

Return of Organization Exempt From Income Tax

2005

Department of the Treasury
Internal Revenue Service

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

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 and ending

B Check if applicable

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

C Name of organization
ADOPTION S.T.A.R., INC.
Number and street (or P.O. box if mail is not delivered to street address) Room/suite
47 PLAZA DRIVE
City or town, state or country, and ZIP + 4
WILLIAMSVILLE, NY 14221

D Employer identification number
16-1584581

E Telephone number
716-691-3300

F Accounting method Cash Accrual
 Other (specify)

G Website: WWW.ADOPTIONSTAR.COM

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

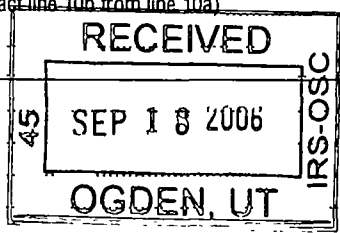
K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization chooses to file a return, be sure to file a complete return. Some states require a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 **845,818.**

H and I are not applicable to section 527 organizations
H(a) Is this a group return for affiliates? Yes No
H(b) If "Yes," enter number of affiliates **N/A**
H(c) Are all affiliates included? **N/A** Yes No
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No
I Group Exemption Number **N/A**
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

Revenue		Expenses		Net Assets	
1	Contributions, gifts, grants, and similar amounts received:				
a	Direct public support	1a	18,934.		
b	Indirect public support	1b			
c	Government contributions (grants)	1c			
d	Total (add lines 1a through 1c) (cash \$ 18,934. noncash \$)	1d	18,934.		
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	809,722.		
3	Membership dues and assessments	3			
4	Interest on savings and temporary cash investments	4	11,251.		
5	Dividends and interest from securities	5			
6 a	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			
8 a	Gross amount from sales of assets other than inventory	(A) Securities	(B) Other		
b	Less: cost or other basis and sales expenses	8a	1,035.		
c	Gain or (loss) (attach schedule)	8b	2,070.		
d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8c	-1,035.	8d	-1,035.
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			
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			
11	Other revenue (from Part VII, line 103)	11	4,876.		
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	843,748.		
13	Program services (from line 44, column (B))	13	357,333.		
14	Management and general (from line 44, column (C))	14	152,327.		
15	Fundraising (from line 44, column (D))	15	6,515.		
16	Payments to affiliates (attach schedule)	16			
17	Total expenses (add lines 16 and 44, column (A))	17	516,175.		
18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	327,573.		
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	742,059.		
20	Other changes in net assets or fund balances (attach explanation)	20	14,253.		
21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	1,083,885.		



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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 (attach schedule) (cash \$ <u>0.</u> noncash \$ <u>0.</u>) If this amount includes foreign grants, check here <input type="checkbox"/>	22				
23 Specific assistance to individuals (attach schedule)	23				
24 Benefits paid to or for members (attach schedule)	24				
25 Compensation of officers, directors, etc.	25	92,657.	0.	92,657.	0.
26 Other salaries and wages	26	160,462.	147,617.	12,845.	
27 Pension plan contributions	27	9,368.	4,115.	5,253.	
28 Other employee benefits	28				
29 Payroll taxes	29	18,023.	10,765.	7,258.	
30 Professional fundraising fees	30				
31 Accounting fees	31	19,496.	15,834.	3,662.	
32 Legal fees	32	7,566.	7,566.		
33 Supplies	33	11,878.	9,823.	2,055.	
34 Telephone	34	12,345.	9,259.	3,086.	
35 Postage and shipping	35	9,200.	6,900.	2,300.	
36 Occupancy	36	16,087.	12,065.	4,022.	
37 Equipment rental and maintenance	37				
38 Printing and publications	38	17,734.	13,300.	4,434.	
39 Travel	39				
40 Conferences, conventions, and meetings	40				
41 Interest	41				
42 Depreciation, depletion, etc (attach schedule)	42	14,997.	11,248.	3,749.	
43 Other expenses not covered above (itemize):					
a _____	43a				
b _____	43b				
c _____	43c				
d _____	43d				
e _____	43e				
f _____	43f				
g SEE STATEMENT 3	43g	126,362.	108,841.	11,006.	6,515.
44 Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	516,175.	357,333.	152,327.	6,515.

Joint Costs. Check if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?

Yes No

If "Yes," enter (i) the aggregate amount of these joint costs \$ N/A ; (ii) the amount allocated to Program services \$ N/A ; (iii) the amount allocated to Management and general \$ N/A ; and (iv) the amount allocated to Fundraising \$ N/A

Part III Statement of Program Service Accomplishments (See the instructions)

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

What is the organization's primary exempt purpose? ► SEE STATEMENT 4	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	
a <u>ADOPTION S.T.A.R. INC. PROVIDES VARIOUS ADOPTION SERVICES ALLOWING PROSPECTIVE ADOPTIVE AND BIRTH PARENTS THE OPPORTUNITY FOR ALL TYPES OF ADOPTION. IN 2005, 41 BABIES WERE PLACED, INTO A POOL OF 58 POTENTIAL FAMILIES.</u>	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	357,333.
b	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
c	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
d	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
e Other program services (attach schedule)	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ►	357,333.

Part IV Balance Sheets (See the instructions)

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

		(A) Beginning of year	(B) End of year
Assets	45 Cash - non-interest-bearing	279,529.	45 494,967.
	46 Savings and temporary cash investments		46
	47 a Accounts receivable	47a 5,832.	
	b Less: allowance for doubtful accounts	47b	47c 5,832.
	48 a Pledges receivable	48a	
	b Less: allowance for doubtful accounts	48b	48c
	49 Grants receivable		49
	50 Receivables from officers, directors, trustees, and key employees		50
	51 a Other notes and loans receivable	51a	
	b Less: allowance for doubtful accounts	51b	51c
	52 Inventories for sale or use		52
	53 Prepaid expenses and deferred charges	8,331.	53 21,110.
	54 Investments - securities STMT 5 STMT 6 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	209,963.	54 224,216.
	55 a Investments - land, buildings, and equipment basis	55a 379,829.	
b Less: accumulated depreciation	55b 26,020.	55c 353,809.	
56 Investments - other		56	
57 a Land, buildings, and equipment basis	57a		
b Less: accumulated depreciation	57b	57c	
58 Other assets (describe ▶ _____)		58 650.	
59 Total assets (must equal line 74). Add lines 45 through 58	757,943.	59 1,099,934.	
Liabilities	60 Accounts payable and accrued expenses	15,884.	60 16,049.
	61 Grants payable		61
	62 Deferred revenue		62
	63 Loans from officers, directors, trustees, and key employees		63
	64 a Tax-exempt bond liabilities		64a
	b Mortgages and other notes payable		64b
	65 Other liabilities (describe ▶ _____)		65
66 Total liabilities. Add lines 60 through 65)	15,884.	66 16,049.	
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	742,059.	67 1,083,885.
	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)	742,059.	73 1,083,885.	
74 Total liabilities and net assets/fund balances. Add lines 66 and 73	757,943.	74 1,099,934.	

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

a	Total revenue, gains, and other support per audited financial statements		a	859,036.
b	Amounts included on line a but not on Part I, line 12:			
1	Net unrealized gains on investments	b1	14,253.	
2	Donated services and use of facilities	b2		
3	Recoveries of prior year grants	b3		
4	Other (specify) LOSS ON FIXED ASSET	b4	1,035.	
	Add lines b1 through b4			b 15,288.
c	Subtract line b from line a			c 843,748.
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)	d2		
	Add lines d1 and d2			d 0.
e	Total revenue (Part I, line 12) Add lines c and d			e 843,748.

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

a	Total expenses and losses per audited financial statements		a	517,210.
b	Amounts included on line a but not on Part I, line 17:			
1	Donated services and use of facilities	b1		
2	Prior year adjustments reported on Part I, line 20	b2		
3	Losses reported on Part I, line 20	b3		
4	Other (specify): LOSS ON FIXED ASSET	b4	1,035.	
	Add lines b1 through b4			b 1,035.
c	Subtract line b from line a			c 516,175.
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)	d2		
	Add lines d1 and d2			d 0.
e	Total expenses (Part I, line 17). Add lines c and d			e 516,175.

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 & deferred compensation plans	(E) Expense account and other allowances
MICHELE FRIED 89 SANDHURST LANE WILLIAMSVILLE, NY 14221	PRESIDENT 40.00	92,657.	2,273.	0.
PAULA HENDERSON 77 MONA DRIVE AMHERST, NY 14228	VICE-PRESIDENT 0.00	0.	0.	0.
CHUCK FRIED 89 SANDHURST LANE WILLIAMSVILLE, NY 14221	TREASURER 0.00	0.	0.	0.
TEDDIE GRANVILLE 145 HIGHLAND AVENUE BUFFALO, NY 14222	SECRETARY 0.00	0.	0.	0.
TAMI VOGEL 81 NEWBERRY LANE LANCASTER, NY 14086	DIRECTOR 0.00	0.	0.	0.
THERESA MILLER 115 BROOKDALE AVENUE ROCHESTER, NY 14619	DIRECTOR 0.00	0.	0.	0.

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

Note: Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue:					
a PROGRAM FEE INCOME					809,722.
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	11,251.	
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 inventory					-1,035.
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a OTHER REVENUE					4,876.
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0.		11,251.	813,563.
105 Total (add line 104, columns (B), (D), and (E))					824,814.

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).
93A	ADOPTION S.T.A.R. INC. PROVIDES VARIOUS ADOPTION SERVICES ALLOWING PROSPECTIVE ADOPTIVE AND BIRTH PARENTS THE OPPORTUNITY TO EXPLORE ALL TYPES OF ADOPTION.
103A	MISCELLANEOUS REVENUE INCIDENTAL TO EXEMPT PURPOSE.

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: *Michael Fried* Date: *9/6/06* Type or print name and title: *Michael Fried, Director*

Paid Preparer's Use Only

Preparer's signature: *Arnold R. Majick* Date: *9/1/06* Check if self-employed: Preparer's SSN or PTIN: _____

Firm's name (or yours if self-employed), address, and ZIP + 4: **RSM MCGLADREY INC**
800 LIBERTY BLDG. 420 MAIN ST.
BUFFALO, NEW YORK 14202-3508

EIN: _____ Phone no.: **716-847-2651**

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information-(See separate instructions.)

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

OMB No 1545-0047

2005

Name of the organization **ADOPTION S.T.A.R., INC.** Employer identification number **16 1584581**

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

(See page 1 of the instructions. List each one. If there are none, enter "None.")

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

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

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

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

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

Part III Statements About Activities (See page 2 of the instructions.)		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) 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.		X
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a	Sale, exchange, or leasing of property?		X
b	Lending of money or other extension of credit?		X
c	Furnishing of goods, services, or facilities?		X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE PART V-A, FORM 990	X	
e	Transfer of any part of its income or assets?		X
3 a	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.)		X
b	Do you have a section 403(b) annuity plan for your employees?		X
c	During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?		X
4 a	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X
b	Do you provide credit counseling, debt management, credit repair, or debt negotiation services?		X

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the 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) sections 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 page 6 of the 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 page 6 of the 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.)	13,454.	8,112.	10,426.	7,825.	39,817.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	633,953.	588,489.	445,795.	225,081.	1,893,318.
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	6,763.	3,602.	1,717.	662.	12,744.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	2,924.	4,913.	SEE STATEMENT 7 3,583.	130.	11,550.
23 Total of lines 15 through 22	657,094.	605,116.	461,521.	233,698.	1,957,429.
24 Line 23 minus line 17	23,141.	16,627.	15,726.	8,617.	64,111.
25 Enter 1% of line 23	6,571.	6,051.	4,615.	2,337.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a N/A
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 N/A
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c N/A
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____					26d N/A
e Public support (line 26c minus line 26d total)					26e N/A
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f N/A %
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: (2004) 0. (2003) 0. (2002) 0. (2001) 0.					
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) 0. (2003) 0. (2002) 0. (2001) 0.					
c Add: Amounts from column (e) for lines: 15 39,817. 16 _____ 17 1,893,318. 20 _____ 21 _____					27c 1,933,135.
d Add: Line 27a total 0. and line 27b total 0.					27d 0.
e Public support (line 27c total minus line 27d total)					27e 1,933,135.
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)					27f 1,957,429.
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g 98.7589%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h .6511%

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.

NONE

Part V Private School Questionnaire (See page 7 of the instructions.)

N/A

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

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
<hr/> <hr/> <hr/>			
32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
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.)	32d	
<hr/> <hr/> <hr/>			
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)	33h	
<hr/> <hr/> <hr/>			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
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.	34b	
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	35	

Adoption STAR Inc.
Form 990 Schedule A
Accrual to Cash Basis Worksheet

	<u>2005</u>	<u>2004</u>
Gross receipts from services performed	809,722	620,057
Add: Beginning Accounts Receivable	5,014	18,910
Less: Ending Accounts Receivable	(5,832)	(5,014)
Line 17 Gross receipts from services performed	<u>808,904</u>	<u>633,953</u>
Line 15 Grants and Contributions received	18,934	13,454
Line 18 Interest & Dividends received	11,251	6,763
Line 22 Other income	4,876	2,924

CMI Education Institute, Inc.
Form 990 Attachment
For Tax Year ended 12/31/2005

Part II, Line 42: Depreciation
Part IV, Line 57: Land, Building, and Equipment

	Cost	Accumulated Depreciation	NBV
Land, Building, and Equipment @ 12/31/04	\$ 266,514	\$ 12,058	254,456
Additions, net:	115,385	-	115,385
Disposals, net:	(2,070)	(1,035)	(1,035)
Depreciation expense		14,997	(14,997)
 Land, Building, and Equipment @ 12/31/05	 \$ 379,829	 \$ 26,020	 \$ 353,809

FORM 990	GAIN (LOSS) FROM SALE OF OTHER ASSETS	STATEMENT	1
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DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED		
BUILDING	12/31/03	12/31/05	PURCHASED		
NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
	1,035.	2,070.	0.	0.	-1,035.
TO FM 990, PART I, LN 8	1,035.	2,070.	0.	0.	-1,035.

FORM 990	OTHER CHANGES IN NET ASSETS OR FUND BALANCES	STATEMENT	2
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DESCRIPTION	AMOUNT
UNREALIZED GAIN	14,253.
TOTAL TO FORM 990, PART I, LINE 20	14,253.

FORM 990	OTHER EXPENSES	STATEMENT	3
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DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
ADVERTISING EXPENSE	65,992.	65,992.		
MISCELLANEOUS EXPENSE	9,475.	9,475.		
DUES AND SUBSCRIPTIONS	1,161.	1,161.		
REPAIRS	9,745.	7,309.	2,436.	
INSURANCE	16,315.	7,745.	8,570.	
MEALS & ENTERTAINMENT	9,159.	9,159.		
REFERRAL EXPENSE	8,000.	8,000.		
FUNDRAISING	6,515.			6,515.
TOTAL TO FM 990, LN 43	126,362.	108,841.	11,006.	6,515.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 4
PART III

EXPLANATION

ADOPTION S.T.A.R. INC. PROVIDES VARIOUS ADOPTION SERVICES ALLOWING PARENTS THE OPPORTUNITY TO EXPLORE ALL TYPES OF ADOPTION.

FORM 990 NON-GOVERNMENT SECURITIES STATEMENT 5

SECURITY DESCRIPTION	COST/FMV	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	TOTAL NON-GOV'T SECURITIES
CORPORATE BONDS	FMV		105,490.		105,490.
TO FORM 990, LINE 54, COL B			105,490.		105,490.

FORM 990 OTHER SECURITIES STATEMENT 6

SECURITY DESCRIPTION	COST/FMV	OTHER SECURITIES
MUTUAL FUNDS	FMV	111,502.
MONEY MARKET FUNDS	FMV	7,224.
TO FORM 990, LINE 54, COL B		118,726.

SCHEDULE A OTHER INCOME STATEMENT 7

DESCRIPTION	2004 AMOUNT	2003 AMOUNT	2002 AMOUNT	2001 AMOUNT
MISCELLANEOUS INCOME	2,924.	4,913.	3,583.	130.
TOTAL TO SCHEDULE A, LINE 22	2,924.	4,913.	3,583.	130.

If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box

Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

Part II Additional (not automatic) 3-Month Extension of Time - Must file Original and One Copy. Name of Exempt Organization: ADOPTION S.T.A.R., INC. Employer identification number: 16-1584581. Address: 47 PLAZA DRIVE, WILLIAMSVILLE, NY 14221.

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

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

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of MICHELE FRIED, Telephone No. 716-639-3900, FAX No. [blank]. If the organization does not have an office or place of business in the United States, check this box [blank]. If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) [blank].

I request an additional 3-month extension of time until NOVEMBER 15, 2006. For calendar year 2005, or other tax year beginning [blank] and ending [blank]. If this tax year is for less than 12 months, check reason: [] Initial return, [] Final return, [] Change in accounting period. State in detail why you need the extension: ADDITIONAL TIME IS NEEDED TO GATHER INFORMATION TO FILE A COMPLETE AND ACCURATE RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ [blank]. b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 \$ [blank]. c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ [blank] N/A

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature [blank] Title [blank] Date [blank]

Notice to Applicant - To Be Completed by the IRS

- We have approved this application. Please attach this form to the organization's return. [] We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return. [] We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period. [] We cannot consider this application because it was filed after the extended due date of the return for which an extension was requested. [] Other []

Director [blank] By: [blank] Date [blank]

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Name: FREED MAXICK & BATTAGLIA, CPA'S, PC. Number and street (include suite, room, or apt. no.) or a P.O. box number: 800 LIBERTY BUILDING. City or town, province or state, and country (including postal or ZIP code): BUFFALO, NY 14202.