

Return of Organization Exempt from Income Tax

2002

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

Department of the Treasury
Internal Revenue Service

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

Open to Public Inspection

A. For the 2002 calendar year, or tax year beginning , 2002, and ending

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

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

CHILDRENS HOPE INTERNATIONAL FOUNDATION
9229 Lackland Road
St. Louis, MO 63114-5412

D Employer Identification Number
43-1932814

E Telephone number

F Accounting method. Cash Accrual
 Other (specify)

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

H and I are not applicable to section 527 organizations

H (a) Is this a group return for affiliates? Yes No

H (b) If Yes, enter number of affiliates

H (c) Are all affiliates included? Yes No
(If 'No' attach a list. See instructions.)

H (d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Enter 4-digit GEN

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

G Web site: N/A

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 received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12. 249,255.

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

1	Contributions, gifts, grants, and similar amounts received				
	a Direct public support	1a	247,450.		
	b Indirect public support	1b			
	c Government contributions (grants)	1c			
	d Total (add lines 1a through 1c) (cash \$ 247,450. noncash \$)	1d		247,450.	
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2			
3	Membership dues and assessments	3			
4	Interest on savings and temporary cash investments	4		1,805.	
5	Dividends and interest from securities	5			
6a	Gross rents	6a			
	b Less rental expenses	6b			
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c			
7	Other investment income (describe)	7			
8a	Gross amount from sales of assets other than inventory	(A) Securities		(B) Other	
	b Less cost or other basis and sales expenses	8a			
	c Gain or (loss) (attach schedule)	8b			
	d Net gain or (loss) (combine line 8c, columns (A) and (B))	8c			
8d					
9	Special events and activities (attach schedule)				
	a Gross revenue (not including \$ of contributions reported on line 1a)	9a			
	b Less direct expenses other than fundraising expenses	9b			
	c Net income or (loss) from special events (subtract line 9b from line 9a)	9c			
10a	Gross sales of inventory, less returns and allowances	10a			
	b Less cost of goods sold	10b			
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c			
11	Other revenue (from Part VII, line 103)	11			
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12			249,255.
13	Program services (from line 44, column (B))	13			246,820.
14	Management and general (from line 44, column (C))	14			
15	Fundraising (from line 44, column (D))	15			
16	Payments to affiliates (attach schedule)	16			
17	Total expenses (add lines 16 and 44, column (A))	17			246,820.
18	Excess or (deficit) for the year (subtract line 17 from line 12)	18			2,435.
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19			207,744.
20	Other changes in net assets or fund balances (attach explanation)	20			
21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21			210,179.

SCANNED FEB 09 2005

EXEMPT

A

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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (att sch) See Stmt 1 (cash \$ 246,096. non-cash \$)	246,096.	246,096.		
23	Specific assistance to individuals (att sch)				
24	Benefits paid to or for members (att sch)				
25	Compensation of officers, directors, etc				
26	Other salaries and wages				
27	Pension plan contributions				
28	Other employee benefits				
29	Payroll taxes				
30	Professional fundraising fees.				
31	Accounting fees				
32	Legal fees				
33	Supplies				
34	Telephone				
35	Postage and shipping				
36	Occupancy				
37	Equipment rental and maintenance				
38	Printing and publications				
39	Travel				
40	Conferences, conventions, and meetings				
41	Interest				
42	Depreciation, depletion, etc (attach schedule)				
43	Other expenses not covered above (itemize)				
a	Bank charges	724.	724.		
b					
c					
d					
e					
44	Total functional expenses (add lines 22 - 43) Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	246,820.	246,820.	0.	0.

Joint Costs. Check if you are following SOP 98 2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If 'Yes,' enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to program services \$ _____, (iii) the amount allocated to management and general \$ _____, and (iv) the amount allocated to fundraising \$ _____

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? ▶ See Statement 2	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, but optional for others)
a Grants and assistance to benefiting numerous orphaned children in China, Columbia, Guatemala, India, Russia, Vietnam and other projects. (Grants and allocations \$ 246,096.)	246,820.
b	
c	
d	
e Other program services (Grants and allocations \$)	
f Total of Program Service Expenses (should equal line 44, column (B), program services)	246,820.

Part IV Balance Sheets (See Instructions)

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

		(A) Beginning of year		(B) End of year
ASSETS	45 Cash — non-interest-bearing		45	
	46 Savings and temporary cash investments	207,744.	46	210,179.
	47a Accounts receivable	47a		
	b Less: allowance for doubtful accounts	47b	47c	
	48a Pledges receivable	48a		
	b Less: allowance for doubtful accounts	48b	48c	
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a Other notes & loans receivable (attach sch)	51a		
	b Less: allowance for doubtful accounts	51b	51c	
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges		53	
	54 Investments — securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54	
	55a Investments — land, buildings, & equipment basis	55a		
b Less: accumulated depreciation (attach schedule)	55b	55c		
56 Investments — other (attach schedule)		56		
57a Land, buildings, and equipment basis	57a			
b Less: accumulated depreciation (attach schedule)	57b	57c		
58 Other assets (describe ▶ _____)		58		
59 Total assets (add lines 45 through 58) (must equal line 74)	207,744.	59	210,179.	
LIABILITIES	60 Accounts payable and accrued expenses		60	
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a Tax-exempt bond liabilities (attach schedule)		64a	
	b Mortgages and other notes payable (attach schedule)		64b	
	65 Other liabilities (describe ▶ _____)		65	
66 Total liabilities (add lines 60 through 65)	0.	66	0.	
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
	67 Unrestricted	18,580.	67	4,998.
	68 Temporarily restricted	189,164.	68	205,181.
	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)	207,744.	73	210,179.	
74 Total liabilities and net assets/fund balances (add lines 66 and 73)	207,744.	74	210,179.	

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.

BAA

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

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

a	Total revenue, gains, and other support per audited financial statements	a	249,255.
b	Amounts included on line a but not on line 12, Form 990		
(1)	Net unrealized gains on investments \$		
(2)	Donated services and use of facilities \$		
(3)	Recoveries of prior year grants \$		
(4)	Other (specify) ----- \$		
	Add amounts on lines (1) through (4)	b	
c	Line a minus line b	c	249,255.
d	Amounts included on line 12, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify) ----- \$		
	Add amounts on lines (1) and (2)	d	
e	Total revenue per line 12, Form 990 (line c plus line d)	e	249,255.

a	Total expenses and losses per audited financial statements	a	246,820.
b	Amounts included on line a but not on line 17, Form 990		
(1)	Donated services and use of facilities \$		
(2)	Prior year adjustments reported on line 20, Form 990 \$		
(3)	Losses reported on line 20, Form 990 \$		
(4)	Other (specify) ----- \$		
	Add amounts on lines (1) through (4)	b	
c	Line a minus line b	c	246,820.
d	Amounts included on line 17, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify) ----- \$		
	Add amounts on lines (1) and (2)	d	
e	Total expenses per line 17, Form 990 (line c plus line d)	e	246,820.

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

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
Dwyatt Gantt	None	0.	0.	0.
Berry Petrowsky	None	0.	0.	0.
Jeff Hor	None	0.	0.	0.
Paul Fritz	None	0.	0.	0.

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

Part VI Other Information (See instructions)

Yes No

76	Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity	76		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes	77		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a		X
78b	If 'Yes,' has it filed a tax return on Form 990-T for this year?	78b		X
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement	79		X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc. to any other exempt or nonexempt organization?	80a		X
	b If 'Yes,' enter the name of the organization <u>N/A</u> and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt			
81a	Enter direct or indirect political expenditures See line 81 instructions	81a	0.	
81b	Did the organization file Form 1120-POL for this year?	81b		X
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a		X
	b If 'Yes,' you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III)	82b	N/A	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		X
	b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	N/A	
85	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?	85a	N/A	
	b Did the organization make only in-house lobbying expenditures of \$2,000 or less? If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year	85b	N/A	
	c Dues, assessments, and similar amounts from members	85c	N/A	
	d Section 162(e) lobbying and political expenditures	85d	N/A	
	e Aggregate nondeductible amount or section 6033(e)(1)(A) dues notices	85e	N/A	
	f Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A	
85g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g		N/A
85h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h		N/A
86	501(c)(7) organizations Enter: a Initiation fees and capital contributions included on line 12	86a	N/A	
	b Gross receipts, included on line 12, for public use of club facilities	86b	N/A	
87	501(c)(12) organizations Enter: a Gross income from members or shareholders	87a	N/A	
	b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87b	N/A	
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX	88		X
89a	501(c)(3) organizations Enter: Amount of tax imposed on the organization during the year under section 4911 <u>0.</u> , section 4912 <u>0.</u> , section 4955 <u>0.</u>			
89b	501(c)(3) and 501(c)(4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction	89b		X
	c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958			0.
	d Enter: Amount of tax on line 89c, above, reimbursed by the organization			0.
90a	List the states with which a copy of this return is filed <u>None</u>			
90b	Number of employees employed in the pay period that includes March 12, 2002 (See instructions)	90b		0
91	The books are in care of <u>Childrens Hope International</u> Telephone number <u></u> Located at <u>9229 Lackland Road St. Louis MO</u> ZIP + 4 <u>63114</u>			
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year <u>92</u>			N/A

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

Note: Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a Adoption Fees					7,876,632.
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts			14	35,051	
96 Dividends & interest from securities			14	61,725	
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					-44,289
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		96,776.			7,832,343.
105 Total (add line 104, columns (B), (D), and (E))					7,929,119

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 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)
93 A	Fees arose from adoption services which is the primary reason of our tax exemption.

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

a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums

b Did the organization, during the year, pay premiums, directly or indirectly,

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 info.

Signature of officer: Melody W. Zhang

Type or print name and title: Melody W. Zhang, Assn

Paid Preparer's Use Only

Preparer's signature: Michael Cummins

Firm's name (or yours if self-employed) address and ZIP + 4: MICHAEL CUMMINS, CPA, P.C. 3 The Pines Ct Suite E St Louis, MO 63141

SCHEDULE A
(Form 990 or 990-EZ)

**Organization Exempt Under
Section 501(c)(3)**

OMB No. 1545-0047

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

2002

Supplementary Information — (See separate instructions.)

Department of the Treasury
Internal Revenue Service

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

Name of the organization: Childrens Hope International Employer identification number: 43-1672909

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See instructions. List each one. If there are none, enter 'None'.)

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
<u>Hayter, Lesli</u>				
	<u>40</u>	<u>53,414.</u>	<u>0.</u>	<u>0.</u>
<u>Dwyatt Gantt</u>	<u>President</u>			
<u>10120 Chaucer St. Louis MO 63114</u>	<u>50</u>	<u>74,672.</u>	<u>0.</u>	<u>0.</u>
<u>Zhang Melody</u>	<u>Secretary</u>			
<u>811 Walfield chesterfield, MO 63141</u>	<u>40</u>	<u>75,260.</u>	<u>0.</u>	<u>0.</u>
<u>Dinna Branner</u>	<u>Controller</u>			
		<u>55,200.</u>	<u>0.</u>	<u>0.</u>
Total number of other employees paid over \$50,000	<u>0</u>			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See instructions. List each one (whether individuals or firms). If there are none, enter 'None'.)

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

Part III Statements About Activities (See 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 ▶ \$ <u>N/A</u> (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)?		X
e Transfer of any part of its income or assets?		X
3 Does the organization make grants for scholarships, fellowships, student loans, etc? (See Note below)		X
4 Do you have a section 403(b) annuity plan for your employees?		X
Note: Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs 'qualify' to receive payments.		

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

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

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

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

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

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

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

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

Calendar year (or fiscal year beginning in)	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total			
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	43,982	269,554.	134,154.	39,781.	487,471.			
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	6,581,180.	3,978,788.	2,262,628.	1,457,218.	14,279,814.			
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	62,283.	163,880.	396,804.	184,791.	807,758.			
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.								
23 Total of lines 15 through 22	6,687,445.	4,412,222.	2,793,586.	1,681,790	15,575,043.			
24 Line 23 minus line 17	106,265.	433,434.	530,958.	224,572.	1,295,229.			
25 Enter 1% of line 23	66,874.	44,122.	27,936.	16,818.				
26 Organizations described on lines 10 or 11:	a Enter 2% of amount in column (e), line 24 N/A				26a			
	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 1998 through 2001 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.				26b			
	c Total support for section 509(a)(1) test. Enter line 24, column (e)				26c			
	d Add Amounts from column (e) for lines 18	19			26d			
	22	26b						
	e Public support (line 26c minus line 26d total)				26e			
	f Public support percentage (line 26e (numerator) divided by line 26c (denominator))				26f %			
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.							
	(2001)	0.	(2000)	0.	(1999)	0.	(1998)	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 11, 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.							
	(2001)	0.	(2000)	0.	(1999)	0.	(1998)	0.
	c Add Amounts from column (e) for lines 15	487,471.	16			27c	14,767,285.	
	17	14,279,814.	20			27d	0.	
	d Add Line 27a total	0.	and line 27b total			27e	14,767,285.	
	e Public support (line 27c total minus line 27d total)				27f	15,575,043.		
	f Total support for section 509(a)(2) test. Enter amount from line 23, column (e)				27g	94.81 %		
	g Public support percentage (line 27e (numerator) divided by line 27f (denominator))				27h	5.19 %		
	h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))							
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1998 through 2001, prepare a list for your records to show for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.								

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

N/A

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If 'Yes,' please describe, if 'No,' please explain (If you need more space, attach a separate statement) ----- ----- -----		
32	Does the organization maintain the following		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered 'No' to any of the above, please explain (If you need more space, attach a separate statement) ----- -----		
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?		
b	Admissions policies?		
c	Employment of faculty or administrative staff?		
d	Scholarships or other financial assistance?		
e	Educational policies?		
f	Use of facilities?		
g	Athletic programs?		
h	Other extracurricular activities? If you answered 'Yes' to any of the above, please explain (If you need more space, attach a separate statement) ----- ----- -----		
34a	Does the organization receive any financial aid or assistance from a governmental agency?		
b	Has the organization's right to such aid ever been revoked or suspended? If you answered 'Yes' to either 34a or b, please explain using an attached statement		
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If 'No,' attach an explanation		

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

N/A

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

Limits on Lobbying Expenditures

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

	(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38 Total lobbying expenditures (add lines 36 and 37)	38	
39 Other exempt purpose expenditures	39	
40 Total exempt purpose expenditures (add lines 38 and 39)	40	
41 Lobbying nontaxable amount Enter the amount from the following table --		
If the amount on line 40 is -- The lobbying nontaxable amount is --		
Not over \$500,000		20% of the amount on line 40
Over \$500,000 but not over \$1,000,000		\$100,000 plus 15% of the excess over \$500,000
Over \$1,000,000 but not over \$1,500,000		\$175,000 plus 10% of the excess over \$1,000,000
Over \$1,500,000 but not over \$17,000,000		\$225,000 plus 5% of the excess over \$1,500,000
Over \$17,000,000		\$1,000,000
42 Grassroots nontaxable amount (enter 25% of line 41)	42	
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43	
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44	
Caution: If there is an amount on either line 43 or line 44, you must file Form 4720		

4-Year Averaging Period Under Section 501(h)

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

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
45 Lobbying nontaxable amount:					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots non-taxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

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

N/A

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

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

Yes	No	Amount

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

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See instructions)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

a Transfers from the reporting organization to a noncharitable exempt organization of

Table with 3 columns: Question, Yes, No. Rows include 51 a (i) Cash, a (ii) Other assets, b Other transactions (i-vi), and c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.

- (i) Cash
(ii) Other assets
b Other transactions
(i) Sales or exchanges of assets with a noncharitable exempt organization
(ii) Purchases of assets from a noncharitable exempt organization
(iii) Rental of facilities, equipment, or other assets
(iv) Reimbursement arrangements
(v) Loans or loan guarantees
(vi) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees
d If the answer to any of the above is 'Yes,' complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. First row contains 'N/A'.

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

Yes No (X)

b If 'Yes' complete the following schedule

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. First row contains 'N/A'.

Childrens Hope International

43-1672909

Statement 1
Form 990, Part I, Line 8
Net Gain (Loss) from Noninventory Sales

Publicly Traded Securities

Gross Sales Price: 126,970.
Cost or Other Basis: 171,259.

Total Gain (Loss) Publicly Traded Securities \$ -44,289.

Total Net Gain (Loss) From Noninventory Sales \$ -44,289.

Statement 2
Form 990, Part I, Line 20
Other Changes in Net Assets or Fund Balances

Market Value Adjustment Total \$ -388,142.

Statement 3
Form 990, Part II, Line 22
Grants and Allocations

Cash Grants and Allocations

Donee's Name: Various Projects
Amount Given: \$ 76,439.

Donee's Name: Helping Hands
Relationship of Donee: Related foreign branches
Amount Given: 543,112.

Total Grants and Allocations \$ 619,551.

Statement 4
Form 990, Part II, Line 43
Other Expenses

	(A) <u>Total</u>	(B) <u>Program Services</u>	(C) <u>Management & General</u>	(D) <u>Fundraising</u>
Accreditation	3,248.	2,923.	325.	
Advertising	234,128.			234,128.
Bank Charges	1,217.	1,095.	122.	
Board Member	1,285.	1,285.		
Books	17,299.	15,569.	1,730.	
Brance Other	12,511.	11,260.	1,251.	
China Center for Adoption Affa	808,587.	808,587.		
Computer	12,375.	11,138.	1,237.	
Contract Labor	136,053.	122,448.	13,605.	

Childrens Hope International

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Statement 4 (continued)
Form 990, Part II, Line 43
Other Expenses

	(A) <u>Total</u>	(B) <u>Program Services</u>	(C) <u>Management & General</u>	(D) <u>Fundraising</u>
Dossier	2,227.	2,004.	223.	
Dues and Subscriptions	1,248.	1,123.	125.	
Education	34,963.	34,963.		
Foreign Offices	1,480,765.	1,480,765.		
Foundation expenses	18,920.	18,920.		
In Country Fees	1,004,314.	1,004,314.		
Insurance	5,723.	5,151.	572.	
Licenses	14,638.	13,174.	1,464.	
Miscellaneous	913.	822.	91.	
Office	37,307.	33,576.	3,731.	
Other	2,897.	2,607.	290.	
Photos	511.	460.	51.	
Property Taxes	618.	556.	62.	
Reimbursements	2,387.	2,148.	239.	
Repairs and Maintenance	11,703.	10,533.	1,170.	
Small Equipment	3,500.	3,150.	350.	
Social Work Fees	12,594.	12,594.		
Total	\$ 3861931.	\$ 3601165.	\$ 26,638.	\$ 234,128.

Statement 5
Form 990, Part III
Organization's Primary Exempt Purpose

Provides adoption services for children in China, Vietnam Columbia Guatemala, India and Russia, Approximately 600 adoptions in 2002

Statement 6
Form 990, Part IV, Line 50
Receivables Due from Officers, Directors, Trustees, and Key Employees

<u>Receivables Reported Separately</u>	<u>Balance Due</u>
Borrower's Name: Dwyatt Gantt	
Borrower's Title: Vice President	
Maturity Date: 12/31/2003	
Repayment Terms: On Demand	
Security Provided: None	
Purpose of Loan: For personal expenses	
Consideration: None	
Original Amount: \$ 17,043.	
Balance Due:	\$ 17,043.
Total Receivables Reported Separately	\$ 17,043.

Childrens Hope International

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Statement 7
Form 990, Part IV, Line 54
Investments - Securities

<u>Corporate Stocks</u>	<u>Valuation Method</u>	<u>Amount</u>
Common Stocks	Market Value	\$ 247,952.
	Total	\$ 247,952.
<u>Corporate Bonds</u>	<u>Valuation Method</u>	<u>Amount</u>
Preferred Stocks	Market Value	181,440.
Corporate Bonds	Market Value	55,941.
	Total	\$ 237,381.
<u>Other Publicly Traded Securities</u>	<u>Valuation Method</u>	<u>Amount</u>
Money Market	Market Value	22,566.
Certificate of Deposit	Market Value	483,813.
Registered Investment Company	Market Value	1,752,547.
	Total	\$ 2,258,926.
<u>U S. Government Obligations</u>	<u>Valuation Method</u>	<u>Amount</u>
US Government Agencies	Market Value	417,512.
	Total	\$ 417,512.
Total Investments - Securities		<u>\$ 3,161,771.</u>

Statement 8
Form 990, Part IV, Line 57
Land, Buildings, and Equipment

<u>Category</u>	<u>Basis</u>	<u>Accum. Deprec.</u>	<u>Book Value</u>
Furniture and Fixtures	\$ 64,110.	\$ 16,262.	\$ 47,848.
Machinery and Equipment	425,793.	285,098.	140,695.
Buildings	85,409.	21,352.	64,057.
Improvements	128,964.	25,795.	103,169.
Land	10,000.		10,000.
Miscellaneous	58,868.	5,887.	52,981.
Total	<u>\$ 773,144.</u>	<u>\$ 354,394.</u>	<u>\$ 418,750.</u>

Childrens Hope International

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Statement 9
Form 990, Part IV, Line 58
Other Assets

Cash Value Life Insurance	\$	70,670.
Deposits		1,941.
Rounding		2.
Total	\$	<u>72,613.</u>

Statement 10
Form 990, Part IV, Line 64b
Mortgages and Other Notes Payable

Other Notes Payable

Lender's Name:	De Lage Financial Services	
Relationship of Lender:	None	
Date of Note:	9/05/2002	
Maturity Date:	8/05/2007	
Repayment Terms:	60 Months	
Interest Rate:	6.25%	
Security Provided:	Office Equipment	
Purpose of Loan:	To lease equipment	
Desc. of Consideration:	None	
Original Amount:	58,858.	
Balance Due:		\$ 56,340.
Total	\$	<u>56,340.</u>

Statement 11
Form 990, Part V
List of Officers, Directors, Trustees, and Key Employees

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compensation</u>	<u>Contribution to EBP & DC</u>	<u>Expense Account/Other</u>
Dwyatt C. Gantt 10120 Chaucer St. Louis., MO 63114	President 60	\$ 74,672.	\$ 53,000.	\$ 0.
William F. Winter 49 Lucinda Glen Carbon, IL 62034	Treasurer None	0.	0.	0.
Melody Wen Zhang 811 Walfield Chesterfield, MO 63141	Secretary None	75,260.	2,400.	0.
Paul Fritz 1090 robert Ct. Batavia, IL 60510	Director None	0.	0.	0.

Childrens Hope International

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Statement 11 (continued)
Form 990, Part V
List of Officers, Directors, Trustees, and Key Employees

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compen- sation</u>	<u>Contri- bution to EBP & DC</u>	<u>Expense Account/ Other</u>
Michael Wild 8612 Grantwood Trails Ct. St. Louis, MO 63123	Director None	\$ 0.	\$ 0.	\$ 0.
Margaret Ormonde, MD 24 St. Alfred Rd. St. Louis, MO 63132	Director None	0.	0.	0.
Jeffrey Hcr 61-20 Grand Central Parkway C- Forest Hills, NY 11375	Director None	0.	0.	0.
Barry Petrosky 628 Dartmouth Ct Crossing Ct. Wildewood, MO 63011	Director None	0.	0.	0.
Rick Shelton 3333 Hwy FF Eureka, MO 63025	Director None	0.	0.	0.
Total		<u>\$ 149,932.</u>	<u>\$ 55,400.</u>	<u>\$ 0.</u>

Application for Extension of Time to File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

▶ File a separate application for each return

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

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

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

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

Type or print File by the due date for filing your return. See instructions	Name of Exempt Organization CHILDRENS HOPE INTERNATIONAL FOUNDATION	Employer identification number 43-1932814
	Number, street, and room or suite number. If a P O box, see instructions 9229 Lackland Road	
	City, town or post office. For a foreign address, see instructions St. Louis, MO 63114-5412	
	state	ZIP code

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

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

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

1 I request an automatic 3-month (6-month, for 990-T corporation) extension of time until 8/15, 20 03, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ▶ calendar year 20 02 or
- ▶ tax year beginning _____, 20 _____, and ending _____, 20 _____

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

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

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

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

Signature and Verification

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, and that I am authorized to prepare this form.

Signature ▶ Maile C...

Title ▶ C.A.A.

Date ▶ 5/9/03

BAA For Paperwork Reduction Act Notice, see instructions.

Form 8868 (12-2000)