

COPY

**Report on Reviewed Financial Statements
Year Ended December 31, 2004**

For

**The American Institute of Chemists, Inc.
315 Chestnut Street
Philadelphia, PA 19102**

Prepared by:

**Leopold Galliera
Certified Public Accountant
1822 East Cambria Street
Philadelphia, PA 19134
(215) 291 0400**

The American Institute of Chemists, Inc.

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Certified Public Accountant
1822 East Cambria Street
Philadelphia, PA 19134
(215) 291 0400

Accountant's Review Report

The American Institute of Chemists, Inc.
315 Chestnut Street, 4th Floor
Philadelphia, PA 19106

I have reviewed the accompanying statement of financial position of the American Institute of Chemists, Inc. (a nonprofit corporation) as of December 31, 2004, and the related statements of activities and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of the American Institute of Chemists, Inc.

A review consists principally of inquiries of organizational personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order to be in conformity with generally accepted accounting principles.



April 14, 2006

The American Institute of Chemists, Inc.
Statement of Financial Position
See Notes to Financial Statements
December 31, 2004

Assets

Cash in Banks	\$ 12,053
Accounts Receivable	150
Note Receivable - Former Employee	19,605
Total Assets	<u>\$ 31,808</u>

Liabilities

Accounts Payable – Trade	\$ 27,778
Bank Line of Credit	17,816
Deferred Revenues	7,834
Total Liabilities	<u>\$ 53,428</u>
Net (Deficit)	
Unrestricted	21,620
Total Net (Deficit)	<u>\$ 21,620</u>
Total Liabilities and Net (Deficit)	<u>\$ 31,808</u>

See Accompanying Accountant's Review Report

The American Institute of Chemists, Inc.
Statement of Activities
See Notes to Financial Statements
For the Year Ended December 31, 2004

**Unrestricted Net Assets, Revenue, and
Other Support**

Subscriptions	\$ 8,443
Contributions	1,635
Dues	65,374
Interest Income	55
Royalties Income	3,038
Professional Activities	9,055
Student Award Fees	13,235
Total Revenues and Other Support	\$ 100,835

Expenses:

Administrative Expenses

Bank and Credit Card Expenses	\$ 849
Interest Expense	662
Management Fees Expense	1,928
Office Supplies Expense	963
Rent Expense	11,374
Travel Expense	8,670
Telephone Expense	501
Casualty Loss Expense	16,322

Total Administrative Expenses **\$ 41,269**

Program Expenses

Computer & Website Expense	\$ 1,500
Rent Expense	11,374
Postage Expense	969
Printing & Mailing Expense	4,111
General Meetings Expense	4,844

Total Program Expenses **\$ 22,798**

The American Institute of Chemists, Inc.
Statement of Activities (Page 2 of 2)
See Notes To Financial Statements
For the Year Ended December 31, 2004

Total Expenses	<u>\$ 64,067</u>
Increase in Unrestricted Net Assets	36,768
Prior Period Adjustments (Net)	(2,195)
Net (Deficit), at beginning of year	56,193
Net (Deficit) at end of year.	<u>\$ 21,620</u>

See Accompanying Accountant's Review Report

The American Institute of Chemists, Inc.
Statement of Cash Flows
See Notes to Financial Statements
For the Year Ended December 31, 2004

Cash Flows from Operating Activities

Change in Net (Deficit) \$ 36,768

Adjustments

Increase (Decrease) in

Accounts Receivable \$ 650
Accounts Payable & Accrued Expenses 27,532
Institution Dues (3,610)
Deferred Dues (63,377)
Prior Period Adjustments (230)

Total Adjustments (\$ 39,035)

Net Cash Provided by Operating Activities **(\$ 2,267)**

Cash Flows from Financing Activities

Net Repayments on Line of Credit Borrowings (8,014)
Note Receivable – Former Employee (19,605)

Net Decrease in Cash \$ **29,886**

Cash and Cash Equivalents, at Beginning of Year \$ 41,939

Cash and Cash Equivalents, at End of Year **\$ 12,053**

See Accompanying Accountant's Review Report

The American Institute of Chemists, Inc.
Notes to Financial Statements
For the Year Ended December 31, 2004

1. Summary of Significant Accounting Policies – Nature of Activities

The American Institute of Chemists, Inc. (AIC) is a not-for-profit corporation whose objectives are to advance the chemical professions in the United States of America and other countries; to promote and protect the public welfare by establishing high professional standards of practice for these professions; and to promote the professional, social, and/or economic interests of its members for the benefit of society at large. AIC derives revenues primarily from membership dues, contributions and publication sales.

Basis of Accounting

The Financial Statements of AIC have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

Financial Statement presentation follows the recommendations of the Financial Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements for Not-for-Profit Organizations. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets; unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Membership Dues and Subscription Revenues

Membership dues and subscription revenues are recognized as revenue in the period during which membership benefits are to be provided. Dues and subscription revenues received applicable to future membership periods are included as a liability in deferred revenue at the end of each calendar year. This deferred revenue is then allocated to the appropriate membership period. At December 31, 2004, deferred revenue aggregated \$ 7,864 and is applicable to calendar year 2005.

By agreement, AIC collects dues on behalf of its local institutes (See Note 5). These collections are recognized as current liabilities as received and periodically are paid to the appropriate local institute after presentation of required annual reporting. Dues not claimed by local institutes within a prescribed time period, established by AIC's Board of Directors, revert to AIC.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of twelve months or less to be cash equivalents.

Contributions

The Organization accounts for contributions in accordance with the recommendations of the Financial Accounting Standards Board SFAS No. 116, Accounting for Contributions Received and Contributions Made. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence of any donor restrictions.

Donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. When a donor's restrictions are met in the same reporting period as the receipt of the contribution, such contributions are reported as unrestricted support.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Tax Status

The Organization is exempt from federal income taxes, except on the earnings from unrelated business activities, under Internal Revenue Code Section 501 (c) (6). Directory and magazine advertising are considered income that may be subject to corporate income tax if revenue from these activities exceeds expenses from the activities. For the period ending December 31, 2004, AIC did not have any revenues or expenses from these activities.

2. Note Receivable – Former Employee

During calendar year 2004, AIC incurred a theft casualty loss of \$ 35,961. \$ 19,605 of this sum will be repaid to AIC as restitution as directed by the Court of Common Pleas in the City of Philadelphia.

3. Bank Line of Credit

The Organization has a \$ 40,000 revolving line of credit, of which \$ 17,816 was outstanding as December 31, 2004. Bank advances of the credit line are payable on demand and carry an interest rate of 1% over prime. The credit line is unsecured.

4. Contractual Commitments

Effective December 1, 2002, AIC has contracted with The Chemical Heritage Foundation under which the Foundation will provide certain administration, Bookkeeping and recordkeeping services on behalf of AIC. In addition, the Foundation will provide AIC with office and meeting space in Philadelphia, Pennsylvania. Monthly management fees of \$ 2,500 commenced on January 1, 2003. Expenses incurred by the Foundation are billed monthly. The terms of this contract will continue through December 31, 2004. Upon 30 days notice, either party, without cause may terminate the agreement.

5. Local Institutes Related Party Transactions

The Board of Directors of AIC is empowered to recognize one organization of at least fifteen members of AIC in good standing in a discreet geographical area as a constituent local institute and a division of AIC.

The bylaws of AIC state that the local institutes have full autonomy in all matters of concern to their particular geographical areas, but may call upon AIC for advice, counsel, and assistance. All policies and procedures of local institutes shall conform to the bylaws of AIC.

AIC collects and subsequently remits local dues back to the local institutes upon that local institutes completion and filing of required financial and operating reports. A local institute, that fails to submit the required reports for a three-year period, is subject to being declared "inactive" by AIC. This inactive status may be cleared within a two-year period by notifying the National Office, electing officers and filing an annual report for the most recent year. After the two-year period or for other cause, AIC may dissolve a local institute at which time any monies held on behalf of the local institute will revert to AIC after first being applied to any obligations of the local institute. For the year ended December 31, 2004, no such monies reverted to AIC.

End of Notes to Financial Statements

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

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

2004

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.

COPY

A For the 2004 calendar year, or tax year beginning _____, **and ending** _____

- B Check if applicable:**
- Address change
 - Name change
 - Initial return
 - Final return
 - Amended return
 - Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization
The American Institute of Chemists, Inc.
Number and street (or P.O. box if mail is not delivered to street address) Room/suite
315 Chestnut Street
City or town State or country ZIP + 4
Philadelphia PA 19106-2702

D Employer identification number
13-1525325
E Telephone number
215-873-8224
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 Website: www.theaic.org

J Organization type (check only one) 501(c) (6) (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 received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

I Group Exemption Number _____

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 **100,835**

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

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 18 of the instructions.)

		(A) Securities		(B) Other			
Revenue	1 Contributions, gifts, grants, and similar amounts received:						
	a Direct public support	1a					1,635
	b Indirect public support	1b					
	c Government contributions (grants)	1c					
	d Total (add lines 1a through 1c) (cash \$ _____ noncash \$ _____)	1d					1,635
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2					30,733
	3 Membership dues and assessments	3					65,374
	4 Interest on savings and temporary cash investments	4					55
	5 Dividends and interest from securities	5					0
	6 a Gross rents	6a					
	b Less: rental expenses	6b					
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c					0
7 Other investment income (describe _____)	7					0	
Revenue	8 a Gross amount from sales of assets other than inventory	8a					0
	b Less: cost or other basis and sales expenses	8b					0
	c Gain or (loss) (attach schedule)	8c					0
	d Net gain or (loss) (combine line 8c, columns (A) and (B))	8d					0
Revenue	9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>						
	a Gross revenue (not including \$ _____, 1,635 of contributions reported on line 1a)	9a					0
	b Less: direct expenses other than fundraising expenses	9b					0
	c Net income or (loss) from special events (subtract line 9b from line 9a)	9c					0
Revenue	10 a 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					0
	11 Other revenue (from Part VII, line 103)	11					3,038
	12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12					100,835
Expenses	13 Program services (from line 44, column (B))	13					22,678
	14 Management and general (from line 44, column (C))	14					41,389
	15 Fundraising (from line 44, column (D))	15					0
	16 Payments to affiliates (attach schedule)	16					0
	17 Total expenses (add lines 13 and 14, column (A))	17					64,067
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18					36,768
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19					-56,193
	20 Other changes in net assets or fund balances (attach explanation)	20					-2,195
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21					-21,620

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See page 22 of the instructions.)

Table with 5 columns: Line number, Description, (A) Total, (B) Program services, (C) Management and general, (D) Fundraising. Rows include items like Grants and allocations, Specific assistance, Benefits paid, etc., totaling 64,067 in column (A).

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 \$ 0; (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 (See page 25 of the instructions.)

What is the organization's primary exempt purpose? See Statement (1)

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) orgs., and 4947(a)(1) trusts; but optional for others.)

Table for Program Service Accomplishments with 2 columns: Description and Program Service Expenses. Rows include See Statement (2), Other program services, and Total of Program Service Expenses.

Part IV Balance Sheets (See page 25 of the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.		(A) Beginning of year		(B) End of year	
Assets	45 Cash—non-interest-bearing	9,283	45	10,214	
	46 Savings and temporary cash investments	32,656	46	1,839	
	47 a Accounts receivable	150			
	b Less: allowance for doubtful accounts	0	801	47c	150
	48 a Pledges receivable	0			
	b Less: allowance for doubtful accounts	0	0	48c	0
	49 Grants receivable			49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		0	50	19,605
	51 a Other notes and loans receivable (attach schedule)	0			
	b Less: allowance for doubtful accounts	0	0	51c	0
	52 Inventories for sale or use			52	
	53 Prepaid expenses and deferred charges		5,169	53	
	54 Investments—securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV		0	54	0
	55 a Investments—land, buildings, and equipment: basis	0			
	b Less: accumulated depreciation (attach schedule)	0	0	55c	0
	56 Investments—other (attach schedule)		0	56	0
	57 a Land, buildings, and equipment: basis	0			
	b Less: accumulated depreciation (attach schedule)	0	0	57c	0
58 Other assets (describe _____)		0	58	0	
59 Total assets (add lines 45 through 58) (must equal line 74)		47,909	59	31,808	
Liabilities	60 Accounts payable and accrued expenses	2,500	60	27,778	
	61 Grants payable		61		
	62 Deferred revenue		75,772	62	7,834
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		0	63	0
	64 a Tax-exempt bond liabilities (attach schedule)		0	64a	0
	b Mortgages and other notes payable (attach schedule)		25,830	64b	17,816
65 Other liabilities (describe _____)		0	65	0	
66 Total liabilities (add lines 60 through 65)		104,102	66	53,428	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67 Unrestricted	-56,193	67	-21,620	
	68 Temporarily restricted		68		
	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)		0	73	0	
74 Total liabilities and net assets / fund balances (add lines 66 and 73)		47,909	74	31,808	

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.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See page 27 of the instructions.)

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

a Total revenue, gains, and other support per audited financial statements ▶ **a** N/A

b Amounts included on line a but not on line 12, Form 990:

(1) Net unrealized gains on investments \$

(2) Donated services and use of facilities \$

(3) Recoveries of prior year grants \$

(4) Other (specify):
\$
\$

Add amounts on lines (1) through (4) ▶ **b** 0

c Line a minus line b ▶ **c** 0

d Amounts included on line 12, Form 990 but not on line a:

(1) Investment expenses not included on line 6b, Form 990 \$

(2) Other (specify):
\$
\$

Add amounts on lines (1) and (2) ▶ **d** 0

e Total revenue per line 12, Form 990 (line c plus line d) ▶ **e** 0

a Total expenses and losses per audited financial statements ▶ **a**

b Amounts included on line a but not on line 17, Form 990:

(1) Donated services and use of facilities \$

(2) Prior year adjustments reported on line 20, Form 990 \$

(3) Losses reported on line 20, Form 990 \$

(4) Other (specify):
\$
\$

Add amounts on lines (1) through (4) ▶ **b** 0

c Line a minus line b ▶ **c** 0

d Amounts included on line 17, Form 990 but not on line a:

(1) Investment expenses not included on line 6b, Form 990 \$

(2) Other (specify):
\$
\$

Add amounts on lines (1) and (2) ▶ **d** 0

e Total expenses per line 17, Form 990 (line c plus line d) ▶ **e** 0

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see page 27 of the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
Name Dr. David Riley Str 315 Chestnut Street City Philadelphia ST PA ZIP 19106	Title Director Hr/WK 0	0	0	0
Name _____ Str _____ City _____ ST ZIP _____	Title _____ Hr/WK _____			
Name _____ Str _____ City _____ ST ZIP _____	Title _____ Hr/WK _____			
Name _____ Str _____ City _____ ST ZIP _____	Title _____ Hr/WK _____			
Name _____ Str _____ City _____ ST ZIP _____	Title _____ Hr/WK _____			
Name _____ Str _____ City _____ ST ZIP _____	Title _____ Hr/WK _____			
Name _____ Str _____ City _____ ST ZIP _____	Title _____ Hr/WK _____			
Name _____ Str _____ City _____ ST ZIP _____	Title _____ Hr/WK _____			
Name _____ Str _____ City _____ ST ZIP _____	Title _____ Hr/WK _____			
Name _____ Str _____ City _____ ST ZIP _____	Title _____ Hr/WK _____			

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? Yes No
If "Yes," attach schedule—see page 28 of the instructions.

Part VI Other Information (See page 28 of the instructions.)

Table with columns for question number, question text, Yes, and No. Rows include questions 76 through 92 regarding organizational activities, financial reporting, and tax status.

Part VII Analysis of Income-Producing Activities (See page 33 of 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 _____					30,733
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					65,374
95 Interest on savings and temporary cash investments			14	55	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than invento					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a _____					
b Royalty Income			15	3,038	
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0		3,093	96,107
105 Total (add line 104, columns (B), (D), and (E))					99,200

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 page 34 of the instruction:

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).
▼	See Statement (3)

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of the instructions:

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%		0	0
	%		0	0
	%		0	0
	%		0	0

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the instructi

(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).

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.

Please Sign Here

Signature of officer _____ Date _____

Type or print name and title. _____

Paid Preparer's Use Only

Preparer's signature _____ Date 4/13/2006 Check if self-employed Preparer's SSN or PTIN (See Gen. Inst. W) _____

Firm's name (or yours if self-employed), address, and ZIP + 4 Leopold Galliera CPA
1822 E Cambria Street, Philadelphia, PA 19134

EIN 26-0500116
Phone no. 215-291-0400

Casualties and Thefts

2004

Attachment Sequence No. **26**

Department of the Treasury
Internal Revenue Service

- ▶ See separate instructions.
- ▶ Attach to your tax return.
- ▶ Use a separate Form 4684 for each casualty or theft.

Name(s) shown on tax return The American Institute of Chemists, Inc.	Identifying number 13-1525325
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SECTION A—Personal Use Property (Use this section to report casualties and thefts of property not used in a trade or business or for income-producing purposes.)

1 Description of properties (show type, location, and date acquired for each property). Use a separate line for each property lost or damaged from the same casualty or theft.

Property A	Theft of Cash by David Shamer	Philadelphia	12/31/2004
Property B			
Property C			
Property D			

	Properties			
	A	B	C	D
2 Cost or other basis of each property	16,322	0	0	0
3 Insurance or other reimbursement (whether or not you filed a claim) (see instructions) <i>Note: If line 2 is more than line 3, skip line 4.</i>	0	0	0	0
4 Gain from casualty or theft. If line 3 is more than line 2, enter the difference here and skip lines 5 through 9 for that column. See instructions if line 3 includes insurance or other reimbursement you did not claim, or you received payment for your loss in a later tax year	0	0	0	0
5 Fair market value before casualty or theft	0	0	0	0
6 Fair market value after casualty or theft	0	0	0	0
7 Subtract line 6 from line 5	0	0	0	0
8 Enter the smaller of line 2 or line 7	0	0	0	0
9 Subtract line 3 from line 8. If zero or less, enter -0-	0	0	0	0
10 Casualty or theft loss. Add the amounts on line 9 in columns A through D			0	0
11 Enter the smaller of line 10 or \$100			0	0
12 Subtract line 11 from line 10 <i>Caution: Use only one Form 4684 for lines 13 through 18.</i>			0	0
13 Add the amounts on line 12 of all Forms 4684			0	0
14 Add the amounts on line 4 of all Forms 4684			0	0
15 • If line 14 is more than line 13, enter the difference here and on Schedule D. Do not complete the rest of this section (see instructions). • If line 14 is less than line 13, enter -0- here and go to line 16. • If line 14 is equal to line 13, enter -0- here. Do not complete the rest of this section.			0	0
16 If line 14 is less than line 13, enter the difference			0	0
17 Enter 10% of your adjusted gross income from Form 1040, line 37. Estates and trusts, see instructions			0	0
18 Subtract line 17 from line 16. If zero or less, enter -0-. Also enter the result on Schedule A (Form 1040), line 19. Estates and trusts, enter the result on the "Other deductions" line of your tax return			16,322	16,322

Line 1a (990) - Direct public support

1	Contributions	1	1,635
2	Non Cash Contributions	2	
3	Membership dues and assessments (contributions from the public)	3	
4	Government contributions (grants)	4	
5	Commercial co-venture	5	
6	Special events contributions (Line 9 - Special Events)	6	0
7	.....	7	
8	.....	8	
9	.....	9	
10	Total	10	1,635

Line 20 (990) - Other changes in net assets or fund balances

1	Prior Period Adjustments and Deferred Items Adjustments	1	5,505
2	Casualty Loss: Funds due United Check Cashing Company	2	-7,700
3	.....	3	
4	.....	4	
5	.....	5	
6	.....	6	
7	.....	7	
8	.....	8	
9	.....	9	
10	Total	10	-2,195

Line 47 (990) - Accounts receivable

		End		End	
1	Accounts Receivable	1	801	150	0
2	.....	2			
3	.....	3			
4	.....	4			
5	.....	5			
6	.....	6			
7	.....	7			
8	.....	8			
9	.....	9			
10	.....	10			
11	Total accounts receivable	11	801	150	0

Line 50 (990) - Receivables from officers, directors, trustees and key employees

		amount	Balance due	Balance due
1	David Shamer	Executive Direct	19,605	19,605
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14	Totals	14	19,605	0
				19,605

	Date of note	terms
1	None	
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		

	Purpose of loan	Description	FMV of consideration
1	See Description.	A criminal court in Philadelphia, PA has ordered Mr. Shamer to reimburse the American Institute of Chemists, Inc. for funds misappropriated by him during calendar year 2004.	
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			

Line 64b (990) - Mortgages and other notes payable

	Lender's name	is a business	amount	Balance due	Balance due
1	Bank of America	<input type="checkbox"/>	40,000	25,830	17,816
19	Totals		40,000	25,830	17,816

Filing Instructions

Dr. Riley:

As per our discussion, please attach a copy of this tax return to the PA Charitable Organization Return.

Thank you

Leopold Galliera

Charitable Organization Registration Statement Form BCO - 10
For the Fiscal Year Which Ended : 12 / 31 / 2004

Employer Identification # 13-1525325 Certificate # _____

Check if registering voluntarily. (See note under "Important Information".)

1. Legal name of organization: The American Institute of Chemists, Inc.
 Check if name change. Previous name: _____

2. c/o _____
Street address 315 Chestnut Street - 4th Floor
City Philadelphia State PA Zip Code 19106
County Philadelphia
Phone # 215-873-8229 800 # _____ Fax # 215-925-1954

3. All other names used to solicit contributions: _____
N/A

4. Organizations described in Section 162.7(a) of the Act, check section which describes organization (See footnote #2 of Instructions. Volunteer registrants do not respond.):
162.7(a)(1) 162.7(a)(2) 162.7(a)(3) 162.7(a)(4) Not Applicable

5. List type of organization (e.g. corporation, association, etc.), where established, and date established. See Attached Documents

(Initial registrants must submit copies of organizational documents such as charter, articles of incorporation, constitution, or other organizational instrument, and by-laws.)

6. Date organization first solicited contributions from Pennsylvania residents: 1 / 1 / 2003

7. If organization solicited and received gross national contributions totaling more than \$25,000 during the fiscal year covered by this registration statement or during its current fiscal year, give date contributions first totaled more than \$25,000. _____ / _____ / N/A

8. Is any person compensated or do you intend to compensate any person for soliciting contributions from Pennsylvania? Yes No If "yes", give date person started or will start soliciting contributions from Pennsylvania residents. _____ / _____ / _____ (Do not check "yes" if you only use or intend to only use a professional fund raising counsel.)

See Documents Attached

to file an IRS 990 Return and Schedule A for your immediate preceding fiscal year? Yes No . (If "no", attach explanation of why organization is exempt from filing an IRS 990 Return.)

10. Has organization's tax-exempt status ever been denied, revoked, or modified?

Yes No (If "yes", attach copy of denial, revocation, or modification.)

11. Purposes and programs for which contributions are, or will be, used:

See Attached Documents

12. Manner in which contributions are solicited (eg, direct mail, telephone, etc.):

By mail to Members only.

13. Is organization registered to solicit contributions in any other state or municipality?

Yes No (If "yes", list all states and municipalities. Attach separate sheet if necessary.)

Maryland and Washington D.C.

14. Names, addresses, and telephone numbers of all professional solicitors you use or intend to use to solicit contributions from Pennsylvania residents. For each entry, include the beginning and ending dates of all contracts and dates Pennsylvania residents were first solicited, or will be solicited. (Attach separate sheet if necessary.)

N/A

15. Names, addresses, and telephone numbers of all professional fund raising counsels you use or intend to use to provide services with respect to the solicitation of contributions from Pennsylvania residents. For each entry, include beginning and ending dates of all contracts and dates services began, or will begin, with respect to soliciting contributions from Pennsylvania residents. (Attach separate sheet if necessary.)

N/A

16. Attach names, addresses, and telephone numbers of any commercial coventurers under contract with your organization.

N/A

Are you a Pennsylvania affiliate? Yes No Not Applicable
(See note under "Important Information".)

18. Are you a Pennsylvania affiliate of a parent organization which has elected to file a combined registration on your behalf? Yes No (If "yes", give the name and, if available, certificate # of your parent organization. See note under "Important Information".)

(Legal name of parent organization)

(Certificate #)

19. Does your organization share revenue or formal governance with any other nonprofit corporation or unincorporated association? Yes No (If "yes", attach explanation listing name, address, type of organization, and relationship to your organization.)

20. Does any other domestic or foreign organization own a 10% or greater interest in your organization or does your organization own a 10% or greater interest in any other domestic or foreign organization? Yes No (If "yes", attach the following information for each other domestic or foreign organization: name and type of organization, whether organization is for-profit or nonprofit, and relationship of organization to your organization.)

21. Names, addresses, and telephone numbers of all offices, chapters, branches, auxiliaries, affiliates, or other subordinate units located in Pennsylvania: (Attach separate sheet if necessary.)

N/A

22. Names and addresses for: (Attach separate sheet if necessary.)

Individual(s) responsible for the custody and/or distribution of contributions:

Dr. David Riley
315 Chestnut Street
Philadelphia, PA 19106

Individual(s) responsible for solicitation activities:

Dr. David Riley
858 Princeton Courter
Neshanic Station, NJ 08853

Individual(s) responsible for custody of financial records:

Dr. David Riley

23. Attach names and addresses of all officers, directors, trustees, and executive staff officers.

None (Not Applicable)

trustees, or employees related by blood, marriage, or adoption to:

Any other officer, director, trustee, or employee? Yes No

Any officer, agent, or employee of any professional fundraising counsel or solicitor under contract with organization? Yes No

Any supplier or vendor providing goods or services? Yes No

25. If you answer "Yes" to any of the following, please attach full written explanations and copies of all relevant documents. Has organization or any of its officers, directors, employees, or fundraisers:

A. Been found to have engaged in unlawful practices in the solicitation of contributions or administration of charitable assets or been enjoined from soliciting contributions or are such proceedings pending in this or any other jurisdiction? Yes No

B. Had its registration or license to solicit contributions denied, suspended, or revoked by any governmental agency? Yes No

C. Entered into any legally enforceable agreement such as an assurance of voluntary compliance or discontinuance with any District Attorney, Office of Attorney General, or local or state governmental agency? Yes No

I certify that the information provided in this registration, including all statements and documentation, is true and correct. I understand that the falsification of any statement or documentation is subject to criminal penalties for unsworn falsifications pursuant to 18 Pa. C.S. § 4904.

Signature of Chief Fiscal Officer

David Riley

Type or Print Name and Title of Chief Fiscal Officer

Date _____

Signature of Another Authorized Office

Type or Print Name and Title of Another Authorized Officer

Date _____

Filing Instructions

Dr. Riley:

1. Please sign where indicated and mail with a check for \$ 15 payable to the Commonwealth of Pennsylvania.
2. Call me if you have any questions.
3. A copy is enclosed for your records.

I will begin to prepare the Tax Returns for 2005 unless you indicate otherwise

Thank you

Leopold Galliera
4/13/2006

(215) 291 0400

INSTRUCTIONS

So your registration can be approved, please enclose the following:

- A properly completed and signed BCO-10 registration statement.
- A completed and signed copy of your organization's IRS 990 Return and Schedule A. (An organization which is not required to file an IRS 990 Return must file a BCO-23 Form. An organization which files a 990EZ, 990PF, 990T, or an affiliate whose financial information is reported to the IRS on its parent organization's 990 Return must file a BCO-23 Form in addition to filing a copy of the organization's IRS 990 Return and Schedule A. You may request a BCO-23 Form from the Bureau or print the form from our Web site at: www.dos.state.pa.us/char)
- Internally prepared, compiled, reviewed, or audited financial statements. (See chart below).
Compiled financial statements must be prepared by a licensed certified public accountant or licensed public accountant. Reviews and audits must be performed by an independent, licensed public accountant or an independent, licensed certified public accountant.)
- Additional Filings: Copies of IRS exemption letter and organizational documents such as charter, articles of incorporation, and by-laws. (Initial registrants only.)
- Registration fee payable to "Commonwealth of Pennsylvania". (See chart below.) For renewal registrants, please include your Certificate number on your check or money order to expedite the processing of your filing.

Gross Contributions ¹	Type of Financial Statements Required	Fee
Section 162.7(a) Organizations ²	None	\$15
\$25,000 or less	Internally Prepared, Compiled, Reviewed, or Audited	\$15
\$25,001 to less than \$50,000	Internally Prepared, Compiled, Reviewed, or Audited	\$100
\$50,000 to \$100,000	Reviewed or Audited ³	\$100
\$100,001 to less than \$125,000	Reviewed or Audited ³	\$150
\$125,000 to \$500,000	Audited	\$150
\$500,001 and over	Audited	\$250

¹ Gross annual contributions are total national contributions from all sources. They are not just contributions received from Pennsylvania. To determine "gross annual contributions" add lines 1a, 1b, and 9a from your organization's IRS 990 return or the line 6 from your BCO-23 Form if not required to file a 990. If your organization filed a 990-EZ, add lines 1 and 6a and subtract any government grants.

² Section 162.7(a): (1) Persons or organizations which solicit contributions for the relief of a specific individual which turn over all contributions collected without any deductions whatsoever to the specific individual; (2) organizations which only use their own members to solicit other bona fide members of the organization; (3) organizations which solicit no more than \$25,000 per year whose fund raising activities are carried on solely by permanent employees; and (4) veterans organizations chartered under Federal law, organizations of volunteer firemen, ambulance associations, rescue squad associations and their auxiliaries or affiliates which are not exempt from registration, did not receive contributions in excess of \$100,000, and did not use a professional solicitor.

³ Veterans organizations chartered under Federal law, organizations of volunteer firemen, ambulance associations, rescue squad associations and their auxiliaries or affiliates which are not exempt from registration and are not described under Section 7(a)(4) may file either internally prepared, compiled, reviewed, or audited financial statements.

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2. Call me if you have any questions.
3. A copy is enclosed for your records.

I will begin to prepare the Tax Returns for 2005 unless you indicate otherwise

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Leopold Galliera
4/13/2006

(215) 291 0400

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- A properly completed and signed BCO-10 registration statement.
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- Internally prepared, compiled, reviewed, or audited financial statements. (See chart below). Compiled financial statements must be prepared by a licensed certified public accountant or licensed public accountant. Reviews and audits must be performed by an independent, licensed public accountant or an independent, licensed certified public accountant.)
- Additional Filings: Copies of IRS exemption letter and organizational documents such as charter, articles of incorporation, and by-laws. (Initial registrants only.)
- Registration fee payable to "Commonwealth of Pennsylvania". (See chart below.) For renewal registrants, please include your Certificate number on your check or money order to expedite the processing of your filing.

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\$25,001 to less than \$50,000	Internally Prepared, Compiled, Reviewed, or Audited	\$100
\$50,000 to \$100,000	Reviewed or Audited ³	\$100
\$100,001 to less than \$125,000	Reviewed or Audited ³	\$150
\$125,000 to \$500,000	Audited	\$150
\$500,001 and over	Audited	\$250

¹ Gross annual contributions are total national contributions from all sources. They are not just contributions received from Pennsylvania. To determine "gross annual contributions" add lines 1a, 1b, and 9a from your organization's IRS 990 return or the line 6 from your BCO-23 Form if not required to file a 990. If your organization filed a 990-EZ, add lines 1 and 6a and subtract any government grants.

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