

## BLUE PEARL PROJECT

45-4669349

**FORM 990-EZ REVENUE**

CONTRIBUTIONS, GIFTS, AND GRANTS .....	43,331
TOTAL REVENUE .....	43,331

**EXPENSES**

OCCUPANCY/RENT/UTILITIES/MAINTENANCE .....	20,000
OTHER EXPENSES .....	22,037
TOTAL EXPENSES .....	42,037

**NET ASSETS OR FUND BALANCES**

EXCESS OR (DEFICIT) FOR THE YEAR .....	1,294
NET ASSETS/FUND BAL. AT BEG. OF YEAR .....	0
NET ASSETS/FUND BAL. AT END OF YEAR .....	1,294

**REVENUE**

TOTAL REVENUE..... 0

**DEDUCTIONS**

TOTAL DEDUCTIONS..... 0

**UNRELATED BUSINESS TAXABLE INCOME**

UNRELATED BUSINESS TAXABLE INCOME..... 0

**TAX COMPUTATION**

INCOME TAX..... 0

NET TAX..... 0

**PAYMENTS AND CREDITS**

TOTAL PAYMENTS AND CREDITS..... 0

**REFUND OR AMOUNT DUE**

TAX DUE..... 0

OVERPAYMENT..... 0

## BLUE PEARL PROJECT

45-4669349

**REVENUE**

GROSS CONTRIBUTIONS, GIFTS, &amp; GRANTS..... 43,331

TOTAL INCOME..... 43,331

**EXPENSES AND DISBURSEMENTS**

RENTS..... 20,000

OTHER DEDUCTIONS..... 22,037

TOTAL DEDUCTIONS..... 42,037

EXCESS OF RECEIPTS OVER DISBURSEMENTS..... 1,294

**FILING FEE**

FILING FEE..... 10

BALANCE DUE..... 10

**SCHEDULE L**

BEGINNING ASSETS..... 0

BEGINNING LIABILITIES &amp; NET WORTH..... 0

ENDING ASSETS..... 1,295

ENDING LIABILITIES &amp; NET WORTH..... 0

**REVENUE**

TOTAL UNRELATED BUSINESS INCOME..... 0

**DEDUCTIONS**

TOTAL DEDUCTIONS..... 0

**UNRELATED BUSINESS TAXABLE INCOME**

UNRELATED BUSINESS TAXABLE INCOME..... 0

**TAX COMPUTATION**

TAX..... 0

LESS CREDITS..... 0

BALANCE..... 0

TOTAL TAX..... 0

**PAYMENTS**

TOTAL PAYMENTS..... 0

**REFUND OR AMOUNT DUE**

OVERPAYMENT..... 0

PENALTIES AND INTEREST..... 0

TOTAL DUE..... 0

## BLUE PEARL PROJECT

45-4669349

**FORMS NEEDED FOR THIS RETURN**

FEDERAL: 990-EZ, SCH A, SCH O, 990-T  
CALIFORNIA: 199, 109

**TAX RATES**

<u>UNRELATED BUSINESS</u>	<u>MARGINAL</u>	<u>EFFECTIVE</u>
FEDERAL	0. %	0. %
CALIFORNIA	0. %	0. %

**CARRYOVERS TO 2013**

NONE

THE ORGANIZATION'S FEDERAL TAX RETURN IS NOT FINISHED UNTIL YOU COMPLETE THE FOLLOWING INSTRUCTIONS.

### **PRIOR TO TRANSMISSION OF THE RETURN**

#### **FORM 990-EZ**

THE ORGANIZATION SHOULD REVIEW THEIR FEDERAL RETURN ALONG WITH ANY ACCOMPANYING SCHEDULES AND STATEMENTS.

#### **FORM 8453-EO**

THE ORGANIZATION SHOULD REVIEW, SIGN AND DATE FORM 8453-EO PRIOR TO YOU E-FILEING THE RETURN. THE SIGNED FORM 8453-EO MUST BE ATTACHED TO THE E-FILE AS A PDF FILE.

#### **EVEN RETURN**

NO PAYMENT IS REQUIRED.

### **AFTER TRANSMISSION OF THE RETURN**

#### **RECEIVE ACKNOWLEDGEMENT OF YOUR E-FILE TRANSMISSION STATUS.**

WITHIN SEVERAL HOURS, CONNECT WITH LACERTE AND GET YOUR FIRST ACKNOWLEDGEMENT (ACK) THAT LACERTE HAS RECEIVED YOUR TRANSMISSION FILE.

CONNECT WITH LACERTE AGAIN AFTER 24 AND THEN 48 HOURS TO RECEIVE YOUR FEDERAL ACKS.

**KEEP A SIGNED COPY OF FORM 8453-EO IN YOUR FILES FOR 3 YEARS.**

#### **DO NOT MAIL:**

FORM 8453-EO

#### **ADDITIONAL INSTRUCTIONS:**

FORM 990-T (EXEMPT ORGANIZATION BUSINESS INCOME TAX RETURN) RETURN CANNOT BE FILED ELECTRONICALLY. YOU MUST FILE THIS RETURN AS A CONVENTIONAL PAPER RETURN.

### Exempt Organization Declaration and Signature for Electronic Filing

For calendar year 2012, or tax year beginning \_\_\_\_\_, 2012, and ending \_\_\_\_\_, \_\_\_\_\_

**2012**

Department of the Treasury  
Internal Revenue Service

For use with Forms 990, 990-EZ, 990-PF, 1120-POL, and 8868.

Name of exempt organization <b>BLUE PEARL PROJECT</b>	Employer identification number <b>45-4669349</b>
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**Part I Type of Return and Return Information (Whole Dollars Only)**

Check the box for the type of return being filed with Form 8453-EO and enter the applicable amount, if any, from the return. If you check the box on line 1a, 2a, 3a, 4a, or 5a below and the amount on that line of the return being with this form was blank, then leave line 1b, 2b, 3b, 4b, or 5b, whichever is applicable, blank (do not enter -0-). If you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than 1 line in Part I.

1 a Form 990 check here . . . <input type="checkbox"/>	b Total revenue, if any (Form 990, Part VIII, column (A), line 12) . . . . .	1 b _____
2 a Form 990-EZ check here . . . <input checked="" type="checkbox"/>	b Total revenue, if any (Form 990-EZ, line 9) . . . . .	2 b <u>43,331.</u>
3 a Form 1120-POL check here . . . <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22) . . . . .	3 b _____
4 a Form 990-PF check here . . . <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part VI, line 5) . . . . .	4 b _____
5 a Form 8868 check here . . . <input type="checkbox"/>	b Balance Due (Form 8868, Part I, line 3c or Part II, line 8c) . . . . .	5 b _____

**Part II Declaration of Officer**

- 6  I authorize the U.S. Treasury and its designated Financial Agent to initiate an Automated Clearing House (ACH) electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment.
- If a copy of this return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I certify that I executed the electronic disclosure consent contained within this return allowing disclosure by the IRS of this Form 990/990-EZ/990-PF (as specifically identified in Part I above) to the selected state agency(ies).

Under penalties of perjury, I declare that I am an officer of the above named organization and that I have examined a copy of the organization's 2012 electronic return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgment of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund.

**Sign Here**

Signature of officer _____	Date _____	Title _____
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**Part III Declaration of Electronic Return Originator (ERO) and Paid Preparer (see instructions)**

I declare that I have reviewed the above organization's return and that the entries on Form 8453-EO are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return. The organization officer will have signed this form before I submit the return. I will give the officer a copy of all forms and information to be filed with the IRS, and have followed all other requirements in Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This Paid Preparer declaration is based on all information of which I have any knowledge.

<b>ERO's Use Only</b>	ERO's signature <input type="checkbox"/>	Date _____	Check if also paid preparer <input checked="" type="checkbox"/>	Check if self-employed <input type="checkbox"/>	ERO's SSN or PTIN <b>P01221288</b>
	Firm's name (or yours if self-employed), address, and ZIP code	<b>GONZALEZ CPA 18662 MACARTHUR BLVD STE 101 IRVINE, CA 92612-1207</b>			EIN <b>26-2943397</b>
					Phone no. <b>(949) 333-0161</b>

Under penalties of perjury, I declare that I have examined the above return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer is based on all information of which the preparer has any knowledge.

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name	Firm's EIN			
	Firm's address	Phone no.			

**Short Form  
Return of Organization Exempt From Income Tax**  
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code  
(except black lung benefit trust or private foundation)

**2012**

Department of the Treasury  
Internal Revenue Service

► Sponsoring organizations of donor advised funds, organizations that operate one or more hospital facilities, and certain controlling organizations as defined in section 512(b)(13) must file Form 990 (see instructions). All other organizations with gross receipts less than \$200,000 and total assets less than \$500,000 at the end of the year may use this form.  
► The organization may have to use a copy of this return to satisfy state reporting requirements.

**Open to Public Inspection**

**A For the 2012 calendar year, or tax year beginning** , **2012**, and ending ,

<p><b>B</b> Check if applicable:</p> <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<p><b>C</b></p> <p>BLUE PEARL PROJECT 1621 CENTRAL AVE. CHEYANNE, WY 82001</p>	<p><b>D</b> Employer identification number 45-4669349</p> <p><b>E</b> Telephone number 951-805-7419</p> <p><b>F</b> Group Exemption Number . . . . . ▶</p>
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**G** Accounting Method:  Cash  Accrual Other (specify) ▶ \_\_\_\_\_

**I Website:** ▶ [HTTP://WWW.BLUEPEARLPROJECT.COM](http://www.bluepearlproject.com)

**J Tax-exempt status** (check only one) –  501(c)(3)  501(c) ( ) ◀(insert no.)  4947(a)(1) or  527

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

**K** Check  if the organization is not a section 509(a)(3) supporting organization or a section 527 organization **and** its gross receipts are normally **not** more than \$50,000. A Form 990-EZ or Form 990 return is not required though Form 990-N (e-postcard) may be required (see instructions). But if the organization chooses to file a return, be sure to file a complete return.

**L** Add lines 5b, 6c, and 7b, to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets (Part II, line 25, column (B) below) are \$500,000 or more, file Form 990 instead of Form 990-EZ . . . . . ▶ \$ **43,331.**

**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances** (see the instructions for Part I)  
Check if the organization used Schedule O to respond to any question in this Part I . . . . .

	1 Contributions, gifts, grants, and similar amounts received . . . . .	<b>1</b>	43,331.
	2 Program service revenue including government fees and contracts . . . . .	<b>2</b>	
	3 Membership dues and assessments . . . . .	<b>3</b>	
	4 Investment income . . . . .	<b>4</b>	
	<b>5a</b> Gross amount from sale of assets other than inventory . . . . . <b>5a</b>		
	<b>b</b> Less: cost or other basis and sales expenses . . . . . <b>5b</b>		
	<b>c</b> Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a) . . . . . <b>5c</b>		
	<b>6</b> Gaming and fundraising events		
	<b>a</b> Gross income from gaming (attach Schedule G if greater than \$15,000) . . . . . <b>6a</b>		
	<b>b</b> Gross income from fundraising events (not including \$ _____ of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000) . . . . . <b>6b</b>		
	<b>c</b> Less: direct expenses from gaming and fundraising events . . . . . <b>6c</b>		
	<b>d</b> Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c) . . . . . <b>6d</b>		
	<b>7a</b> Gross sales of inventory, less returns and allowances . . . . . <b>7a</b>		
	<b>b</b> Less: cost of goods sold . . . . . <b>7b</b>		
	<b>c</b> Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a) . . . . . <b>7c</b>		
	<b>8</b> Other revenue (describe in Schedule O) . . . . . <b>8</b>		
	<b>9 Total revenue.</b> Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8 . . . . . ▶ <b>9</b>		43,331.
EXPENSES	<b>10</b> Grants and similar amounts paid (list in Schedule O) . . . . . <b>10</b>		
	<b>11</b> Benefits paid to or for members . . . . . <b>11</b>		
	<b>12</b> Salaries, other compensation, and employee benefits . . . . . <b>12</b>		
	<b>13</b> Professional fees and other payments to independent contractors . . . . . <b>13</b>		
	<b>14</b> Occupancy, rent, utilities, and maintenance . . . . . <b>14</b>		20,000.
	<b>15</b> Printing, publications, postage, and shipping . . . . . <b>15</b>		
	<b>16</b> Other expenses (describe in Schedule O) . . . . . <b>16</b>		SEE SCHEDULE O
	<b>17 Total expenses.</b> Add lines 10 through 16 . . . . . ▶ <b>17</b>		42,037.
	<b>18</b> Excess or (deficit) for the year (Subtract line 17 from line 9) . . . . . <b>18</b>		1,294.
ASSETS	<b>19</b> Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return) . . . . . <b>19</b>		0.
	<b>20</b> Other changes in net assets or fund balances (explain in Schedule O) . . . . . <b>20</b>		
	<b>21</b> Net assets or fund balances at end of year. Combine lines 18 through 20 . . . . . ▶ <b>21</b>		1,294.

**BAA For Paperwork Reduction Act Notice, see the separate instructions.** Form **990-EZ** (2012)



**Part II Balance Sheets.** (see the instructions for Part II.)

Check if the organization used Schedule O to respond to any question in this Part II.

	(A) Beginning of year	(B) End of year
<b>22</b> Cash, savings, and investments .....	<b>22</b>	1,295.
<b>23</b> Land and buildings .....	<b>23</b>	
<b>24</b> Other assets (describe in Schedule O) .....	<b>24</b>	
<b>25</b> Total assets .....	0. <b>25</b>	1,295.
<b>26</b> Total liabilities (describe in Schedule O) .....	0. <b>26</b>	0.
<b>27</b> Net assets or fund balances (line 27 of column (B) must agree with line 21) .....	0. <b>27</b>	0.

**Part III Statement of Program Service Accomplishments** (see the instrs for Part III.)

Check if the organization used Schedule O to respond to any question in this Part III.

What is the organization's primary exempt purpose? **SEE SCHEDULE O**  
 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. In a clear and concise manner, describe the services provided, the number of persons benefited, and other relevant information for each program title.

	Expenses (Required for section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts; optional for others.)	
<b>28</b> SEE SCHEDULE O		
(Grants \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	<b>28 a</b>	42,037.
<b>29</b>		
(Grants \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	<b>29 a</b>	
<b>30</b>		
(Grants \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	<b>30 a</b>	
<b>31</b> Other program services (describe in Schedule O)		
(Grants \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	<b>31 a</b>	
<b>32</b> Total program service expenses (add lines 28a through 31a)	<b>32</b>	42,037.

**Part IV List of Officers, Directors, Trustees, and Key Employees.** List each one even if not compensated. (see the instructions for Part IV.)

Check if the organization used Schedule O to respond to any question in this Part IV.

(a) Name and Title	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC) (If not paid, enter -0-)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation
DEBORAH PHILLIPS PRESIDENT & CEO	0	0.	0.	0.
SCOTT WHAN DIRECTOR	0	0.	0.	0.
LUANN NICOSIA DIRECTOR	0	0.	0.	0.

**Part V Other Information** (Note the Schedule A and personal benefit contract statement requirements in SEE SCHEDULE O the instructions for Part V) Check if the organization used Schedule O to respond to any question in this Part V.

	Yes	No
<b>33</b> Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' provide a detailed description of each activity in Schedule O. ....		X
<b>34</b> Were any significant changes made to the organizing or governing documents? If 'Yes,' attach a conformed copy of the amended documents if they reflect a change to the organization's name. Otherwise, explain the change on Schedule O (see instructions) .....		X
<b>35 a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year from business activities (such as those reported on lines 2, 6a, and 7a, among others)? .....		X
<b>b</b> If 'Yes,' to line 35a, has the organization filed a Form 990-T for the year? If 'No,' provide an explanation in Schedule O. ....		
<b>35 c</b> Was the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization subject to section 6033(e) notice, reporting, and proxy tax requirements during the year? If 'Yes,' complete Schedule C, Part III .....		X
<b>36</b> Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If 'Yes,' complete applicable parts of Schedule N .....		X
<b>37 a</b> Enter amount of political expenditures, direct or indirect, as described in the instructions. ▶ <b>37 a</b> 0.		
<b>b</b> Did the organization file <b>Form 1120-POL</b> for this year? .....		X
<b>38 a</b> Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still outstanding at the end of the tax year covered by this return? .....		X
<b>b</b> If 'Yes,' complete Schedule L, Part II and enter the total amount involved. ....	<b>38 b</b> N/A	
<b>39</b> Section 501(c)(7) organizations. Enter:		
<b>a</b> Initiation fees and capital contributions included on line 9 .....	<b>39 a</b> N/A	
<b>b</b> Gross receipts, included on line 9, for public use of club facilities .....	<b>39 b</b> N/A	
<b>40 a</b> Section 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>b</b> Section 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 engage in an excess benefit transaction in a prior year that has not been reported on any of its prior Forms 990 or 990-EZ? If 'Yes,' complete Schedule L, Part I. ....	<b>40 b</b>	X
<b>c</b> Section 501(c)(3) and 501(c)(4) organizations. Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958. .... ▶ 0.		
<b>d</b> Section 501(c)(3) and 501(c)(4) organizations. Enter amount of tax on line 40c reimbursed by the organization. .... ▶ 0.		
<b>e</b> All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If 'Yes,' complete Form 8886-T. ....	<b>40 e</b>	X
<b>41</b> List the states with which a copy of this return is filed ▶ <u>NONE</u>		

**42 a** The organization's books are in care of ▶ DEBORAH PHILLIPS Telephone no. ▶ 951-805-7419  
 Located at ▶ 1621 CHEYANNE AVE. WY WY ZIP + 4 ▶ 82001

	Yes	No
<b>b</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)? .....	<b>42 b</b>	X
If 'Yes,' enter the name of the foreign country: ▶ _____		
See the instructions for exceptions and filing requirements for <b>Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.</b>		
<b>c</b> At any time during the calendar year, did the organization maintain an office outside of the U.S.? .....	<b>42 c</b>	X
If 'Yes,' enter the name of the foreign country: ▶ _____		

**43** Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of **Form 1041** — Check here  N/A and enter the amount of tax-exempt interest received or accrued during the tax year. .... ▶ **43** N/A

	Yes	No
<b>44 a</b> Did the organization maintain any donor advised funds during the year? If 'Yes,' Form 990 must be completed instead of Form 990-EZ .....	<b>44 a</b>	X
<b>b</b> Did the organization operate one or more hospital facilities during the year? If 'Yes,' Form 990 must be completed instead of Form 990-EZ .....	<b>44 b</b>	X
<b>c</b> Did the organization receive any payments for indoor tanning services during the year? .....	<b>44 c</b>	X
<b>d</b> If 'Yes' to line 44c, has the organization filed a Form 720 to report these payments? If 'No,' provide an explanation in Schedule O. ....	<b>44 d</b>	
<b>45 a</b> Did the organization have a controlled entity of the organization within the meaning of section 512(b)(13)? .....	<b>45 a</b>	X
<b>b</b> Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' Form 990 and Schedule R may need to be completed instead of Form 990-EZ (see instructions) .....	<b>45 b</b>	X

46 Did the organization engage, directly or indirectly, in political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I. Yes No  
46

**Part VI Section 501(c)(3) organizations only**

All section 501(c)(3) organizations must answer questions 47-49b and 52, and complete the tables for lines 50 and 51.

Check if the organization used Schedule O to respond to any question in this Part VI.

47 Did the organization engage in lobbying activities or have a section 501(h) election in effect during the tax year? If 'Yes,' complete Schedule C, Part II. Yes No  
47

48 Is the organization a school as described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E. 48

49 a Did the organization make any transfers to an exempt non-charitable related organization? 49 a

b If 'Yes,' was the related organization a section 527 organization? 49 b

50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter 'None.'

(a) Name and title of each employee paid more than \$100,000	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation
NONE				

f Total number of other employees paid over \$100,000 ▶

51 Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter 'None.'

(a) Name and address of each independent contractor paid more than \$100,000	(b) Type of service	(c) Compensation
NONE		

d Total number of other independent contractors each receiving over \$100,000 ▶

52 Did the organization complete Schedule A? **Note:** All section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A. ▶  Yes  No

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

**Sign Here**  
 Signature of officer \_\_\_\_\_ Date \_\_\_\_\_  
 DEBORAH PHILLIPS PRESIDENT & CEO  
 Type or print name and title.

**Paid Preparer Use Only**  
 Print/Type preparer's name JOHN P. GONZALEZ, CPA Preparer's signature \_\_\_\_\_ Date \_\_\_\_\_  
 Check  if self-employed PTIN P01221288  
 Firm's name ▶ GONZALEZ CPA Firm's EIN ▶ N/A  
 Firm's address ▶ 18662 MACARTHUR BLVD STE 101 IRVINE, CA 92612-1207 Phone no. (949) 333-0161

May the IRS discuss this return with the preparer shown above? See instructions ▶  Yes  No

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**

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

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

OMB No. 1545-0047

**2012**

**Open to Public Inspection**

<b>Name of the organization</b> BLUE PEARL PROJECT	<b>Employer identification number</b> 45-4669349
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**Part I Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

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

- 1  A church, convention of churches or association of churches described in **section 170(b)(1)(A)(i)**.
- 2  A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8  A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9  An organization that normally receives: (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions – subject to certain exceptions, and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10  An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
  - a  Type I      b  Type II      c  Type III – Functionally integrated      d  Type III – Non-functionally integrated
- e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? .....	11 g (i)	
(ii) A family member of a person described in (i) above? .....	11 g (ii)	
(iii) A 35% controlled entity of a person described in (i) or (ii) above? .....	11 g (iii)	
- h Provide the following information about the supported organization(s).

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

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

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

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any 'unusual grants'.)						0.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf.						0.
3 The value of services or facilities furnished by a governmental unit to the organization without charge.						0.
4 <b>Total.</b> Add lines 1 through 3.	0.	0.	0.	0.	0.	0.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f).						0.
6 <b>Public support.</b> Subtract line 5 from line 4.						0.

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4.	0.	0.	0.	0.	0.	0.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources.						0.
9 Net income from unrelated business activities, whether or not the business is regularly carried on.						0.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						0.
11 <b>Total support.</b> Add lines 7 through 10.						0.
12 Gross receipts from related activities, etc (see instructions).					12	0.
13 <b>First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> .						<input checked="" type="checkbox"/>

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f)).	14	%
15 Public support percentage from 2011 Schedule A, Part II, line 14.	15	%
16a <b>33-1/3% support test – 2012.</b> If the organization did not check the box on line 13, and the line 14 is 33-1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization.	<input type="checkbox"/>	
b <b>33-1/3% support test – 2011.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33-1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization.	<input type="checkbox"/>	
17a <b>10%-facts-and-circumstances test – 2012.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization.	<input type="checkbox"/>	
b <b>10%-facts-and-circumstances test – 2011.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization.	<input type="checkbox"/>	
18 <b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions.	<input type="checkbox"/>	

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

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

**Section A. Public Support**

Calendar year (or fiscal yr beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions and membership fees received. (Do not include any 'unusual grants.') . . . . .						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose. . . . .						
3 Gross receipts from activities that are not an unrelated trade or business under section 513. . . . .						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf. . . . .						
5 The value of services or facilities furnished by a governmental unit to the organization without charge. . . . .						
6 <b>Total.</b> Add lines 1 through 5. . . . .						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons. . . . .						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year. . . . .						
c Add lines 7a and 7b. . . . .						
8 <b>Public support</b> (Subtract line 7c from line 6.) . . . . .						

**Section B. Total Support**

Calendar year (or fiscal yr beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6. . . . .						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources. . . . .						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975. . . . .						
c Add lines 10a and 10b. . . . .						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on. . . . .						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . . . . .						
13 <b>Total support.</b> (Add lns 9, 10c, 11, and 12.) . . . . .						

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

**Section C. Computation of Public Support Percentage**

15 Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f)). . . . .	15	%
16 Public support percentage from 2011 Schedule A, Part III, line 15. . . . .	16	%

**Section D. Computation of Investment Income Percentage**

17 Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f)). . . . .	17	%
18 Investment income percentage from 2011 Schedule A, Part III, line 17. . . . .	18	%

19a **33-1/3% support tests – 2012.** If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization. . . . . ▶

b **33-1/3% support tests – 2011.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization. . . . . ▶

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

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

Area with horizontal dashed lines for supplemental information.

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

**Supplemental Information to Form 990 or 990-EZ**

OMB No. 1545-0047

**2012**

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

▶ Attach to Form 990 or 990-EZ.

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

Name of the organization

BLUE PEARL PROJECT

Employer identification number

45-4669349

**FORM 990-EZ, PART III - ORGANIZATION'S PRIMARY EXEMPT PURPOSE**

REHABILITATION AND PLACEMENT FOR HORSES AND IS VOLUNTEER-BASED HELPING HORSES  
THROUGHOUT THE UNITED STATES. WE ARE AN ALL BREED HORSE RESCUE. OUR MISSION IS TO  
GIVE EQUINES A MUCH NEEDED "SECOND CHANCE." WE HELP WITH ALL ASPECTS OF RESCUE,  
THOROUGHBRED RESCUE AND RETIREMENT - ABUSE, NEGLECT, OWNER SURRENDER, AUCTION  
PURCHASE TO HELP STOP SLAUGHTER FOR HUMAN CONSUMPTION, REHABILITATE, TRAIN AND  
HELP PLACE HORSES IN LOVING HOMES. WE ARE ALSO VERY ACTIVE IN EDUCATION AND  
COMMUNITY INVOLVEMENT.

**FORM 990-EZ, PART III, LINE 28 - STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS**

REHABILITATION AND PLACEMENT FOR HORSES AND IS VOLUNTEER-BASED HELPING HORSES  
THROUGHOUT THE UNITED STATES. WE ARE AN ALL BREED HORSE RESCUE. OUR MISSION IS TO  
GIVE EQUINES A MUCH NEEDED "SECOND CHANCE." WE HELP WITH ALL ASPECTS OF RESCUE,  
THOROUGHBRED RESCUE AND RETIREMENT - ABUSE, NEGLECT, OWNER SURRENDER, AUCTION  
PURCHASE TO HELP STOP SLAUGHTER FOR HUMAN CONSUMPTION, REHABILITATE, TRAIN AND  
HELP PLACE HORSES IN LOVING HOMES. WE ARE ALSO VERY ACTIVE IN EDUCATION AND  
COMMUNITY INVOLVEMENT.

**FORM 990-EZ, PART V - REGARDING TRANSFERS ASSOCIATED WITH PERSONAL BENEFIT CONTRACTS**

(A) DID THE ORGANIZATION, DURING THE YEAR, RECEIVE ANY FUNDS, DIRECTLY OR  
INDIRECTLY, TO PAY PREMIUMS ON A PERSONAL BENEFIT CONTRACT?..... NO

(B) DID THE ORGANIZATION, DURING THE YEAR, PAY PREMIUMS, DIRECTLY OR  
INDIRECTLY, ON A PERSONAL BENEFIT CONTRACT?..... NO



## BLUE PEARL PROJECT

45-4669349

**FORM 990-EZ, PART I, LINE 16  
OTHER EXPENSES**

BANK CHARGES.....	\$	134.
CAR AND TRUCK.....		354.
FARRIER.....		2,530.
HORSE FEED.....		13,892.
INSURANCE.....		579.
LICENSE & PERMITS.....		853.
MEALS AND ENTERTAINMENT.....		82.
MEDICAL.....		316.
REPAIR & MAINTENANCE.....		418.
SUPPLIES.....		560.
UTILITIES.....		2,319.
TOTAL	\$	<u>22,037.</u>

Exempt Organization Business Income Tax Return (and proxy tax under section 6033(e))

2012

For calendar year 2012 or other tax year beginning and ending

See separate instructions.

Open to Public Inspection for 501(c)(3) Organizations Only

Department of the Treasury Internal Revenue Service

Form header section containing: A Check box if address changed; B Exempt under section 501(c)(3); C Book value of all assets at end of year 1,295.; D Employer identification number 45-4669349; E Unrelated business activity codes; F Group exemption number; G Check organization type 501(c) corporation.

Form section H: Describe the organization's primary unrelated business activity. I: During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? No.

J The books are in care of DEBORAH PHILLIPS Telephone number 951-805-7419

Table with 4 columns: (A) Income, (B) Expenses, (C) Net. Rows include: 1 a Gross receipts or sales; 2 Cost of goods sold; 3 Gross profit; 4 a Capital gain net income; 5 Income (loss) from partnerships and S corporations; 6 Rent income; 7 Unrelated debt-financed income; 8 Interest, annuities, royalties, and rents from controlled organizations; 9 Investment income of a section 501(c)(7), (9), or (17) organization; 10 Exploited exempt activity income; 11 Advertising income; 12 Other income; 13 Total. Combine lines 3 through 12.

Part II Deductions Not Taken Elsewhere (see instructions for limitations on deductions.) (except for contributions, deductions must be directly connected with the unrelated business income)

Table with 4 columns: (A) Income, (B) Expenses, (C) Net. Rows include: 14 Compensation of officers, directors, and trustees; 15 Salaries and wages; 16 Repairs and maintenance; 17 Bad debts; 18 Interest (attach statement); 19 Taxes and licenses; 20 Charitable contributions; 21 Depreciation; 22 Less depreciation claimed on Schedule A and elsewhere on return; 23 Depletion; 24 Contributions to deferred compensation plans; 25 Employee benefit programs; 26 Excess exempt expenses (Schedule I); 27 Excess readership costs (Schedule J); 28 Other deductions (attach statement); 29 Total deductions. Add lines 14 through 28; 30 Unrelated business taxable income before net operating loss deduction; 31 Net operating loss deduction (limited to the amount on line 30); 32 Unrelated business taxable income before specific deduction; 33 Specific deduction (generally \$1,000, but see line 33 instructions for exceptions.); 34 Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32.

**Part III Tax Computation**

<b>35 Organizations Taxable as Corporations.</b> (see instructions for tax computation) Controlled group members (sections 1561 and 1563) check here <input type="checkbox"/> <b>See instructions</b> and: <b>a</b> Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order): (1) \$ _____ (2) \$ _____ (3) \$ _____ <b>b</b> Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) ..... \$ _____ (2) Additional 3% tax (not more than \$100,000) ..... \$ _____ <b>c</b> Income tax on the amount on line 34 ..... <b>35 c</b> 0.	
<b>36 Trusts taxable at trust rates.</b> (see instructions for tax computation) Income tax on the amount on line 34 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041) ..... <b>36</b>	
<b>37 Proxy tax.</b> (see instructions) ..... <b>37</b>	
<b>38 Alternative minimum tax</b> ..... <b>38</b>	
<b>39 Total.</b> Add lines 37 and 38 to line 35c or 36, whichever applies. .... <b>39</b> 0.	

**Part IV Tax and Payments**

<b>40 a</b> Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) ... <b>40 a</b>	
<b>b</b> Other credits (see instructions) ..... <b>40 b</b>	
<b>c</b> General business credit. Attach Form 3800 (see instructions) ..... <b>40 c</b>	
<b>d</b> Credit for prior year minimum tax (attach Form 8801 or 8827) ..... <b>40 d</b>	
<b>e Total credits.</b> Add lines 40a through 40d. .... <b>40 e</b> 0.	
<b>41</b> Subtract line 40e from line 39 ..... <b>41</b> 0.	
<b>42</b> Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach statement) ..... <b>42</b>	
<b>43 Total tax.</b> Add lines 41 and 42 ..... <b>43</b> 0.	
<b>44 a</b> Payments: A 2011 overpayment credited to 2012 ..... <b>44 a</b>	
<b>b</b> 2012 estimated tax payments ..... <b>44 b</b>	
<b>c</b> Tax deposited with Form 8868 ..... <b>44 c</b>	
<b>d</b> Foreign organizations: Tax paid or withheld at source (see instructions) ..... <b>44 d</b>	
<b>e</b> Backup withholding (see instructions) ..... <b>44 e</b>	
<b>f</b> Credit for small employer health insurance premiums (Attach Form 8941) ..... <b>44 f</b>	
<b>g</b> Other credits and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other _____ Total ... <b>44 g</b>	
<b>45 Total payments.</b> Add lines 44a through 44g. .... <b>45</b> 0.	
<b>46</b> Estimated tax penalty (see instructions). Check if Form 2220 is attached. .... <input type="checkbox"/> <b>46</b>	
<b>47 Tax due.</b> If line 45 is less than the total of lines 43 and 46, enter amount owed ..... <b>47</b>	
<b>48 Overpayment.</b> If line 45 is larger than the total of lines 43 and 46, enter amount overpaid ..... <b>48</b>	
<b>49</b> Enter the amount of line 48 you want: <b>Credited to 2013 estimated tax</b> ▶ <b>Refunded</b> ▶ <b>49</b>	

**Part V Statements Regarding Certain Activities and Other Information** (see instructions)

<b>1</b> At any time during the 2012 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If 'Yes', the organization may have to file Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If 'Yes', enter the name of the foreign country here ▶ _____	Yes	No
<b>2</b> During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If 'Yes', see instructions for other forms the organization may have to file.		X
<b>3</b> Enter the amount of tax-exempt interest received or accrued during the tax year ▶ \$ 0.		

**Schedule A – Cost of Goods Sold.** Enter method of inventory valuation ▶

<b>1</b> Inventory at beginning of year ..... <b>1</b>		<b>6</b> Inventory at end of year ..... <b>6</b>	
<b>2</b> Purchases ..... <b>2</b>		<b>7 Cost of goods sold.</b> Subtract line 6 from line 5. Enter here and in Part I, line 2 ..... <b>7</b>	
<b>3</b> Cost of labor ..... <b>3</b>			
<b>4 a</b> Additional section 263A costs (attach statement) ..... <b>4 a</b>			Yes No
<b>b</b> Other costs (att. stmt.) ..... <b>4 b</b>			
<b>5 Total.</b> Add lines 1 through 4b ..... <b>5</b>			
		<b>8</b> Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? .....	Yes No

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

<b>Sign Here</b>	Signature of officer	Date	PRESIDENT & CEO	May the IRS discuss this return with the preparer shown below (see instructions)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
<b>Paid Preparer Use Only</b>	JOHN P. GONZALEZ, CPA			P01221288
	Firm's name ▶ GONZALEZ CPA		Firm's EIN ▶ 26-2943397	
	Firm's address ▶ 18662 MACARTHUR BLVD STE 101 IRVINE, CA 92612-1207		Phone no. (949) 333-0161	

**Schedule C – Rent Income (From Real Property and Personal Property Leased With Real Property)** (see instructions)

<b>1</b> Description of property		
(1)		
(2)		
(3)		
(4)		
<b>2</b> Rent received or accrued		<b>3(a)</b> Deductions directly connected with the income in columns 2(a) and 2(b) (attach statement)
<b>(a)</b> From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	<b>(b)</b> From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	
(1)		
(2)		
(3)		
(4)		
Total	Total	
<b>(c) Total income.</b> Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) . . . . . ▶		<b>(b) Total deductions.</b> Enter here and on page 1, Part I, line 6, column (B) . . . . . ▶

**Schedule E – Unrelated Debt-Financed Income** (see instructions)

<b>1</b> Description of debt-financed property		<b>2</b> Gross income from or allocable to debt-financed property	<b>3</b> Deductions directly connected with or allocable to debt-financed property	
			<b>(a)</b> Straight line depreciation (attach stmt)	<b>(b)</b> Other deductions (attach statement)
(1)				
(2)				
(3)				
(4)				
<b>4</b> Amount of average acquisition debt on or allocable to debt-financed property (attach statement)	<b>5</b> Average adjusted basis of or allocable to debt-financed property (attach statement)	<b>6</b> Column 4 divided by column 5	<b>7</b> Gross income reportable (column 2 x column 6)	<b>8</b> Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
<b>Totals</b> . . . . . ▶			Enter here and on page 1, Part I, line 7, column (A).	Enter here and on page 1, Part I, line 7, column (B).
<b>Total dividends-received deductions</b> included in column 8 . . . . . ▶				

**Schedule F – Interest, Annuities, Royalties, and Rents From Controlled Organizations** (see instructions)

<b>1</b> Name of controlled organization	<b>2</b> Employer identification number	Exempt Controlled Organizations			
		<b>3</b> Net unrelated income (loss) (see instructions)	<b>4</b> Total of specified payments made	<b>5</b> Part of column 4 that is included in the controlling organization's gross income	<b>6</b> Deductions directly connected with income in column 5
(1)					
(2)					
(3)					
(4)					
<b>7</b> Taxable Income		<b>8</b> Net unrelated income (loss) (see instructions)	<b>9</b> Total of specified payments made	<b>10</b> Part of column 9 that is included in the controlling organization's gross income	<b>11</b> Deductions directly connected with income in column 10
(1)					
(2)					
(3)					
(4)					
<b>Totals</b> . . . . . ▶				Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).	Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).

**Schedule G – Investment Income of a Section 501(c)(7), (9), or (17) Organization** (see instructions)

1 Description of income	2 Amount of income	3 Deductions directly connected (attach statement)	4 Set-asides (attach statement)	5 Total deductions and set-asides (column 3 plus column 4)
(1)				
(2)				
(3)				
(4)				
<b>Totals</b> .....	Enter here and on page 1, Part I, line 9, column (A).			Enter here and on page 1, Part I, line 9, column (B).

**Schedule I – Exploited Exempt Activity Income, Other Than Advertising Income** (see instructions)

1 Description of exploited activity	2 Gross unrelated business income from trade or business	3 Expenses directly connected with production of unrelated business income	4 Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute columns 5 through 7.	5 Gross income from activity that is not unrelated business income	6 Expenses attributable to column 5	7 Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
<b>Totals</b> .....	Enter here and on page 1, Part I, line 10, column (A).	Enter here and on page 1, Part I, line 10, column (B).				Enter here and on page 1, Part II, line 26.

**Schedule J – Advertising Income** (See instructions.)

**Part I Income From Periodicals Reported on a Consolidated Basis**

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute col. 5 through 7.	5 Circulation income	6 Readership costs	7 Excess readership costs (col. 6 minus col. 5, but not more than col. 4).
(1)						
(2)						
(3)						
(4)						
<b>Totals</b> (carry to Part II, line (5)) .....						

**Part II Income From Periodicals Reported on a Separate Basis** (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5 Circulation income	6 Readership costs	7 Excess readership costs (col. 6 minus col. 5, but not more than col. 4).
(1)						
(2)						
(3)						
(4)						
<b>(5) Totals from Part I</b>						
<b>Totals</b> , Part II (lines 1-5) .....	Enter here and on page 1, Part I, line 11, column (A).	Enter here and on page 1, Part I, line 11, column (B).				Enter here and on page 1, Part II, line 27.

**Schedule K – Compensation of Officers, Directors, and Trustees** (see instructions)

1 Name	2 Title	3 Percent of time devoted to business	4 Compensation attributable to unrelated business
		%	
		%	
		%	
		%	
<b>Total.</b> Enter here and on page 1, Part II, line 14 .....			

California Exempt Organization Annual Information Return

Calendar Year 2012 or fiscal year beginning month day year, and ending month day year

Corporation/Organization Name

BLUE PEARL PROJECT

Address (suite, room, or PMB no.)

1621 CENTRAL AVE.

City

CHEYANNE

State

WY

ZIP Code

82001

California corporation number

3749196

FEIN

45-4669349

- A First Return  Yes  No
- B Amended Return  Yes  No
- C IRC Section 4947(a)(1) trust  Yes  No
- D Final Return  Dissolved  Surrendered (Withdrawn)
  - Merged/Reorganized Enter date: \_\_\_\_\_

E Check accounting method:

- 1  Cash
- 2  Accrual
- 3  Other

F Federal return filed?

- 1  990T
- 2  990 (PF)
- 3  Sch H (990)

G Is this a group filing for the subordinates/affiliates?  Yes  No

If 'Yes,' attach a roster. See instructions

H Is this organization in a group exemption?  Yes  No

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

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

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

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

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

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

If 'Yes,' enter gross receipts from nonmember sources \$ \_\_\_\_\_

L If organization is exempt under R&TC Section 23701d and is exclusively religious, educational, or charitable, and is supported primarily (50% or more) by public contributions, check box. No filing fee is required.

M Is the organization a Limited Liability Company?  Yes  No

N Did the organization file Form 100 or Form 109 to report taxable income?  Yes  No

O Is the organization under audit by the IRS or has the IRS audited in a prior year?  Yes  No

CACA1112L 10/11/12

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

Receipts and Revenues	1	Gross sales or receipts from other sources. From Side 2, Part II, line 8.	1		
	2	Gross dues and assessments from members and affiliates.	2		
	3	Gross contributions, gifts, grants, and similar amounts received.	3	43,331.	
	4	Total gross receipts for filing requirement test. Add line 1 through line 3.			
	<b>This line must be completed.</b> If the result is less than \$50,000, see General Instruction B...				
	4		4	43,331.	
	5	Cost of goods sold.	5		
	6	Cost or other basis, and sales expenses of assets sold.	6		
Expenses	7	Total costs. Add line 5 and line 6.	7		
	8	Total gross income. Subtract line 7 from line 4.	8	43,331.	
	9	Total expenses and disbursements. From Side 2, Part II, line 18.	9	42,037.	
	10	Excess of receipts over expenses and disbursements. Subtract line 9 from line 8.	10	1,294.	
	Filing Fee	11	Filing fee \$10 or \$25. See General Instruction F.	11	10.
		12	Total payments.	12	
		13	Penalties and Interest. See General Instruction J.	13	
		14	Use tax. See General Instruction K.	14	
15		Balance due. Add line 11, line 13, and line 14. Then subtract line 12 from the result.	15	10.	

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

Sign Here	Signature of officer	Title	Date	Telephone
		PRESIDENT & CEO		951-805-7419
Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	PTIN
	Firm's name (or yours, if self-employed) and address			P01221288
				FEIN
				26-2943397
				Telephone
				(949) 333-0161

May the FTB discuss this return with the preparer shown above? See instructions.  Yes  No

**Part II** Organizations with gross receipts of more than \$50,000 and private foundations regardless of amount of gross receipts — complete Part II or furnish substitute information.

<b>Receipts from Other Sources</b>	1	Gross sales or receipts from all business activities. See instructions.	●	1	
	2	Interest	●	2	
	3	Dividends	●	3	
	4	Gross rents	●	4	
	5	Gross royalties	●	5	
	6	Gross amount received from sale of assets (See instructions)	●	6	
	7	Other income. Attach schedule	●	7	
<b>Expenses and Disbursements</b>	8	<b>Total</b> gross sales or receipts from other sources. Add line 1 through line 7. Enter here and on Side 1, Part I, line 1.		8	
	9	Contributions, gifts, grants, and similar amounts paid. Attach schedule	●	9	
	10	Disbursements to or for members	●	10	
	11	Compensation of officers, directors, and trustees. Attach schedule. <b>SEE STATEMENT 1</b>	●	11	0.
	12	Other salaries and wages	●	12	
	13	Interest	●	13	
	14	Taxes	●	14	
	15	Rents	●	15	20,000.
	16	Depreciation and depletion (See instructions)	●	16	
	17	Other Expenses and Disbursements. Attach schedule. <b>SEE STATEMENT 2</b>	●	17	22,037.
	18	<b>Total</b> expenses and disbursements. Add line 9 through line 17. Enter here and on Side 1, Part I, line 9		18	42,037.

<b>Schedule L Balance Sheets</b>		<b>Beginning of taxable year</b>		<b>End of taxable year</b>	
<b>Assets</b>		<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
1	Cash			●	1,295.
2	Net accounts receivable			●	
3	Net notes receivable			●	
4	Inventories			●	
5	Federal and state government obligations			●	
6	Investments in other bonds			●	
7	Investments in stock			●	
8	Mortgage loans			●	
9	Other investments Attach schedule			●	
10 a	Depreciable assets				
b	Less accumulated depreciation				
11	Land			●	
12	Other assets. Attach schedule			●	
13	<b>Total assets</b>				1,295.
<b>Liabilities and net worth</b>					
14	Accounts payable			●	
15	Contributions, gifts, or grants payable			●	
16	Bonds and notes payable			●	
17	Mortgages payable			●	
18	Other liabilities. Attach schedule				
19	Capital stock or principle fund			●	
20	Paid-in or capital surplus. Attach reconciliation			●	
21	Retained earnings or income fund			●	
22	<b>Total liabilities and net worth</b>				

**Schedule M-1 Reconciliation of income per books with income per return**  
Do not complete this schedule if the amount on Schedule L, line 13, column (d), is less than \$50,000

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

## BLUE PEARL PROJECT

45-4669349

**STATEMENT 1**  
**FORM 199, PART II, LINE 11**  
**COMPENSATION OF OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES**

**CURRENT OFFICERS:**

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
DEBORAH PHILLIPS 36068 HIDDEN SPRINGS STE C142 WILDOMAR, CA 92595	PRESIDENT & CEO 0	\$ 0.	\$ 0.	\$ 0.
SCOTT WHAN 36068 HIDDEN SPRINGS STE C142 WILDOMAR, CA 92595	DIRECTOR 0	0.	0.	0.
LUANN NICOSIA 36068 HIDDEN SPRINGS STE C142 WILDOMAR, CA 92595	DIRECTOR 0	0.	0.	0.
TOTAL		<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

**STATEMENT 2**  
**FORM 199, PART II, LINE 17**  
**OTHER EXPENSES**

BANK CHARGES.....	\$	134.
CAR AND TRUCK.....		354.
FARRIER.....		2,530.
HORSE FEED.....		13,892.
INSURANCE.....		579.
LICENSE & PERMITS.....		853.
MEALS AND ENTERTAINMENT.....		82.
MEDICAL.....		316.
REPAIR & MAINTENANCE.....		418.
SUPPLIES.....		560.
UTILITIES.....		2,319.
TOTAL		<u>\$ 22,037.</u>



California Exempt Organization Business Income Tax Return

Calendar Year 2012 or fiscal year beginning month day year, and ending month day year

Corporation/Organization Name

BLUE PEARL PROJECT

California corporation number

3749196

Address (suite, room, or PMB no.)

FEIN

1621 CENTRAL AVE.

45-4669349

City

State

ZIP Code

CHEYANNE

WY

82001

A First Return Filed? Yes No

B Is this an education IRA within the meaning of R&TC Section 23712? Yes No

C Is the organization under audit by the IRS or has the IRS audited in a prior year? Yes No

D Final Return? Yes No

Final Return? Dissolved Surrendered (Withdrawn)

Merged/Reorganized (attach explanation)

Enter date

E Amended Return Yes No

F Accounting Method Used: (1) Cash (2) Accrual (3) Other

G Nature of trade or business

H Is the organization a non-exempt charitable trust as described in IRC Section 4947(a)(1)? Yes No

I Is this organization claiming any Enterprise Zone (EZ), Los Angeles Revitalization Zone (LARZ), Local Agency Military Base Recovery Area (LAMBRA), Targeted Tax Area (TTA), or Manufacturing Enhancement Area (MEA) tax benefits? Yes No

J Is this organization a qualified pension, profit-sharing, or stock bonus plan as described in IRC Section 401(a)? Yes No

K Unrelated Business Activity (UBA) Code

L Is this a Hospital? If 'Yes,' attach IRS Schedule H (Form 990) Yes No

Table with columns for Taxable Corporation, Taxable Trust, Tax Computation, Total Tax, Payments, and Refund (Direct Deposit of Refund) or Amount Due. Rows include lines 1-27 for calculating tax liability and refund.

**Unrelated Business Taxable Income**

**Part I Unrelated Trade or Business Income**

1 a	Gross receipts or gross sales	b	Less returns and allowances	c	Balance.	●	1 c	
2	Cost of goods sold and/or operations (Schedule A, line 7)						●	2
3	Gross profit. Subtract line 2 from line 1c						●	3
4 a	Capital gain net income. See Specific Line Instructions – Trusts attach Schedule D (541)						●	4 a
b	Net gain (loss) from Part II, Schedule D-1						●	4 b
c	Capital loss deduction for trusts						●	4 c
5	Income (or loss) from partnerships, limited liability companies, or S corporations. See specific line instructions. Attach Schedule K-1 (565, 568, or 100S) or similar schedule						●	5
6	Rental income (Schedule C)						●	6
7	Unrelated debt-financed income (Schedule D)						●	7
8	Investment income of an R&TC Section 23701g, 23701i, or 23701n organization (Schedule E)						●	8
9	Interest, Annuities, Royalties and Rents from controlled organizations (Schedule F)						●	9
10	Exploited exempt activity income (Schedule G)						●	10
11	Advertising income (Schedule H, Part III, Column A)						●	11
12	Other income. Attach schedule						●	12
13	Total unrelated trade or business income. Add line 3 through line 12						●	13

**Part II Deductions Not Taken Elsewhere** (Except for contributions, deductions must be directly connected with the unrelated business income.)

14	Compensation of officers, directors, and trustees from Schedule I						●	14
15	Salaries and wages						●	15
16	Repairs						●	16
17	Bad debts						●	17
18	Interest. Attach schedule						●	18
19	Taxes. Attach schedule						●	19
20	Contributions. See instructions and attach schedule						●	20
21 a	Depreciation (Corporations and Associations – Schedule J) (Trusts – form FTB 3885F)				●	21 a		
b	Less: depreciation claimed on Schedule A. See instructions				●	21 b	21	
22	Depletion. Attach schedule						●	22
23 a	Contributions to deferred compensation plans						●	23 a
b	Employee benefit programs. See instructions						●	23 b
24	Other deductions. Attach schedule						●	24
25	Total deductions. Add line 14 through line 24						●	25
26	Unrelated business taxable income before allowable excess advertising costs. Subtract line 25 from line 13						●	26
27	Excess advertising costs (Schedule H, Part III, Column B)						●	27
28	Unrelated business taxable income before specific deduction. Subtract line 27 from line 26						●	28
29	Specific deduction. See instructions						●	29
30	Unrelated business taxable income. Subtract line 29 from line 28. If line 28 is a loss, enter line 28						●	30

<b>Sign Here</b>	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.			
	Signature of officer	Title	Date	Telephone
<b>Paid Preparer's Use Only</b>	Preparer's signature	Date	Check if self-employed	PTIN
	Firm's name (or yours, if self-employed) and address			FEIN
	Telephone			
	May the FTB discuss this return with the preparer shown above? See instructions			Yes No

Schedule A Cost of Goods Sold and/or Operations.

Method of inventory valuation (specify)

Table with 7 rows for inventory valuation items (1-7) and a checkbox for IRC Section 263A rules.

Schedule B Tax Credits. Do not claim the New Jobs Credit on Schedule B.

Table with 4 rows for tax credits (1-4) and a checkbox for New Jobs Credit.

Schedule K Add-On Taxes or Recapture of Tax. See instructions.

Table with 5 rows for add-on taxes and recapture (1-5).

Schedule R Apportionment Formula Worksheet. Use only for unrelated trade or business amounts.

Is this organization electing the Alternate Method - Single-Sales Factor Formula? If 'Yes,' complete Part B. If 'No,' complete Part A.

Table for Part A: Standard Method - Three Factor Formula. Columns (a), (b), (c). Rows 1-6.

Table for Part B: Alternate Method - Single-Sales Factor Formula. Columns (a), (b), (c). Rows 1-2.

Schedule C Rental Income from Real Property and Personal Property Leased with Real Property

For rental income from debt-financed property, use Schedule D, R&TC Section 23701g, Section 23701i, and Section 23701n organizations. See instructions for exceptions.

Table with 4 columns and 4 rows for rental income details and calculations.

Schedule D Unrelated Debt-Financed Income

Table with 9 columns: 1 Description of debt-financed property, 2 Gross income from or allocable to debt-financed property, 3 Deductions directly connected with or allocable to debt-financed property (a) Straight-line depreciation, (b) Other deductions, 4 Amount of average acquisition indebtedness, 5 Average adjusted basis, 6 Debt basis percentage, 7 Gross income reportable, 8 Allocable deductions, 9 Net income (or loss) includible.

Schedule E Investment Income of an R&TC Section 23701g, 23701i, or 23701n Organization

Table with 6 columns: 1 Description, 2 Amount, 3 Deductions directly connected, 4 Net investment income, 5 Set-asides, 6 Balance of investment income.

Schedule F Interest, Annuities, Royalties and Rents from Controlled Organizations

Table with 6 columns for Exempt Controlled Organizations and 6 columns for Nonexempt Controlled Organizations. Includes summary rows 4, 5, and 6.

Schedule G Exploited Exempt Activity Income, other than Advertising Income

Table with 8 columns: 1 Description of exploited activity, 2 Gross unrelated business income, 3 Expenses directly connected, 4 Net income from unrelated trade or business, 5 Gross income from activity that is not unrelated business income, 6 Expenses attributable, 7 Excess exempt expense, 8 Net income includible.

Schedule H Advertising Income and Excess Advertising Costs

Part I Income from Periodicals Reported on a Consolidated Basis

Table with 7 columns: 1 Name of periodical, 2 Gross advertising income, 3 Direct advertising costs, 4 Advertising income or excess advertising costs, 5 Circulation income, 6 Readership costs, 7 If column 5 is greater than column 6, enter the income shown in column 4, in Part III, column A(b).

Part II Income from Periodicals Reported on a Separate Basis

Table with 7 columns, same structure as Part I, for separate basis reporting.

Part III Column A - Net Advertising Income

Table with 2 columns: (a) Enter 'consolidated periodical' and/or names of non-consolidated periodicals, (b) Enter total amount from Part I, column 4 or 7, and amounts listed in Part II, columns 4 and 7.

Part III Column B - Excess Advertising Costs

Table with 2 columns: (a) Enter 'consolidated periodical' and/or names of non-consolidated periodicals, (b) Enter total amount from Part I, column 4, and amounts listed in Part II, column 4.

Schedule I Compensation of Officers, Directors, and Trustees

Table with 6 columns: 1 Name of Officer, 2 SSN or ITIN, 3 Title, 4 Percent of time devoted to business, 5 Compensation attributable to unrelated business, 6 Expense account allowances.

Schedule J Depreciation (Corporations and Associations only. Trusts use form FTB 3885F.)

Table with 7 columns: 1 Group and guideline class or description of property, 2 Date acquired, 3 Cost or other basis, 4 Depreciation allowed or allowable in prior years, 5 Method of computing depreciation, 6 Life or rate, 7 Depreciation for this year.