

Return of Organization Exempt From Income Tax

2005

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements

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

B Check if applicable:

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

Please use IRS label or print or type See specific instructions.

Himalayan Cataract Project, Inc.
P.O. Box 55
Waterbury, VT 05676

D Employer Identification Number: 03-0362926

E Telephone number: (802) 649-1960

F Accounting method: Cash Accrual Other (specify) _____

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

H and I are not applicable to section 527 organizations.
H (a) Is this a group return for affiliates? Yes No
H (b) If 'Yes,' enter number of affiliates: _____
H (c) Are all affiliates included? Yes No (If 'No,' attach a list. See instructions.)
H (d) Is this a separate return filed by an organization covered by a group ruling? Yes No

G Web site: www.cureblindness.org

J Organization type (check only): 501(c) 3 (insert no) 4947(a)(1) or 527

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

L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12: 1,557,256.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Instructions)

1 Contributions, gifts, grants, and similar amounts received:				
a Direct public support	1a	1,222,365.		
b Indirect public support	1b			
c Government contributions (grants)	1c	300,000.		
d Total (add lines 1a through 1c) (cash \$ 1,324,718. noncash \$ 197,647.)	1d		1,522,365.	
2 Program service revenue including government fees and contracts (from Part VII, line 93)	2			
3 Membership dues and assessments	3			
4 Interest on savings and temporary cash investments	4		15,013.	
5 Dividends and interest from securities	5		19,813.	
6a Gross rents	6a			
b Less. rental expenses	6b			
c Net rental income or (loss) (subtract line 6b from line 6a)	6c			
7 Other investment income (describe _____)	7			
8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other	
b Less. cost or other basis and sales expenses	8a			
c Gain or (loss) (attach schedule)	8b			
d Net gain or (loss) (combine line 8c, columns (A) and (B))	8c			
8d	8d			
9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>				
a Gross revenue (not including \$ _____ of contributions reported on line 1a)	9a			
b Less. direct expenses other than fundraising expenses	9b			
c Net income or (loss) from special events (subtract line 9b from line 9a)	9c			
10a Gross sales of inventory, less returns and allowances	10a			
b Less: cost of goods sold	10b			
c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c			
11 Other revenue (from Part VII, line 103)	11		65.	
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		1,557,256.	
13 Program services (from line 44, column (B))	13		891,728.	
14 Management and general (from line 44, column (C))	14		71,000.	
15 Fundraising (from line 44, column (D))	15		32,404.	
16 Payments to affiliates (attach schedule)	16			
17 Total expenses (add lines 16 and 44, column (A))	17		995,132.	
18 Excess or (deficit) for the year (subtract line 17 from line 12)	18		562,124.	
19 Net assets or fund balances at beginning of year (from line 73, column (A))	19		986,868.	
20 Other changes in net assets or fund balances (attach explanation) See Statement 1	20		-7,688.	
21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21		1,541,304.	

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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (att sch) See Stm 2 (cash \$ 611,503. non-cash \$ 185,172.) If this amount includes foreign grants, check here <input checked="" type="checkbox"/>	22 796,675.	796,675.		
23	Specific assistance to individuals (att sch)	23			
24	Benefits paid to or for members (att sch)	24			
25	Compensation of officers, directors, etc	25 36,000.	14,400.	18,000.	3,600.
26	Other salaries and wages	26 48,000.	30,960.	9,720.	7,320.
27	Pension plan contributions	27			
28	Other employee benefits	28 11,959.	6,458.	3,947.	1,554.
29	Payroll taxes	29 6,586.	3,556.	2,173.	857.
30	Professional fundraising fees	30			
31	Accounting fees	31 7,858.		7,858.	
32	Legal fees	32			
33	Supplies	33			
34	Telephone	34			
35	Postage and shipping	35 5,455.	1,568.	3,887.	
36	Occupancy	36			
37	Equipment rental and maintenance	37			
38	Printing and publications	38 4,684.	286.	3,851.	547.
39	Travel	39 40,074.	34,501.	5,573.	
40	Conferences, conventions, and meetings	40			
41	Interest	41			
42	Depreciation, depletion, etc (attach schedule)	42 426.		426.	
43	Other expenses not covered above (itemize)				
a	Admin expenses	43a 4,365.	2,767.	1,356.	242.
b	Advertising and Public R	43b 27,850.		10,000.	17,850.
c	Miscellaneous	43c 1,058.	557.	67.	434.
d	Subcontractor other	43d 4,142.		4,142.	
e		43e			
f		43f			
g		43g			
44	Total functional expenses. Add lines 22 through 43 (Organizations completing columns (B) - (D), carry these totals to lines 13 - 15)	44 995,132.	891,728.	71,000.	32,404.

Joint Costs. Check if you are following SOP 98-2.
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If 'Yes,' enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____; (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ▶ <u>See Statement 3</u> All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, but optional for others)
<p>a <u>Bhutan -supporting country-wide blindness alleviation program. Grants provided for eye surgery, surgical equipment, and education; and in-kind grants of intraocular lenses and surgical equipment.</u></p> <p>(Grants and allocations \$ <u>115,167.</u>) If this amount includes foreign grants, check here ▶ <input checked="" type="checkbox"/></p>	<p>126,360.</p>
<p>b <u>Nepal -grants provided to Tilganga Eye Centre for outreach work in remote areas and educational training programs; in-kind grants of surgical equipment and supplies.</u></p> <p>(Grants and allocations \$ <u>112,366.</u>) If this amount includes foreign grants, check here ▶ <input checked="" type="checkbox"/></p>	<p>152,186.</p>
<p>c <u>China/Tibet -grants provided for remote eye camps in the Amdo region of Qinghai Province, China and Tibetan cities of Lhatse, Higtse and Lhasa; training of local medical personnel; and in-kind grants of surgical equipment.</u></p> <p>(Grants and allocations \$ <u>52,653.</u>) If this amount includes foreign grants, check here ▶ <input checked="" type="checkbox"/></p>	<p>58,281.</p>
<p>d <u>Tilganga Eye Centre Expansion-- construction for expanded facility</u></p> <p>(Grants and allocations \$ <u>430,000.</u>) If this amount includes foreign grants, check here ▶ <input checked="" type="checkbox"/></p>	<p>455,030.</p>
<p>e Other program services <u>See Statement 4</u></p> <p>(Grants and allocations \$ <u>86,488.</u>) If this amount includes foreign grants, check here ▶ <input checked="" type="checkbox"/></p>	<p>99,871.</p>
<p>f Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶</p>	<p>891,728.</p>

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Part IV Balance Sheets (See Instructions)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year	(B) End of year
ASSETS	45 Cash – non-interest-bearing		45
	46 Savings and temporary cash investments	985,167.	46 1,479,694.
	47 a Accounts receivable	47 a 50,000.	
	b Less. allowance for doubtful accounts	47 b	47 c 50,000.
	48 a Pledges receivable	48 a	
	b Less: allowance for doubtful accounts	48 b	48 c
	49 Grants receivable		49
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50
	51 a Other notes & loans receivable (attach sch)	51 a	
	b Less allowance for doubtful accounts	51 b	51 c
	52 Inventories for sale or use		52
	53 Prepaid expenses and deferred charges		53
	54 Investments – securities (attach schedule)	<input checked="" type="checkbox"/> Cost <input type="checkbox"/> FMV	54
	55 a Investments – land, buildings, & equipment: basis	55 a	
	b Less. accumulated depreciation (attach schedule)	55 b	55 c
56 Investments – other (attach schedule)		56	
57 a Land, buildings, and equipment. basis	57 a 24,706.		
b Less. accumulated depreciation (attach schedule)	57 b 23,431.	57 c 1,275.	
58 Other assets (describe ▶ <u>Statement 5 See Statement 6</u>)	1,701.	58 10,335.	
59 Total assets (must equal line 74). Add lines 45 through 58	986,868.	59 1,541,304.	
LIABILITIES	60 Accounts payable and accrued expenses		60
	61 Grants payable		61
	62 Deferred revenue		62
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63
	64 a Tax-exempt bond liabilities (attach schedule)		64 a
	b Mortgages and other notes payable (attach schedule)		64 b
	65 Other liabilities (describe ▶ _____)		65
66 Total liabilities. Add lines 60 through 65	0.	66 0.	
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.		
	67 Unrestricted	986,868.	67 1,307,265.
	68 Temporarily restricted		68 234,039.
	69 Permanently restricted		69
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.		
	70 Capital stock, trust principal, or current funds		70
	71 Paid-in or capital surplus, or land, building, and equipment fund		71
	72 Retained earnings, endowment, accumulated income, or other funds.		72
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)	986,868.	73 1,541,304.
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	986,868.	74 1,541,304.

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Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See instructions.)

a	Total revenue, gains, and other support per audited financial statements		a	1,546,472.
b	Amounts included on line a but not on Part I, line 12.			
	1 Net unrealized gains on investments	b1		-5,225.
	2 Donated services and use of facilities	b2		149,417.
	3 Recoveries of prior year grants	b3		
	4 Other (specify) _____	b4		
	Add lines b1 through b4		b	144,192.
c	Subtract line b from line a		c	1,402,280.
d	Amounts included on Part I, line 12, but not on line a:			
	1 Investment expenses not included on Part I, line 6b	d1		
	2 Other (specify) _____ See Stmt 7	d2		154,976.
	Add lines d1 and d2		d	154,976.
e	Total revenue (Part I, line 12) Add lines c and d		e	1,557,256.

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

a	Total expenses and losses per audited financial statements		a	1,144,548.
b	Amounts included on line a but not on Part I, line 17.			
	1 Donated services and use of facilities	b1		149,417.
	2 Prior year adjustments reported on Part I, line 20	b2		
	3 Losses reported on Part I, line 20	b3		
	4 Other (specify) _____	b4		
	Add lines b1 through b4		b	149,417.
c	Subtract line b from line a		c	995,131.
d	Amounts included on Part I, line 17, but not on line a:			
	1 Investment expenses not included on Part I, line 6b	d1		
	2 Other (specify) _____ See Stmt 8	d2		1.
	Add lines d1 and d2		d	1.
e	Total expenses (Part I, line 17). Add lines c and d		e	995,132.

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances
See Statement 9		36,000.	0.	0.

Part VI Other Information <i>(continued)</i>		Yes	No
82 a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X	
b If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82b 149,417.		
83 a Did the organization comply with the public inspection requirements for returns and exemption applications?		X	
b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?		X	
84 a Did the organization solicit any contributions or gifts that were not tax deductible?			X
b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		N/A	
85 501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		N/A	
b Did the organization make only in-house lobbying expenditures of \$2,000 or less?		N/A	
If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c Dues, assessments, and similar amounts from members	85c N/A		
d Section 162(e) lobbying and political expenditures	85d N/A		
e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e N/A		
f Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f N/A		
g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		N/A	
h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		N/A	
86 501(c)(7) organizations. Enter. a Initiation fees and capital contributions included on line 12	86a N/A		
b Gross receipts, included on line 12, for public use of club facilities	86b N/A		
87 501(c)(12) organizations. Enter. a Gross income from members or shareholders	87a N/A		
b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b N/A		
88 At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX			X
89 a 501(c)(3) organizations. Enter. Amount of tax imposed on the organization during the year under: section 4911 ▶ 0. , section 4912 ▶ 0. ; section 4955 ▶ 0.			
b 501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction			X
c Enter. Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0.	
d Enter. Amount of tax on line 89c, above, reimbursed by the organization		0.	
90 a List the states with which a copy of this return is filed ▶ <u>None</u>			
b Number of employees employed in the pay period that includes March 12, 2005 (See instructions.)	90b 2		
91 a The books are in care of ▶ <u>Emily Newick, MPH</u> Telephone number ▶ <u>802 649-1960</u> Located at ▶ <u>Waterbury, VT,</u> ZIP + 4 ▶ <u>05676</u>			
b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If 'Yes,' enter the name of the foreign country ▶ _____ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Statements		X	
c At any time during the calendar year, did the organization maintain an office outside of the United States? . If 'Yes,' enter the name of the foreign country ▶ _____			X
92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 — Check here and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92		N/A	N/A

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

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue.					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts			14	15,013.	
96 Dividends & interest from securities			14	14,838.	
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue. a _____					
b miscellaneous		65.	1		
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		65.		29,851.	
105 Total (add line 104, columns (B), (D), and (E))					29,916.

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

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

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

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

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

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

- a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
- Note: If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions).

Please Sign Here

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

Signature of officer: Emily R. Newick Date: 18-17-06

Type or print name and title: Emily R. Newick, Executive Director

Paid Preparer's Use Only

Preparer's signature: Colleen L. Montgomery CPA Date: 8/19/06

Firm's name (or yours if self-employed), address, and ZIP + 4: Montgomery & Merrill, PC
110 Main Street
Burlington, VT 05401-8451

Check if self-employed: Preparer's SSN or PTIN (See General Instruction W): N/A

EIN: N/A Phone no: (802) 864-6565

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under
Section 501(c)(3)

OMB No 1545 0047

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

2005

Department of the Treasury
Internal Revenue Service

Supplementary Information — (See separate instructions.)

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

Name of the organization

Himalayan Cataract Project, Inc.

Employer identification number

03-0362926

Part I

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

(See instructions. List each one. If there are none, enter 'None'.)

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
None				
Total number of other employees paid over \$50,000	▶	0		

Part II -- A

Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See instructions. List each one (whether individuals or firms). If there are none, enter 'None'.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		
Total number of others receiving over \$50,000 for professional services	▶	0

Part II -- B

Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter 'None.' See instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		
Total number of other contractors receiving over \$50,000 for other services	▶	0

Part III Statements About Activities (See instructions.)

	Yes	No
<p>1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ <u>N/A</u></p> <p>(Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)</p> <p>Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.</p>		X
<p>2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions.)</p> <p>a Sale, exchange, or leasing of property?</p>	2a	X
<p>b Lending of money or other extension of credit?</p>	2b	X
<p>c Furnishing of goods, services, or facilities?</p>	2c	X
<p>d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?</p>	2d	X
<p>e Transfer of any part of its income or assets?</p>	2e	X
<p>3a Do you make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how you determine that recipients qualify to receive payments.)</p>	3a	X
<p>b Do you have a section 403(b) annuity plan for your employees?</p>	3b	X
<p>c During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?</p>	3c	X
<p>4a Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?</p>	4a	X
<p>b Do you provide credit counseling, debt management, credit repair, or debt negotiation services?</p>	4b	X

Part IV Reason for Non-Private Foundation Status (See instructions.)

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

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ▶ _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 An organization that normally receives (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc, functions — subject to certain exceptions, and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). Check the box that describes the type of supporting organization: Type 1 Type 2 Type 3

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

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

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

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) *Use cash method of accounting.*

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	1,249,780.	768,836.	394,774.	491,796.	2,905,186.
16 Membership fees received					0.
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc. purpose					0.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	15,698.	19,311.	13,339.	14,194.	62,542.
19 Net income from unrelated business activities not included in line 18					0.
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0.
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					0.
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					0.
23 Total of lines 15 through 22	1,265,478.	788,147.	408,113.	505,990.	2,967,728.
24 Line 23 minus line 17	1,265,478.	788,147.	408,113.	505,990.	2,967,728.
25 Enter 1% of line 23	12,655.	7,881.	4,081.	5,060.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 59,355.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2001 through 2004 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 1,506,301.
c Total support for section 509(a)(1) test. Enter line 24, column (e)					26c 2,967,728.
d Add: Amounts from column (e) for lines: 18 62,542. 19 _____					26d 1,568,843.
22 _____ 26b 1,506,301.					26e 1,398,885.
e Public support (line 26c minus line 26d total)					26e 1,398,885.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 47.14 %
27 Organizations described on line 12: N/A					
a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' Do not file this list with your return. Enter the sum of such amounts for each year. (2004) _____ (2003) _____ (2002) _____ (2001) _____					
b For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2004) _____ (2003) _____ (2002) _____ (2001) _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____					27c _____
17 _____ 20 _____ 21 _____					27d _____
d Add. Line 27a total _____ and line 27b total _____					27e _____
e Public support (line 27c total minus line 27d total)					27e _____
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e)					27f _____
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g _____ %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h _____ %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See instructions)
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

		N/A	
		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If 'Yes,' please describe, if 'No,' please explain. (If you need more space, attach a separate statement.) ----- ----- -----		
32	Does the organization maintain the following.		
	a Records indicating the racial composition of the student body, faculty, and administrative staff?		
	b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
	c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
	d Copies of all material used by the organization or on its behalf to solicit contributions? If you answered 'No' to any of the above, please explain. (If you need more space, attach a separate statement) ----- -----		
33	Does the organization discriminate by race in any way with respect to.		
	a Students' rights or privileges?		
	b Admissions policies?		
	c Employment of faculty or administrative staff?		
	d Scholarships or other financial assistance?		
	e Educational policies?		
	f Use of facilities?		
	g Athletic programs?		
	h Other extracurricular activities? If you answered 'Yes' to any of the above, please explain (If you need more space, attach a separate statement.) ----- -----		
34a	Does the organization receive any financial aid or assistance from a governmental agency?		
	b Has the organization's right to such aid ever been revoked or suspended? If you answered 'Yes' to either 34a or b, please explain using an attached statement		
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev Proc 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If 'No,' attach an explanation.		

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions.)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

N/A

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked 'a' and 'limited control' provisions apply.

Limits on Lobbying Expenditures

(The term 'expenditures' means amounts paid or incurred.)

	(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38 Total lobbying expenditures (add lines 36 and 37)	38	
39 Other exempt purpose expenditures	39	
40 Total exempt purpose expenditures (add lines 38 and 39)	40	
41 Lobbying nontaxable amount. Enter the amount from the following table –		
If the amount on line 40 is –		
Not over \$500,000		
Over \$500,000 but not over \$1,000,000		
Over \$1,000,000 but not over \$1,500,000		
Over \$1,500,000 but not over \$17,000,000		
Over \$17,000,000		
The lobbying nontaxable amount is –		
20% of the amount on line 40		
\$100,000 plus 15% of the excess over \$500,000		
\$175,000 plus 10% of the excess over \$1,000,000	41	
\$225,000 plus 5% of the excess over \$1,500,000		
\$1,000,000		
42 Grassroots nontaxable amount (enter 25% of line 41)	42	
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	

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

4-Year Averaging Period Under Section 501(h)

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

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots non-taxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

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

N/A

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

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

Yes	No	Amount

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

Client 683

Himalayan Cataract Project, Inc.

03-0362926

8/08/06

12:06PM

Statement 1
Form 990, Part I, Line 20
Other Changes in Net Assets or Fund Balances

\$481(a) adjustment-unrealized loss	\$	-2,463.
Unrealized losses		-5,225.
Total	\$	<u>-7,688.</u>

Statement 2
Form 990, Part II, Line 22
Grants and Allocations

Cash Grants and Allocations

Class of Activity:	Eye care ctr construction	
Donee's Name:	Paramita Charitable Trust	
Donee's Address:	Jomgon Kongtrol Eye Ctr Kalimp Kalimpong, India	
Relationship of Donee:	None	
Amount Given:		\$ 16,674.
Class of Activity:	Eye camps, supplies	
Donee's Name:	National Referral Hospital	
Donee's Address:	Jigme Dorji Wangchuk Thimphu, Bhutan	
Relationship of Donee:	None	
Amount Given:		79,518.
Class of Activity:	Construction eye centre	
Donee's Name:	Tilganga Eye Centre	
Donee's Address:	Gaushala, Bagmati Bridge Kathmandu, Nepal	
Relationship of Donee:	none	
Amount Given:		430,000.
Class of Activity:	Eye care center & supplie	
Donee's Name:	Tilganga Eye Centre	
Donee's Address:	Gaushala, Bagmati Bridge Kathmandu, Nepal	
Relationship of Donee:	none	
Amount Given:		20,035.
Class of Activity:	Education	
Donee's Name:	Tilganga Eye Centre	
Donee's Address:	Gaushala, Bagmati Bridge Kathmandu, Nepal	
Relationship of Donee:	None	
Amount Given:		24,740.
Class of Activity:	Computer for telemedicine	
Donee's Name:	National Referral Hospital	
Donee's Address:	Jigme Dorji Wangchuk Thimphu, Bhutan	
Relationship of Donee:	None	
Amount Given:		986.
Class of Activity:	Eye camps	
Donee's Name:	Tibet Development Fund	
	Lhasa, Tibet	

Client 683

Himalayan Cataract Project, Inc.

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11 12AM

Statement 2 (continued)
Form 990, Part II, Line 22
Grants and Allocations

Cash Grants and Allocations

Amount Given:		\$	10,000.
Class of Activity:	Education No. Korean Drs		
Donee's Name:	Tilganga Eye Centre		
Donee's Address:	Gaushala, Bagmati Bridge Kathmandu, Nepal		
Relationship of Donee:	None		
Amount Given:			15,000.
Class of Activity:	Microscope No. Korea		
Donee's Name:	Tilganga Eye Centre		
Donee's Address:	Gaushala, Bagmati Bridge Kathmandu, Nepal		
Amount Given:			7,275.
Class of Activity:	Microscope		
Donee's Name:	Paramita Charitable Trust		
Donee's Address:	Jomgon Kongtrol Eye Ctr Kalimpong, India		
Relationship of Donee:	None		
Amount Given:			7,275.
Total Cash Grants and Allocations \$			611,503.

Noncash Grants and Allocations

Class of Activity:	Surgical supplies		
Donee's Name:	National Referral Hospital		
Donee's Address:	Jigme Dorji Wangchuk Thimphu, Bhutan		
Relationship of Donee:	none		
Description of Property:	Surgical supplies		
Date of Gift:	Various		
Book Value:	40,153.		
Method Used to Determine BV:	Cost		
Fair Market Value:			40,153.
Method Used to Determine FMV:	Cost		
Class of Activity:	Surgical supplies		
Donee's Name:	Tilganga Eye Centre		
Donee's Address:	Gaushala, Bagmati Bridge Kathmandu, Nepal		
Relationship of Donee:	none		
Description of Property:	surgical supplies		
Date of Gift:	Various		
Book Value:	102,366.		
Method Used to Determine BV:	Cost		
Fair Market Value:			102,366.
Method Used to Determine FMV:	Cost		

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Himalayan Cataract Project, Inc.

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Statement 2 (continued)
Form 990, Part II, Line 22
Grants and Allocations

Noncash Grants and Allocations

Class of Activity:	Surgical supplies	
Donee's Name:	Tibet Development Fund	
	Lhasa, Tibet	
Relationship of Donee:	None	
Description of Property:	Surgical supplies	
Book Value:	42,653.	
Method Used to Determine BV:	Cost	
Fair Market Value:		\$ 42,653.
Method Used to Determine FMV:	Cost	

Total Noncash Grants and Allocations \$ 185,172.

Total Grants and Allocations \$ 796,675.

Statement 3
Form 990, Part III
Organization's Primary Exempt Purpose

Eye surgery and medical services including training of doctors and nurses in the Himalayan region

Statement 4
Form 990, Part III, Line e
Statement of Program Service Accomplishments

- Description	Grants and Allocations	Program Service Expenses
India-Grants provided to support primary eye care center in Kalimpong, India. Includes Foreign Grants: Yes	16,674.	19,702.
Education--Grants provided to support further training of ophthalmologists from Himalayan region and beyond, including two surgeons from North Korea, and to support residency program. Includes Foreign Grants: Yes	40,725.	49,264.
Equipment. Grants provided to supply surgical equipment to doctors and facilities. Includes Foreign Grants: Yes	29,089.	30,905.
Total	\$ <u>86,488.</u>	\$ <u>99,871.</u>

Client 683

Himalayan Cataract Project, Inc.

03-0362926

8/08/06

12 06PM

Statement 5
Form 990, Part IV, Line 57
Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value
Furniture and Fixtures	\$ 22,168.	\$ 22,168.	\$ 0.
Miscellaneous	2,538.	1,263.	1,275.
Total	<u>\$ 24,706.</u>	<u>\$ 23,431.</u>	<u>\$ 1,275.</u>

Statement 6
Form 990, Part IV, Line 58
Other Assets

Interest receivable	\$ 10,335.
Total	<u>\$ 10,335.</u>

Statement 7
Form 990, Part IV-A, Line d(2)
Other Amounts

\$481(a) adjustment/grant income	\$ 150,000.
\$481(a) adjustment/interest income	4,975.
Rounding	1.
Total	<u>\$ 154,976.</u>

Statement 8
Form 990, Part IV-B, Line d(2)
Other Amounts

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

Statement 9
Form 990, Part V-A
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compen- sation	Contri- bution to EBP & DC	Expense Account/ Other
Sanduk Ruit, MD GPO Box 561 Kathmandu, Nepal	Director 0	\$ 0.	\$ 0.	0.
Geoffrey C. Tabin, MD 50 No. Medical Drive Salt Lake City, UT 84132	Director 0	0.	0.	0.

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Himalayan Cataract Project, Inc.

03-0362926

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Statement 9 (continued)
 Form 990, Part V-A
 List of Officers, Directors, Trustees, and Key Employees

<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>
Emily R. Newick P.O. Box 55 Waterbury, VT 05676	Executive Direc 0	\$ 36,000.	\$ 0.	\$ 0.
Job Heintz P.O. Box 55 Waterbury, VT 05676	General Counsel 0	0.	0.	0.
Richard Litwin, MD 2500 Milvia St Berkeley, CA 94704	Director 0	0.	0.	0.
Randall Olson, MD Moran Eye Center Salt Lake City, UT 84132	Director 0	0.	0.	0.
Hugh Taylor, MD Royal Victorian Eye & Ear Hosp Melbourne, Australia	Director 0	0.	0.	0.
	Total	<u>\$ 36,000.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

Client 683

Himalayan Cataract Project, Inc.

03-0362926

8/08/06

11.12AM

Schedule of Contributors
Fair market value or estimated value
Global Links

2/17/05		\$	8,277.
09/07/05			5,358.
10/19/05			1,440.
12/8/05			888.
	Total	\$	<u>15,963.</u>

Schedule of Contributors
Fair market value or estimated value
Accutome Ultrasound Inc

3/15/05		\$	6,425.
7/22/05			6,995.
	Total	\$	<u>13,420.</u>

Application for Change in Accounting Method

Department of the Treasury
Internal Revenue Service

Name of filer (name of parent corporation if a consolidated group) (see instructions)		Identification number (see instructions) 03-0362926	
Himalayan Cataract Project, Inc.		Principal business activity code number (see instructions)	
Number, street, and room or suite no. If a P O box, see the instructions P. O. Box 55		Tax year of change begins (MM/DD/YYYY) 01/01/05	
City or town, state, and ZIP code Waterbury, VT 05676		Tax year of change ends (MM/DD/YYYY) 12/31/05	
Name of applicant(s) (If different than filer) and identification number(s) (see instructions)		Name of contact person (see instructions) Emily Newick	
		Contact person's telephone number 802 649-1960	

If the applicant is a member of a consolidated group, check this box

If Form 2848, Power of Attorney and Declaration of Representative, is attached, check this box

Check the box to indicate the applicant.

<input type="checkbox"/> Individual	<input type="checkbox"/> Cooperative (Sec. 1381)
<input type="checkbox"/> Corporation	<input type="checkbox"/> Partnership
<input type="checkbox"/> Controlled foreign corporation (Sec. 957)	<input type="checkbox"/> S Corporation
<input type="checkbox"/> 10/50 corporation (Sec. 904(d)(2)(E))	<input type="checkbox"/> Insurance Co. (Sec. 816(a))
<input type="checkbox"/> Qualified personal service corporation (Sec. 448(d)(2))	<input type="checkbox"/> Insurance Co. (Sec. 831)
<input checked="" type="checkbox"/> Exempt organization Enter Code section §501(c)(3)	<input type="checkbox"/> Other (specify) _____

Check the appropriate box to indicate the type of accounting method change being requested. (see instructions)

<input type="checkbox"/> Depreciation or Amortization
<input type="checkbox"/> Financial Products and/or Financial Activities of Financial Institutions
<input checked="" type="checkbox"/> Other (specify) cash to accrual

Caution: The applicant must provide the requested information to be eligible for approval of the requested accounting method change. The applicant may be required to provide information specific to the accounting method change such as an attached statement. The applicant must provide all information relevant to the requested accounting method change even if not specifically requested by the Form 3115.

Part I Information For Automatic Change Request	Yes	No
1 Enter the requested designated accounting method change number from the List of Automatic Accounting Method Changes (see instructions). Enter only one method change number, except as provided for in the instructions. If the requested change is not included in that list, check "Other," and provide a description. ▶ (a) Change No. <u>30</u> (b) Other <input type="checkbox"/> Description ▶ _____		
2 Is the accounting method change being requested one for which the scope limitations of section 4.02 of Rev. Proc. 2002-9 (or its successor) do not apply? If "Yes," go to Part II.	x	
3 Is the tax year of change the final tax year of a trade or business for which the taxpayer would be required to take the entire amount of the section 481(a) adjustment into account in computing taxable income? If "Yes," the applicant is not eligible to make the change under automatic change request procedures.		x

Note: Complete Part II below and then Part IV, and also Schedules A through E of this form (if applicable).

Part II Information For All Requests	Yes	No
4a Does the applicant (or any present or former consolidated group in which the applicant was a member during the applicable tax year(s)) have any Federal income tax return(s) under examination (see instructions)? If you answered "No," go to line 5.		x
b Is the method of accounting the applicant is requesting to change an issue (with respect to either the applicant or any present or former consolidated group in which the applicant was a member during the applicable tax year(s)) either (i) under consideration or (ii) placed in suspense (see instructions)?		x

Signature (see instructions)

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

Filer
Emily R. Newick 8-14-06
Signature and date

Preparer (other than filer/applicant)
Colleen L. Montgomery, CPA 8/8/06
Signature of individual preparing the application and date

Emily R. Newick, Executive Director
Name and title (print or type)

Colleen L. Montgomery, CPA
Name of individual preparing the application (print or type)

Montgomery & Merrill, PC
Name of firm preparing the application

Part II Information For All Requests (continued)

	Yes	No
4 c Is the method of accounting the applicant is requesting to change an issue pending (with respect to either the applicant or any present or former consolidated group in which the applicant was a member during the applicable tax year(s)) for any tax year under examination (see instructions)?		X
d Is the request to change the method of accounting being filed under the procedures requiring that the operating division director consent to the filing of the request (see instructions)? If "Yes," attach the consent statement from the director.		X
e Is the request to change the method of accounting being filed under the 90-day or 120-day window period? If "Yes," check the box for the applicable window period and attach the required statement (see instructions). <input type="checkbox"/> 90 day <input type="checkbox"/> 120 day		
f If you answered "Yes," to line 4a, enter the name and telephone number of the examining agent and the tax year(s) under examination Name ▶ _____ Telephone number ▶ _____ Tax year(s) ▶ _____		
g Has a copy of this Form 3115 been provided to the examining agent identified on line 4f?		
5 a Does the applicant (or any present or former consolidated group in which the applicant was a member during the applicable tax year(s)) have any Federal income tax return(s) before Appeals and/or a Federal court? If "Yes," enter the name of the (check the box) <input type="checkbox"/> Appeals officer and/or <input type="checkbox"/> counsel for the government, and the tax year(s) before Appeals and/or a Federal court. Name ▶ _____ Telephone number ▶ _____ Tax year(s) ▶ _____		X
b Has a copy of this Form 3115 been provided to the Appeals officer and/or counsel for the government identified on line 5a?		X
c Is the method of accounting the applicant is requesting to change an issue under consideration by Appeals and/or a Federal court (for either the applicant or any present or former consolidated group in which the applicant was a member for the tax year(s) the applicant was a member)? If "Yes," attach an explanation.		X
6 If the applicant answered "Yes" to line 4a and/or 5a with respect to any present or former consolidated group, provide each parent corporation's (a) name, (b) identification number, (c) address, and (d) tax year(s) during which the applicant was a member that is under examination, before an Appeals office, and/or before a Federal court.		
7 If the applicant is an entity (including a limited liability company) treated as a partnership or S corporation for Federal income tax purposes, is it requesting a change from a method of accounting that is an issue under consideration in an examination, before Appeals, or before a Federal court, with respect to a Federal income tax return of a partner, member or shareholder of that entity? If "Yes," the applicant is not eligible to make the change.		X
8 Is the applicant making a change to which audit protection does not apply (see instructions)?		X
9 a Has the applicant, its predecessor, or a related party requested or made (under either an automatic change procedure or a procedure requiring advance consent) a change in accounting method within the past 5 years (including the year of the requested change)?		X
b If "Yes," attach a description of each change and the year of change for each separate trade or business and whether consent was obtained.		
c If any application was withdrawn, not perfected, or denied, or if a Consent Agreement was sent to the taxpayer but was not signed and returned to the IRS, or if the change was not made or not made in the requested year of change, include an explanation		
10 a Does the applicant, its predecessor, or a related party currently have pending any request (including any concurrently filed request) for a private letter ruling, change in accounting method, or technical advice?		X
b If "Yes," for each request attach a statement providing the name(s) of the taxpayer, identification number(s), the type of request (private letter ruling, change in accounting method, or technical advice), and the specific issue(s) in the request(s).		
11 Is the applicant requesting to change its overall method of accounting? If "Yes," check the appropriate boxes below to indicate the applicant's present and proposed methods of accounting. Also, complete Schedule A on page 4 of the form.	X	
Present method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Hybrid (attach description)		
Proposed method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Hybrid (attach description)		
12 If the applicant is not changing its overall method of accounting, attach a detailed and complete description for each of the following: a The item(s) being changed. b The applicant's present method for the item(s) being changed. c The applicant's proposed method for the item(s) being changed. d The applicant's present overall method of accounting (cash, accrual, or hybrid).		

Part II Information For All Requests (continued)		Yes	No																								
13	Attach a detailed and complete description of the applicant's trade(s) or business(es), and the principal business activity code for each. If the applicant has more than one trade or business as defined in Regulations section 1.446-1(d), describe whether each trade or business is accounted for separately; the goods and services provided by each trade or business and any other types of activities engaged in that generate gross income; the overall method of accounting for each trade or business; and which trade or business is requesting to change its accounting method as part of this application or a separate application.																										
14	Will the proposed method of accounting be used for the applicant's books and records and financial statements? For insurance companies, see the instructions If "No," attach an explanation.	X																									
15 a	Has the applicant engaged, or will it engage, in a transaction to which section 381(a) applies (e.g., a reorganization, merger, or liquidation) during the proposed tax year of change determined without regard to any potential closing of the year under section 381(b)(1)?		X																								
b	If "Yes," for the items of income and expense that are the subject of this application, attach a statement identifying the methods of accounting used by the parties to the section 381(a) transaction immediately before the date of distribution or transfer and the method(s) that would be required by section 381(c)(4) or (c)(5) absent consent to the change(s) requested in this application.																										
16	Does the applicant request a conference of right with the IRS National Office if the IRS proposes an adverse response?		X																								
17	If the applicant is changing to or from the cash method or changing its method of accounting under sections 263A, 448, 460, or 471, enter the gross receipts of the 3 tax years preceding the year of change.																										
	<table border="1"> <thead> <tr> <th>1st preceding year ended mo</th> <th>Dec</th> <th>yr</th> <th>2004</th> <th>2nd preceding year ended mo</th> <th>Dec</th> <th>yr</th> <th>2003</th> <th>3rd preceding year ended mo</th> <th>Dec</th> <th>yr</th> <th>2002</th> </tr> </thead> <tbody> <tr> <td>\$</td> <td></td> <td></td> <td>1,533,751</td> <td>\$</td> <td></td> <td></td> <td>788,147</td> <td>\$</td> <td></td> <td></td> <td>408,113</td> </tr> </tbody> </table>	1st preceding year ended mo	Dec	yr	2004	2nd preceding year ended mo	Dec	yr	2003	3rd preceding year ended mo	Dec	yr	2002	\$			1,533,751	\$			788,147	\$			408,113		
1st preceding year ended mo	Dec	yr	2004	2nd preceding year ended mo	Dec	yr	2003	3rd preceding year ended mo	Dec	yr	2002																
\$			1,533,751	\$			788,147	\$			408,113																

Part III Information For Advance Consent Request		Yes	No
18	Is the applicant's requested change described in any revenue procedure, revenue ruling, notice, regulation, or other published guidance as an automatic change request? If "Yes," attach an explanation describing why the applicant is submitting its request under advance consent request procedures.		
19	Attach a full explanation of the legal basis supporting the proposed method for the item being changed. Include a detailed and complete description of the facts that explains how the law specifically applies to the applicant's situation and that demonstrates that the applicant is authorized to use the proposed method. Include all authority (statutes, regulations, published rulings, court cases, etc.) supporting the proposed method. The applicant should include a discussion of any authorities that may be contrary to its use of the proposed method.		
20	Attach a copy of all documents related to the proposed change (see instructions).		
21	Attach a statement of the applicant's reasons for the proposed change.		
22	If the applicant is a member of a consolidated group for the year of change, do all other members of the consolidated group use the proposed method of accounting for the item being changed? If "No," attach an explanation.		
23 a	Enter the amount of user fee attached to this application (see instructions). ▶ \$ _____		
b	If the applicant qualifies for a reduced user fee, attach the necessary information or certification required by Rev. Proc. 2003-1 (or its successor) (see instructions).		

Part IV Section 481(a) Adjustment		Yes	No
24	Do the procedures for the accounting method change being requested require the use of the cut-off method? If "Yes," do not complete lines 25, 26, and 27 below.		X
25	Enter the section 481(a) adjustment. Indicate whether the adjustment is an increase (+) or a decrease (-) in income. ▶ \$ <u>+152512</u> Attach a summary of the computation and an explanation of the methodology used to determine the section 481(a) adjustment. If it is based on more than one component, show the computation for each component. If more than one applicant is applying for the method change on the same application, attach a list of the name, identification number, principal business activity code (see instructions), and the amount of the section 481(a) adjustment attributable to each applicant.		
26	If the section 481(a) adjustment is an increase to income of less than \$25,000, does the applicant elect to take the entire amount of the adjustment into account in the year of change?		
27	Is any part of the section 481(a) adjustment attributable to transactions between members of an affiliated group, a consolidated group, a controlled group, or other related parties? If "Yes," attach an explanation		X

Schedule A - Change in Overall Method of Accounting (If Schedule A applies, Part I below must be completed.)

Part I Change in Overall Method (see instructions)

1 Enter the following amounts as of the close of the tax year preceding the year of change. If none, state "None." Also, attach a statement providing a breakdown of the amounts entered on lines 1a through 1g.

	Amount
a Income accrued but not received	152,512
b Income received or reported before it was earned. Attach a description of the income and the legal basis for the proposed method	
c Expenses accrued but not paid	
d Prepaid expenses previously deducted	
e Supplies on hand previously deducted and/or not previously reported	
f Inventory on hand previously deducted and/or not previously reported. Complete Schedule D, Part II	
g Other amounts (specify) ▶	
h Net section 481(a) adjustment (Combine lines 1a-1g.)	152,512.00

2 Is the applicant also requesting the recurring item exception under section 461(h)(3)? Yes No

3 Attach copies of the profit and loss statement (Schedule F (Form 1040) for farmers) and the balance sheet, if applicable, as of the close of the tax year preceding the year of change. On a separate sheet, state the accounting method used when preparing the balance sheet. If books of account are not kept, attach a copy of the business schedules submitted with the Federal income tax return or other return (e.g., tax-exempt organization returns) for that period. If the amounts in Part I, lines 1a through 1g, do not agree with those shown on both the profit and loss statement and the balance sheet, explain the differences on a separate sheet.

Part II Change to the Cash Method For Advance Consent Request (see instructions)

Applicants requesting a change to the cash method must attach the following information:

- 1 A description of inventory items (items whose production, purchase, or sale is an income-producing factor) and materials and supplies used in carrying out the business.
- 2 An explanation as to whether the applicant is required to use the accrual method under any section of the Code or regulations.

Schedule B - Change in Reporting Advance Payments (see instructions)

1 If the applicant is requesting to defer advance payment for services under Rev. Proc. 71-21, 1971-2 C.B. 549, attach the following information:

- a Sample copies of all service agreements used by the applicant that are subject to the requested change in accounting method. Indicate the particular parts of the service agreement that require the taxpayer to perform services.
- b If any parts or materials are provided, explain whether the obligation to provide parts or materials is incidental (of minor or secondary importance) to an agreement providing for the performance of personal services.
- c If the change relates to contingent service contracts, explain how the contracts relate to merchandise that is sold, leased, installed, or constructed by the applicant and whether the applicant offers to sell, lease, install, or construct without the service agreement.
- d A description of the method the applicant will use to determine the amount of income earned each year on service contracts and why that method clearly reflects income earned and related expenses in each year.
- e An explanation of how the method the applicant will use to determine the amount of gross receipts each year will be no less than the amount included in gross receipts for purposes of its books and records. See section 3.11 of Rev. Proc. 71-21.

2 If the applicant is requesting a deferral of advance payments for goods under Regulations section 1.451-5, attach the following information.

- a Sample copies of all agreements for goods or items requiring advance payments used by the applicant that are subject to the requested change in accounting method. Indicate the particular parts of the agreement that require the applicant to provide goods or items.
- b A statement providing that the entire advance payment is for goods or items. If not entirely for goods or items, a statement that an amount equal to 95% of the total contract price is properly allocable to the obligation to provide activities described in Regulations section 1.451-5(a)(1)(i) or (ii) (including services as an integral part of those activities).
- c An explanation of how the method the applicant will use to determine the amount of gross receipts each year will be no less than the amount included in gross receipts for purposes of its books and records. See Regulations section 1.451-5(b)(1).

Schedule C - Changes Within the LIFO Inventory Method (see instructions)**Part I General LIFO Information**

Complete this section if the requested change involves changes within the LIFO inventory method. Also, attach a copy of all **Forms 970, Application To Use LIFO Inventory Method**, filed to adopt or expand the use of the LIFO method

- 1 Attach a description of the applicant's present and proposed LIFO methods and submethods for each of the following items:
 - a Valuing inventory (e.g., unit method or dollar-value method)
 - b Pooling (e.g., by line or type or class of goods, natural business unit, multiple pools, raw material content, simplified dollar-value method, inventory price index computation (IPIC) pools, etc.)
 - c Pricing dollar-value pools (e.g., double-extension, index, link-chain, link-chain index, IPIC method, etc.)
 - d Determining the current year cost of goods in the ending inventory (e.g., most recent purchases, earliest acquisitions during the year, average cost of purchases during the year, etc.)
- 2 If any present method or submethod used by the applicant is not the same as indicated on Form(s) 970 filed to adopt or expand the use of the method, attach an explanation.
- 3 If the proposed change is not requested for all the LIFO inventory, specify the inventory to which the change is and is not applicable.
- 4 If the proposed change is not requested for all of the LIFO pools, specify the LIFO pool(s) to which the change is applicable.
- 5 Attach a statement addressing whether the applicant values any of its LIFO inventory on a method other than cost. For example, if the applicant values some of its LIFO inventory at retail and the remainder at cost, the applicant should identify which inventory items are valued under each method.
- 6 If changing to the IPIC method, attach a completed Form 970 and a statement indicating the indexes, tables, and categories the applicant proposes to use.

Part II Change in Pooling Inventories

- 1 If the applicant is proposing to change its pooling method or the number of pools, attach a description of the contents of, and state the base year for, each dollar-value pool the applicant presently uses and proposes to use.
- 2 If the applicant is proposing to use natural business unit (NBU) pools or requesting to change the number of NBU pools, attach the following information (to the extent not already provided) in sufficient detail to show that each proposed NBU was determined under Regulations section 1.472-8(b)(1) and (2):
 - a A description of the types of products produced by the applicant. If possible, attach a brochure.
 - b A description of the types of processes and raw materials used to produce the products in each proposed pool.
 - c If all of the products to be included in the proposed NBU pool(s) are not produced at one facility, the applicant should explain the reasons for the separate facilities, indicate the location of each facility, and provide a description of the products each facility produces.
 - d A description of the natural business divisions adopted by the taxpayer. State whether separate cost centers are maintained and if separate profit and loss statements are prepared.
 - e A statement addressing whether the applicant has inventories of items purchased and held for resale that are not further processed by the applicant, including whether such items, if any, will be included in any proposed NBU pool.
 - f A statement addressing whether all items including raw materials, goods-in-process, and finished goods entering into the entire inventory investment for each proposed NBU pool are presently valued under the LIFO method. Describe any items that are not presently valued under the LIFO method that are to be included in each proposed pool.
 - g A statement addressing whether, within the proposed NBU pool(s), there are items both sold to unrelated parties and transferred to a different unit of the applicant to be used as a component part of another product prior to final processing.
- 3 If the applicant is engaged in manufacturing and is proposing to use the multiple pooling method or raw material content pools, attach information to show that each proposed pool will consist of a group of items that are substantially similar. See Regulations section 1.472-8(b)(3).
- 4 If the applicant is engaged in the wholesaling or retailing of goods and is requesting to change the number of pools used, attach information to show that each of the proposed pools is based on customary business classifications of the applicant's trade or business. See Regulations section 1.472-8(c).

Schedule D - Change in the Treatment of Long-Term Contracts Under Section 460, Inventories, or Other Section 263A Assets (see instructions)

Part I Change in Reporting Income From Long-Term Contracts (Also complete Part III on pages 7 and 8.)

- 1 To the extent not already provided, attach a description of the applicant's present and proposed methods for reporting income and expenses from long-term contracts.
2 a Are the applicant's contracts long-term contracts as defined in section 460(f)(1) (see instructions)?
b If "Yes," do all the contracts qualify for the exception under section 460(e) (see instructions)?
c If line 2b is "Yes," is the applicant requesting to use the percentage-of-completion method using cost-to-cost under Regulations section 1.460-4(b)?
d If line 2c is "No," is the applicant requesting to use the exempt-contract percentage-of-completion method under Regulations section 1.460-4(c)(2)?
3 a Does the applicant have long-term manufacturing contracts as defined in section 460(f)(2)?
b If "Yes," explain the applicant's present and proposed method(s) of accounting for long-term manufacturing contracts.
c Describe the applicant's manufacturing activities, including any required installation of manufactured goods.
4 To determine a contract's completion factor using the percentage-of-completion method:
a Will the applicant use the cost-to-cost method in Regulations section 1.460-4(b)?
b If line 4a is "No," is the applicant electing the simplified cost-to-cost method (see section 460(b)(3) and Regulations section 1.460-5(c))?
5 Attach a statement indicating whether any of the applicant's contracts are either cost-plus long-term contracts or Federal long-term contracts

Part II Change in Valuing Inventories Including Cost Allocation Changes (Also complete Part III on page 7 and 8.)

- 1 Attach a description of the inventory goods being changed.
2 Attach a description of the inventory goods (if any) NOT being changed.
3 If the applicant is subject to section 263A, is its present inventory valuation method in compliance with section 263A (see instructions)?

4 a Check the appropriate boxes below.

Identification methods.

- Specific identification
FIFO
LIFO
Other (attach explanation).

Valuation methods:

- Cost
Cost or market, whichever is lower
Retail cost
Retail, lower of cost or market
Other (attach explanation)

b Enter the value at the end of the tax year preceding the year of change.

5 If the applicant is changing from the LIFO inventory method to a non-LIFO method, attach the following information (see instructions).

- a Copies of Form(s) 970 filed to adopt or expand the use of the method.
b Only for applicants requesting advance consent. A statement describing whether the applicant is changing to the method required by Regulations section 1.472-6(a) or (b), or whether the applicant is proposing a different method.
c Only for applicants requesting an automatic change. Attach the statement required by section 10.01(4) of the Appendix of Rev. Proc 2002-9 (or its successor)

Table with 3 columns: Inventory Being Changed (Present Method, Proposed Method) and Inventory Not Being Changed (Present Method). Rows correspond to identification and valuation methods.

Part III Method of Cost Allocation (Complete this part if the requested change involves either property subject to section 263A or long-term contracts as described in section 460 (see instructions).)

Section A - Allocation and Capitalization Methods

Attach a description (including sample computations) of the present and proposed method(s) the applicant uses to capitalize direct and indirect costs properly allocable to real or tangible personal property produced and property acquired for resale, or to allocate and, where appropriate, capitalize direct and indirect costs properly allocable to long-term contracts. Include a description of the method(s) used for allocating indirect costs to intermediate cost objectives such as departments or activities prior to the allocation of such costs to long-term contracts, real or tangible personal property produced, and property acquired for resale. The description must include the following:

- 1 The method of allocating direct and indirect costs (i.e., specific identification, burden rate, standard cost, or other reasonable allocation method)
- 2 The method of allocating mixed service costs (i.e., direct reallocation, step-allocation, simplified service cost using the labor-based allocation ratio, simplified service cost using the production cost allocation ratio, or other reasonable allocation method)
- 3 The method of capitalizing additional section 263A costs (i.e., simplified production with or without the historic absorption ratio election, simplified resale with or without the historic absorption ratio election including permissible variations, the U.S. ratio, or other reasonable allocation method)

Section B - Direct and Indirect Costs Required To Be Allocated (Check the appropriate boxes in Section B showing the costs that are or will be fully included, to the extent required, in the cost of real or tangible personal property produced or property acquired for resale under section 263A or allocated to long-term contracts under section 460. Mark "N/A" in a box if those costs are not incurred by the applicant. If a box is not checked, it is assumed that those costs are not fully included to the extent required. Attach an explanation for boxes that are not checked.)

	Present method	Proposed method
1 Direct material		
2 Direct labor		
3 Indirect labor		
4 Officers' compensation (not including selling activities)		
5 Pension and other related costs		
6 Employee benefits		
7 Indirect materials and supplies		
8 Purchasing costs		
9 Handling, processing, assembly, and repackaging costs		
10 Offsite storage and warehousing costs		
11 Depreciation, amortization, and cost recovery allowance for equipment and facilities placed in service and not temporarily idle		
12 Depletion		
13 Rent		
14 Taxes other than state, local, and foreign income taxes		
15 Insurance		
16 Utilities		
17 Maintenance and repairs that relate to a production, resale, or long-term contract activity		
18 Engineering and design costs (not including section 174 research and experimental expenses)		
19 Rework labor, scrap, and spoilage		
20 Tools and equipment		
21 Quality control and inspection		
22 Bidding expenses incurred in the solicitation of contracts awarded to the applicant		
23 Licensing and franchise costs		
24 Capitalizable service costs (including mixed service costs)		
25 Administrative costs (not including any costs of selling or any return on capital)		
26 Research and experimental expenses attributable to long-term contracts		
27 Interest		
28 Other costs (Attach a list of these costs.)		

Part III Method of Cost Allocation (see instructions) (continued)

Schedule C - Other Costs Not Required To Be Allocated (Complete Section C only if the applicant is requesting to change its method for these costs)

Table with 3 columns: Line number, Description of cost, Present method, Proposed method. Rows include Marketing, selling, advertising, and distribution expenses; Research and experimental expenses; Bidding expenses; General and administrative costs; Income taxes; Cost of strikes; Warranty and product liability costs; Section 179 costs; On-site storage; Depreciation, amortization, and cost recovery allowance; Other costs.

Schedule E - Change in Depreciation or Amortization (see instructions)

Applicants requesting approval to change their method of accounting for depreciation or amortization complete this section. Applicants must provide this information for each item or class of property for which a change is requested.

Note: See the List of Automatic Accounting Method Changes in the instructions for information regarding automatic changes under sections 56, 167, 168, 197, 1400I, 1400L, or former section 168. Do not file Form 3115 with respect to certain late elections and election revocations (see instructions).

- 1 Is depreciation for the property determined under Regulations section 1.167(a)-11 (CLADR)?
2 Is any of the depreciation or amortization required to be capitalized under any Code section (e.g., section 263A)?
3 Has a depreciation or amortization election been made for the property (e.g., the election under section 168(f)(1))?
4 a To the extent not already provided, attach a statement describing the property being changed.
b If the property is residential rental property, did the applicant live in the property before renting it?
c Is the property public utility property?
5 To the extent not already provided in the applicant's description of its present method, explain how the property is treated under the applicant's present method (e.g., depreciable property, inventory property, supplies under Regulations section 1.162-3, nondepreciable section 263(a) property, property deductible as a current expense, etc).
6 If the property is not currently treated as depreciable or amortizable property, provide the facts supporting the proposed change to depreciate or amortize the property.
7 If the property is currently treated and/or will be treated as depreciable or amortizable property, provide the following information under both the present (if applicable) and proposed methods:
a The Code section under which the property is or will be depreciated or amortized (e.g , section 168(g)).
b The applicable asset class from Rev. Proc. 87-56, 1987-2 C.B. 674, for each asset depreciated under section 168 (MACRS) or under section 1400L; the applicable asset class from Rev. Proc. 83-35, 1983-1 C.B. 745, for each asset depreciated under former section 168 (ACRS); an explanation why no asset class is identified for each asset for which an asset class has not been identified by the applicant.
c The facts to support the asset class for the proposed method.
d The depreciation or amortization method of the property, including the applicable Code section (e.g., 200% declining balance method under section 168(b)(1)).
e The useful life, recovery period, or amortization period of the property.
f The applicable convention of the property.

Himalayan Cataract Project, Inc.
 03-0362926
 Change in Overall Accounting Method
 Attachment to Form 3115
 12/31/2005

Part IV Section 481(a) Adjustment

	12/31/2004 Cash basis	12/31/2004 Accrual Basis	§481(a) adjustment	
Accounts Receivable	0 00	150,000.00	150,000.00	Grant income
Interest Receivable	0 00	4,975 00	4,975.00	Interest income
Investments	464,645 00	462,182.00	-2,463.00	Unrealized loss on investments
Net adjustment			152,512 00	

Schedule A Change in Overall Method of Accounting

Copies of the 12/31/04 audited balance sheet and Statement of Revenues, Expenses and Fund Balance are attached. These statements were prepared on the income tax basis (cash basis)

Copies of the 12/31/05 audited balance sheet and Statement of Revenues, Expenses and Fund Balances showing the restated 12/31/04 balances are attached also.

HIMALAYAN CATARACT PROJECT, INC.

STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCE – INCOME TAX BASIS
December 31, 2004

	<u>2004</u>
ASSETS	
CASH AND CASH EQUIVALENTS	\$ 520,522
CERTIFICATES OF DEPOSIT, at cost	464,645
EQUIPMENT, net	<u>1,701</u>
	<u>\$ 986,868</u>
LIABILITIES AND FUND BALANCE	
FUND BALANCE	<u>\$ 986,868</u>
	<u>\$ 986,868</u>

See Notes to Financial Statements.

Attachment to form 3115, Sch A

HIMALAYAN CATARACT PROJECT, INC. 03-0362926

STATEMENT OF REVENUE, EXPENSES AND FUND BALANCE - INCOME TAX BASIS
Year Ended December 31, 2004

	<u>2004</u>
Public support and revenue:	
Public support:	
Contributions	\$ 935,875
Grants	<u>313,905</u>
Total public support	<u>1,249,780</u>
Revenue:	
Investment income	15,698
Net realized gains on investments	<u>18,476</u>
Total revenue	<u>34,174</u>
Total public support and revenue	<u>1,283,954</u>
Expenses:	
Program	1,311,641
General and administrative	75,927
Fund raising	<u>25,395</u>
Total expenses	<u>1,412,963</u>
Decrease in fund balance	(129,009)
Fund balance, beginning	<u>1,115,877</u>
Fund balance, ending	<u>\$ 986,868</u>

See Notes to Financial Statements.

Attachment to 3115, Sch A

HIMALAYAN CATARACT PROJECT, INC. 03-0362926

STATEMENTS OF FINANCIAL POSITION
December 31, 2005 and 2004

	<u>2005</u>	<u>2004 Restated</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 772,747	\$ 520,522
Grants receivable	50,000	150,000
Interest receivable	<u>10,335</u>	<u>4,975</u>
Total current assets	<u>833,082</u>	<u>675,497</u>
INVESTMENTS	<u>706,947</u>	<u>462,182</u>
EQUIPMENT, net	<u>1,275</u>	<u>1,701</u>
	<u>\$1,541,304</u>	<u>\$1,139,380</u>
LIABILITIES AND NET ASSETS		
NET ASSETS		
Unrestricted	\$1,307,265	\$ 989,380
Temporarily restricted	<u>234,039</u>	<u>150,000</u>
	<u>\$1,541,304</u>	<u>\$1,139,380</u>

See Notes to Financial Statements.

Attachment to Form 3115, Sch A

HIMALAYAN CATARACT PROJECT, INC. 03-0362926

STATEMENTS OF ACTIVITIES

Years Ended December 31, 2005 and 2004

	<u>2005</u>	<u>2004 Restated</u>
Change in unrestricted net assets		
Public support and revenue:		
Public support:		
Contributions – cash	\$ 313,718	\$ 277,325
Contributions – non-cash	347,064	614,865
Grants – federal government	300,000	--
Grants - foundations	<u>257,025</u>	<u>149,000</u>
Total public support	<u>1,217,807</u>	<u>1,041,190</u>
Revenue:		
Investment income	29,915	20,673
Net realized gains (losses) on investments	<u>(5,225)</u>	<u>16,013</u>
Total revenue	<u>24,690</u>	<u>36,686</u>
Total public support and revenue	1,242,497	1,077,876
Net assets released	<u>219,936</u>	<u>678,590</u>
Total public support, revenue and net assets released	<u>1,462,433</u>	<u>1,756,466</u>
Expenses:		
Program	1,041,144	1,311,641
General and administrative	71,000	75,927
Fund raising	<u>32,404</u>	<u>25,395</u>
Total expenses	<u>1,144,548</u>	<u>1,412,963</u>
Increase in unrestricted net assets	<u>317,885</u>	<u>343,503</u>
Change in temporarily restricted net assets		
Contributions	61,750	43,685
Grants	242,225	164,905
Net assets released	<u>(219,936)</u>	<u>(678,590)</u>
Increase (decrease) in temporarily restricted net assets	<u>84,039</u>	<u>(470,000)</u>
Increase (decrease) in net assets	<u>401,924</u>	<u>(126,497)</u>
Net assets, before restatement	--	1,115,877
Cumulative effect of change in basis of accounting	--	<u>150,000</u>
Net assets, 2005; as restated, 2004	<u>1,139,380</u>	<u>1,265,877</u>
Net assets, ending	<u>\$1,541,304</u>	<u>\$1,139,380</u>

See Notes to Financial Statements

✓ 5-12-06

Form **8868**
(Rev December 2004)

Application for Extension of Time to File an Exempt Organization Return

OMB No 1545 1709

Department of the Treasury
Internal Revenue Service

▶ File a separate application for each return

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box.
 - If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time – Only submit original (no copies needed)

Form 990-T corporations requesting an automatic 6-month extension – check this box and complete Part I only

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Electronic Filing (e-file). Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one of the returns noted below (6-months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension, instead you must submit the fully completed signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile.

Type or print File by the due date for filing your return. See instructions.	Name of Exempt Organization		Employer identification number
	Himalayan Cataract Project, Inc.		03-0362926
	Number, street, and room or suite number If a P O box, see instructions		
	P.O. Box 55		state ZIP code
City, town or post office For a foreign address, see instructions		Waterbury, VT 05676	

Check type of return to be filed (file a separate application for each return).

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-T (corporation)	<input type="checkbox"/> Form 4720
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (section 401(a) or 408(a) trust)	<input type="checkbox"/> Form 5227
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 8870

• The books are in the care of ▶ Emily Newick, MPH

Telephone No. ▶ 802 649-1960 FAX No. ▶ 802 649-1041

- If the organization does **not** have an office or place of business in the United States, check this box.
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the **whole group**, check this box. . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a **Form 990-T corporation**) extension of time until 8/15, 20 06, to file the exempt organization return for the organization named above. The extension is for the organization's return for

▶ calendar year 20 05 or

▶ tax year beginning _____, 20 _____, and ending _____, 20 _____.

2 If this tax year is for less than 12 months, check reason. Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions. \$ _____ 0.

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. \$ _____ 0.

c **Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions. \$ _____ 0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

BAA For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form 8868 (Rev 12-2004)