DP-8-Z4L Duplicator Slave	12/20/11		4,638							4,638		S/L	7		387
Total Machinery and Equipment				90,224		0	0	0	0	0	90,224	38,368				12,440
Miscellaneous																
23	Tapes and Albums	1/01/87		1,434							1,434	1,434	S/L	12		0
24	Tapes and Albums	1/01/88		9,633							9,633	9,633	S/L	12		0
25	Tapes and Albums	1/01/89		13,750							13,750	13,750	S/L	12		0
26	Tapes and Albums	1/01/90		10,573							10,573	10,573	S/L	12		0
27	Tapes and Albums	1/01/91		14,512							14,512	14,512	S/L	12		0
28	Tapes and Albums	1/01/92		7,175							7,175	7,175	S/L	12		0
29	Tapes and Albums	1/01/93		1,839							1,839	1,839	S/L	12		0
30	Tapes and Albums	1/01/94		9,259							9,259	9,259	S/L	12		0

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2011 California Book Depreciation Schedule

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Books Aloud, Inc.

23-7317533

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
31	Tapes and Albums	1/01/95		7,841							7,841	7,841	S/L	12		0
32	Tapes and Albums	1/01/96		7,462							7,462	7,462	S/L	12		0
33	Tapes and Albums	1/01/97		6,811							6,811	6,811	S/L	12		0
34	Tapes and Albums	1/01/98		6,433							6,433	6,433	S/L	12		0
37	Tapes and Albums	1/01/99		6,963							6,963	6,963	S/L	12		0
38	Tapes and Albums	1/01/00		5,821							5,821	5,578	S/L	12		243
39	Tapes and Albums	1/01/01		7,382							7,382	6,459	S/L	12		615
41	Tapes and Albums	1/01/02		2,980							2,980	2,358	S/L	12		248
42	Tapes and Albums	1/01/03		870							870	618	S/L	12		73
43	Tapes and Albums	1/01/04		10,115							10,115	6,322	S/L	12		843
62	Tapes & Albums	1/01/05		5,508							5,508	2,984	S/L	12		459
63	CDs & Albums	1/01/05		769							769	416	S/L	12		64
64	Commercial Audio Books	6/27/05		1,506							1,506	1,506	S/L	5		0
65	Commercial Audio Books	6/28/05		21,425							21,425	21,425	S/L	5		0
66	Commercial Audio Books	6/30/05		3,100							3,100	3,100	S/L	5		0
73	Tapes & Albums	1/01/06		6,339							6,339	2,905	S/L	12		528
74	Commercial Audio Tapes	12/29/05		664							664	664	S/L	5		0
75	Commercial Audio Tapes	3/30/06		427							427	427	S/L	5		0
76	Commercial Audio Tapes	5/31/06		384							384	384	S/L	5		0
86	Tapes & Albums	1/01/07		7,848							7,848	2,943	S/L	12		654
87	Commercial Audio Books	8/12/06		211							211	90	S/L	12		18
88	Commercial Audio Books	9/12/06		15,000							15,000	6,042	S/L	12		1,250
92	Tapes & Albums	1/01/08		12,037							12,037	3,508	S/L	12		1,003
93	Commercial Audio Books	9/14/07		210							210	68	S/L	12		18
94	Commercial Audio Books	6/02/08		17,500							17,500	4,496	S/L	12		1,458
95	Commercial Audio Books	6/19/08		135							135	38	S/L	12		11
101	Tapes & Albums	1/01/09		4,828							4,828	1,005	S/L	12		402

6/30/12

2011 California Book Depreciation Schedule

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Books Aloud, Inc.

23-7317533

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
105	Tapes & Albums	1/01/10		5,377							5,377	672	S/L	12		448
115	Promotional DVD	11/19/09		1,885							1,885	1,047	S/L	3		628
125	Tapes and Albums	1/01/11		3,008							3,008	125	S/L	12		251
126	4828 Commercial Audio Boo	6/01/11		48,280							48,280	402	S/L	10		4,828
127	Tapes and Albums	1/01/12		2,043							2,043		S/L	12		85
Total Miscellaneous				289,337		0	0	0	0	0	289,337	179,267				14,127
Total Depreciation				<u>421,512</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>421,512</u>	<u>255,224</u>				<u>27,693</u>
Grand Total Depreciation				<u>421,512</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>421,512</u>	<u>255,224</u>				<u>27,693</u>