

Form **990**

**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)

OMB No 1545-0047

**2003**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

**A For the 2003 calendar year, or tax year beginning** , and ending

<b>B</b> Check if applicable: <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization Christian World Adoption	<b>D</b> Employer ID number 57-0967054
	Number and street (or P O box if mail is not delivered to street address) Room/suite 777 S. Allen Road	<b>E</b> Telephone number 828-693-7007
	City or town, state or country, and ZIP + 4 Hendersonville NC 28791	<b>F</b> Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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).

**G Website:** WWW.CWA.ORG

**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 **3,699,266**

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 instr.)

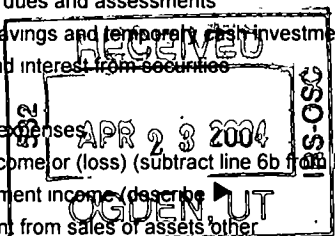
**H(d)** Is this a separate return filed by an organization covered by a group ruling?  Yes  No

**I** Group Exemption Number **▶**

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

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

<b>1</b>	Contributions, gifts, grants, and similar amounts received			
<b>a</b>	Direct public support	<b>1a</b>	7,706	
<b>b</b>	Indirect public support	<b>1b</b>		
<b>c</b>	Government contributions (grants)	<b>1c</b>		
<b>d</b>	<b>Total</b> (add lines 1a through 1c) (cash \$ 7,706 noncash \$ )	<b>1d</b>	7,706	
<b>2</b>	Program service revenue including government fees and contracts (from Part VII, line 93)	<b>2</b>	3,690,373	
<b>3</b>	Membership dues and assessments	<b>3</b>		
<b>4</b>	Interest on savings and temporary cash investments	<b>4</b>	1,187	
<b>5</b>	Dividends and interest from securities	<b>5</b>		
<b>6a</b>	Gross rents	<b>6a</b>		
<b>b</b>	Less rental expenses	<b>6b</b>		
<b>c</b>	Net rental income (or loss) (subtract line 6b from line 6a)	<b>6c</b>		
<b>7</b>	Other investment income (describe )	<b>7</b>		
<b>8a</b>	Gross amount from sales of assets other than inventory	(A) Securities		(B) Other
<b>b</b>	Less cost or other basis and sales expenses	<b>8a</b>		
<b>c</b>	Gain or (loss) (attach schedule)	<b>8b</b>		
<b>d</b>	Net gain or (loss) (combine line 8c, columns (A) and (B))	<b>8c</b>		
<b>d</b>		<b>8d</b>		
<b>9</b>	Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>			
<b>a</b>	Gross revenue (not including \$ of contributions reported on line 1a)	<b>9a</b>		
<b>b</b>	Less direct expenses other than fundraising expenses	<b>9b</b>		
<b>c</b>	Net income or (loss) from special events (subtract line 9b from line 9a)	<b>9c</b>		
<b>10a</b>	Gross sales of inventory, less returns and allowances	<b>10a</b>		
<b>b</b>	Less cost of goods sold	<b>10b</b>		
<b>c</b>	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	<b>10c</b>		
<b>11</b>	Other revenue (from Part VII, line 103)	<b>11</b>		
<b>12</b>	<b>Total revenue</b> (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	<b>12</b>	3,699,266	
<b>13</b>	Program services (from line 44, column (B))	<b>13</b>	3,123,743	
<b>14</b>	Management and general (from line 44, column (C))	<b>14</b>	495,036	
<b>15</b>	Fundraising (from line 44, column (D))	<b>15</b>		
<b>16</b>	Payments to affiliates (attach schedule)	<b>16</b>		
<b>17</b>	<b>Total expenses</b> (add lines 16 and 44, column (A))	<b>17</b>	3,618,779	
<b>18</b>	Excess or (deficit) for the year (subtract line 17 from line 12)	<b>18</b>	80,487	
<b>19</b>	Net assets or fund balances at beginning of year (from line 73, column (A))	<b>19</b>	564,421	
<b>20</b>	Other changes in net assets or fund balances (attach explanation)	<b>20</b>		
<b>21</b>	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	<b>21</b>	644,908	



SCANNED MAY 14 2004

Handwritten marks: 'X' and '10'

**Part II Statement of Functional Expenses**

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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) <u>Stmt 1</u> (cash \$ <u>200,000</u> non-cash \$ _____ )	200,000	200,000		
23	Specific assistance to individuals				
24	Benefits paid to or for members				
25	Compensation of officers, directors, etc	135,493	112,188	23,305	
26	Other salaries and wages	540,055	447,160	92,895	
27	Pension plan contributions	48,496	39,781	8,715	
28	Other employee benefits	31,594	26,446	5,148	
29	Payroll taxes	58,710	48,160	10,550	
30	Professional fundraising fees				
31	Accounting fees				
32	Legal fees	29,082		29,082	
33	Supplies	44,657		44,657	
34	Telephone	42,184	42,184		
35	Postage and shipping	65,716	65,716		
36	Occupancy	62,770	47,078	15,692	
37	Equipment rental and maintenance	68,195		68,195	
38	Printing and publications	17,888	17,888		
39	Travel	119,086	119,086		
40	Conferences, conventions, and meetings	25,621	25,621		
41	Interest	711		711	
42	Depreciation, depletion, etc (attach schedule)	65,905		65,905	
43	Other expenses not covered above (itemize) a				
	b See Statement 2	2,062,616	1,932,435	130,181	
	c				
	d				
	e				
44	<b>Total functional expenses</b> (add lines 22 - 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	3,618,779	3,123,743	495,036	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 (See page 25 of the instructions.)**

What is the organization's primary exempt purpose?

▶ See Statement 3

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

**Program Service Expenses**  
(Required for 501(c)(3) & (4) orgs. & 4947(a)(1) trusts, but optional for others.)

a	The organization coordinated 227 adoptions in 7 different countries by couples in the United States.  (Grants and allocations \$ 200,000 )	3,123,743
b	  (Grants and allocations \$ )	
c	  (Grants and allocations \$ )	
d	  (Grants and allocations \$ )	
e	Other program services (attach schedule) (Grants and allocations \$ )	

**f Total of Program Service Expenses** (should equal line 44, column (B), Program services) ▶ 3,123,743

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

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.		(A)		(B)	
		Beginning of year		End of year	
A s s e t s	45	Cash-non-interest-bearing	427,567	45	740,673
	46	Savings and temporary cash investments		46	
	47a	Accounts receivable			
	b	Less: allowance for doubtful accounts	2,500	47c	
	48a	Pledges receivable			
	b	Less: allowance for doubtful accounts		48c	
	49	Grants receivable		49	
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a	Other notes and loans receivable (attach schedule) See Worksheet			
	b	Less: allowance for doubtful accounts	159,000	51c	
	52	Inventories for sale or use		52	
	53	Prepaid expenses and deferred charges	9,837	53	12,278
	54	Investments-securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54	
	55a	Investments-land, buildings, and equipment basis			
	b	Less: accumulated depreciation (attach schedule)		55c	
56	Investments-other (attach schedule)		56		
57a	Land, buildings, and equipment basis	508,077			
b	Less: accumulated depreciation (attach schedule) See Stmt 4	272,754			
58	Other assets (describe See Stmt 5 )	301,228	57c	235,323	
		7,150	58	7,498	
59	<b>Total assets</b> (add lines 45 through 58) (must equal line 74)	907,282	59	995,772	
L i a b i l i t i e s	60	Accounts payable and accrued expenses	121,191	60	89,980
	61	Grants payable		61	
	62	Deferred revenue See Stmt 6	216,520	62	258,634
	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 See Stmt 7 )	5,150	65	2,250
66	<b>Total liabilities</b> (add lines 60 through 65)	342,861	66	350,864	
N F e u n d A s s e t s	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67	Unrestricted	564,421	67	644,908
	68	Temporarily restricted		68	
	69	Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.				
	70	Capital stock, trust principal, or current funds		70	
	71	Paid-in or capital surplus, or land, building, and equipment fund		71	
	72	Retained earnings, endowment, accumulated income, or other funds		72	
	73	<b>Total net assets or fund balances</b> (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)	564,421	73	644,908
	74	<b>Total liabilities and net assets / fund balances</b> (add lines 66 and 73)	907,282	74	995,772

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



Part VI Other Information (See page 28 of the 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		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		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
b	If "Yes," has it filed a tax return on Form 990-T for this year?		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		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?	X	
b	If "Yes," enter the name of the organization <b>Christian World Foundation, Inc.</b> and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81a	Enter direct and indirect political expenditures See line 81 instructions		
b	Did the organization file Form 1120-POL for this year?		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?		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 )		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
85	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?	N/A	
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? 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	N/A	
c	Dues, assessments, and similar amounts from members		
d	Section 162(e) lobbying and political expenditures		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	N/A	
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	N/A	
86	501(c)(7) orgs Enter a Initiation fees and capital contributions included on line 12		
b	Gross receipts, included on line 12, for public use of club facilities		
87	501(c)(12) orgs Enter a Gross income from members or shareholders		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them )		
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		X
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>		
b	501(c)(3) and 501(c)(4) orgs Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		<u>0</u>
d	Enter Amount of tax on line 89c, above, reimbursed by the organization		<u>0</u>
90a	List the states with which a copy of this return is filed <b>None</b>		
b	Number of employees employed in the pay period that includes March 12, 2003 (See instructions )		
91	The books are in care of <b>Robert Harding</b> Telephone no <b>828-693-7007</b> Located at <b>303 7th Avenue East, Hendersonville NC</b> ZIP + 4 <b>28792</b>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here and enter the amount of tax-exempt interest received or accrued during the tax year		<input type="checkbox"/>

**Part VII Analysis of Income-Producing Activities** (See page 33 of the instructions.)

	Unrelated business income		Excluded by sec 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
<b>Note:</b> Enter gross amounts unless otherwise indicated.					
<b>93</b> Program service revenue					
<b>a</b> See Statement 9					3,690,373
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
<b>f</b> Medicare/Medicaid payments					
<b>g</b> Fees and contracts from government agencies					
<b>94</b> Membership dues and assessments					
<b>95</b> Interest on savings and temporary cash investments			14	1,187	
<b>96</b> Dividends and interest from securities					
<b>97</b> Net rental income or (loss) from real estate:					
<b>a</b> debt-financed property					
<b>b</b> not debt-financed property					
<b>98</b> Net rental income or (loss) from personal property					
<b>99</b> Other investment income					
<b>100</b> Gain or (loss) from sales of assets other than inventory					
<b>101</b> Net income or (loss) from special events					
<b>102</b> Gross profit or (loss) from sales of inventory					
<b>103</b> Other revenue					
<b>a</b>					
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
<b>104</b> Subtotal (add columns (B), (D), and (E))		0		1,187	3,690,373
<b>105</b> Total (add line 104, columns (B), (D), and (E))					3,691,560

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

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See page 34 of the 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)
●	See Statement 10

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

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

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See page 34 of the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No

**Note:** If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including attachments, if any, and believe that it is true, correct, and complete. Declaration of preparer (other than the taxpayer) is based on all information of which the preparer has any knowledge.

Signature of officer: *Robert L Toland*

Type or print name and title: Robert L Toland

Paid Preparer's Use Only

Preparer's signature: *Todd A Webb CPA*

Firm's name (or yours if self-employed), address, and ZIP + 4: WORLEY & TOLAND, P  
404 S. MAIN  
HENDERSONVILLE, NC

**SCHEDULE A**  
**(Form 990 or 990-EZ)****Organization Exempt Under Section 501(c)(3)**  
**(Except Private Foundation) and Section 501(e), 501(f), 501(k),**  
**501(n), or Section 4947(a)(1) Nonexempt Charitable Trust**  
**Supplementary Information-(See separate instructions.)**

OMB No 1545-0047

**2003**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

Christian World Adoption

Employer identification number

57-0967054

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
**(See page 1 of the instructions. List each one. If there are none, enter "None.")**

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

**Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
**(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")**

(a) Name and address of each independent contractor paid more than \$ 50,000	(b) Type of service	(c) Compensation
Oscar Robles	Guatemala Attor	336,400
China Women Travel Service	Travel Arrangem	249,905
Enrique Gonzalez Rodriquez	Guatemala Attor	127,110
Mirella Gonzalez De Warner	Guatemala Attor	60,760
Hope for the World	Romania Foundat	54,875
Total number of others receiving over \$50,000 for professional services	0	

For Paperwork Reduction Act Notice, see the Instructions for Form 990 and Form 990-EZ.

Schedule A (Form 990 or 990-EZ) 2003

**Part III Statements About Activities (See page 2 of the instructions.)**

		Yes	No
<b>1</b>	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		X
<b>2</b>	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.)		
<b>a</b>	Sale, exchange, or leasing of property?		X
<b>b</b>	Lending of money or other extension of credit? See Stmt 11	X	
<b>c</b>	Furnishing of goods, services, or facilities?		X
<b>d</b>	Payment of compensation (or payment or reimbursement of exiration if more than \$1,000)? See Stmt 12	X	
<b>e</b>	Transfer of any part of its income or assets?		X
<b>3a</b>	Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)		X
<b>3b</b>	Do you have a section 403(b) annuity plan for your employees?		X
<b>4</b>	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X

**Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)**

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

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

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

- 14**  An organization organized and operated to test for public safety. Section 509(a)(4). (See page 6 of the instructions.)



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

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

Calendar year (or fiscal year beginning in)	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
<b>15</b> Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)				29,530	29,530
<b>16</b> Membership fees received					0
<b>17</b> 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		3,815,488	3,098,377	2,041,674	8,955,539
<b>18</b> Gross income from interest, dividends, amounts received from payment 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		3,428	19,172	4,576	27,176
<b>19</b> Net income from unrelated business activities not included in line 18					0
<b>20</b> Tax revenues levied for the organization's benefits and either paid to it or expended on its behalf					0
<b>21</b> The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					0
<b>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.					0
<b>23</b> Total of lines 15 through 22		3,818,916	3,117,549	2,075,780	9,012,245
<b>24</b> Line 23 minus line 17		3,428	19,172	34,106	56,706
<b>25</b> Enter 1% of line 23		38,189	31,175	20,758	

**26 Organizations described on lines 10 or 11:**

**a** Enter 2% of amount in column (e), line 24 ▶ **26a** 0

**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 1999 through 2002 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 \_\_\_\_\_  
22 \_\_\_\_\_ 26b \_\_\_\_\_ ▶ **26d**

**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

(2002)	(2001)	(2000)	(1999)
--------	--------	--------	--------

**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

(2002)	(2001)	(2000)	(1999)
--------	--------	--------	--------

**c** Add. Amounts from column (e) for lines 15 29,530 16 \_\_\_\_\_  
17 8,955,539 20 \_\_\_\_\_ 21 \_\_\_\_\_ ▶ **27c** 8,985,069

**d** Add Line 27a total \_\_\_\_\_ and line 27b total \_\_\_\_\_ ▶ **27d**

**e** Public support (line 27c total minus line 27d total) ▶ **27e** 8,985,069

**f** Total support for section 509(a)(2) test. Enter amount on line 23, column (e) ▶ **27f** 9,012,245

**g** Public support percentage (line 27e (numerator) divided by line 27f (denominator)) ▶ **27g** 99.6985%

**h** Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) ▶ **27h** 0.3015%

**28 Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 1999 through 2002, 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 page 7 of the 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?	32a		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
d	Copies of all material used by the organization or on its behalf to solicit contributions?  If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement )	32d		
33	Does the organization discriminate by race in any way with respect to			
a	Students' rights or privileges?	33a		
b	Admissions policies?	33b		
c	Employment of faculty or administrative staff?	33c		
d	Scholarships or other financial assistance?	33d		
e	Educational policies?	33e		
f	Use of facilities?	33f		
g	Athletic programs?	33g		
h	Other extracurricular activities?  If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement )	33h		
34a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement	34b		
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	35		

**Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the 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
<b>36</b> Total lobbying expenditures to influence public opinion (grassroots lobbying)	<b>36</b>	
<b>37</b> Total lobbying expenditures to influence a legislative body (direct lobbying)	<b>37</b>	
<b>38</b> Total lobbying expenditures (add lines 36 and 37)	<b>38</b>	
<b>39</b> Other exempt purpose expenditures	<b>39</b>	
<b>40</b> Total exempt purpose expenditures (add lines 38 and 39)	<b>40</b>	
<b>41</b> Lobbying nontaxable amount Enter the amount from the following table-		
<b>If the amount on line 40 is-</b>	<b>The lobbying nontaxable amount is-</b>	
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	
<b>42</b> Grassroots nontaxable amount (enter 25% of line 41)	<b>42</b>	
<b>43</b> Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	<b>43</b>	
<b>44</b> Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	<b>44</b>	

**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 on page 11 of the instructions )

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
<b>45</b> Lobbying nontaxable amount					
<b>46</b> Lobbying ceiling amount (150% of line 45(e))					
<b>47</b> Total lobbying expenditures					
<b>48</b> Grassroots nontaxable amount					
<b>49</b> Grassroots ceiling amount (150% of line 48(e))					
<b>50</b> 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 page 12 of the 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



Forms <b>990 / 990-PF</b>	<b>Other Notes and Loans Receivable</b>	<b>2003</b>
For calendar year 2003, or tax year beginning _____, and ending _____		

Name <u>Christian World Adoption</u>	Employer Identification Number <u>57-0967054</u>
---	---

Form 990, Part IV, Line 51a - Additional Information

Name of borrower	Relationship to disqualified person
(1)	
(2) <u>Loan receivable</u>	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

Security provided by borrower	Purpose of loan
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Consideration furnished by lender	Balance due at beginning of year	Balance due at end of year	Fair market value (990-PF only)
(1)	161,500		
(2)	-2,500		
(3)			
(4)			
(5)			
(6)			
(7)			
(8)			
(9)			
(10)			
<b>Totals</b>	<b>159,000</b>		

**Federal Statements****Statement 1 - Form 990, Part II, Line 22 - Grants, Allocations and Contributions**

<u>Donee's Name</u>	<u>Donee's Address</u>	<u>City</u>	<u>St</u>	<u>Zip</u>	<u>Cash Contribution</u>	<u>Noncash Contribution</u>
<u>Donee's Relationship to Org</u>	<u>Class of Activity / Description</u>					
Christian World Foundation Common Mgmt/Directors	111 Ashley Avenue	Charleston	SC	29401	\$ 200,000	\$
Total					\$ 200,000	\$ 0

**Federal Statements****Statement 2 - Form 990, Part II, Line 43 - Other Functional Expenses**

Description	Total Expenses	Program Service	Mgt & General	Fund- Raising
	\$	\$	\$	\$
<b>Expenses</b>				
Dues and Subscriptions	4,822		4,822	
Property Taxes	7,115		7,115	
Insurance - Business	58,673		58,673	
Utilities	11,318		11,318	
Computer Consultant	20,786		20,786	
Automobile Expense	12,195		12,195	
Entertainment	6,561		6,561	
Bank Fees - Service Charges	4,142		4,142	
Miscellaneous - Admin	4,569		4,569	
Russia International Expense	715,618	715,618		
Guatemala International Exp.	523,610	523,610		
China International Expense	285,940	285,940		
Romania International Expense	50,041	50,041		
Ukraine International Expense	16,125	16,125		
Mongolia International Exp.	1,000	1,000		
Peru International Expense	25,915	25,915		
China Civil Affairs	27,310	27,310		
Translation	9,068	9,068		
Advertising	34,123	34,123		
Bulgaria International Exp	17,000	17,000		
Kazakhstan International Exp	15,400	15,400		
Abroad and Back	1,384	1,384		
Program Development	8,936	8,936		
In Country	75,755	75,755		
DNA and Post Adoption Expense	24,403	24,403		
Contract Labor	15,690	15,690		
Orphanage Relief Expenses	12,691	12,691		
Photography	26	26		
Home Study	71,999	71,999		
Reunion Expense	401	401		
<b>Total</b>	<u>\$ 2,062,616</u>	<u>\$ 1,932,435</u>	<u>\$ 130,181</u>	<u>\$ 0</u>

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

The Organizations main purpose is the coordination and promotion of the adoption of children from foreign countries by couples in the United States.

**Federal Statements**

**Statement 4 - Form 990, Part IV, Line 57 - Land, Buildings, and Equipment**

Description	Beginning of Year	Accum Deprec	End of Year	Accum Deprec
Furniture & Fixtures	\$ 117,983		\$ 117,983	
Accounting Software	58,287		58,287	
Leasehold Improvements	204,527		204,527	
Vehicles	127,280		127,280	
Accum Depreciation		206,849		272,754
Total	<u>\$ 508,077</u>	<u>\$ 206,849</u>	<u>\$ 508,077</u>	<u>\$ 272,754</u>

**Statement 5 - Form 990, Part IV, Line 58 - Other Assets**

Description	Beginning of Year	End of Year
Security Deposit	\$ 7,150	\$ 7,150
Employee Advances		348
Total	<u>\$ 7,150</u>	<u>\$ 7,498</u>

**Statement 6 - Form 990, Part IV, Line 62 - Deferred Revenue**

Description	Beginning of Year	End of Year
Deferred Rev - International	\$ 216,520	\$ 258,634
Total	<u>\$ 216,520</u>	<u>\$ 258,634</u>

**Statement 7 - Form 990, Part IV, Line 65 - Other Liabilities**

Description	Beginning of Year	End of Year
Current Portion of LT Debt	\$ 2,901	\$ 2,250
Lease Payable - BSFS	5,150	2,250
Less: Current Portion	-2,901	-2,250
Total	<u>\$ 5,150</u>	<u>\$ 2,250</u>



# Federal Statements

## Form 990, Part VI, Question 80 - Relation to other organizations

Name of related organization(s)

Christian World Foundation, Inc.

57-0967054

**Federal Statements**

FYE: 12/31/2003

**Statement 9 - Form 990, Part VII, Line 93 - Program Service Revenue**

<u>Description</u>	<u>Business Code</u>	<u>Unrelated Amount</u>	<u>Exclusion Code</u>	<u>Exclusion Amount</u>	<u>Related Income</u>
		\$		\$	\$
Post Adoption Report					114,906
DNA					11,945
Orphan Relief Donation					10,308
Guatemala International Fee					508,180
Peru Internation Fees					17,058
Reunion Income					3,803
Romania Internation Fees					82,125
Translation					65,100
China Program Fee					470,415
Russia Internation Fees					1,178,314
Civil Affairs					31,075
Ukraine International Fees					33,000
Bulgaria International Fee					48,000
Kazakhstan International Fe					4,500
Home Study					117,644
Agency Fees					994,000
Total		\$	0	\$	0
					\$ 3,690,373

**Statement 10 - Form 990, Part VIII - Relationship of Activities**

<u>Line No.</u>	<u>Description</u>
93a	The Organizations main purpose is the coordination and promotion of the adoption of children from foreign countries by couples in the United States. The adoption fees income therefore comes from and supports the exempt purpose of the Organization.

## Federal Statements

### **Statement 11 - Schedule A, Part III, Line 2b - Lending of Money or Extension of Credit**

During the year ended December 31, 2002 the Organization loaned \$159,000 to an Officer of the Organization. A note issued by the organization bearing interest at the rate of 4.25% per annum, indicating interest only monthly payments of \$563 with a maturity date of December 10, 2004 was signed by the officer. The security for this note is a first mortgage deed of trust on real property owned by said officer. During the year ending December 31, 2003, this note was paid in full.

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### **Statement 12 - Schedule A, Part III, Line 2d - Payment of Compensation / Reimbursement of Exp**

See Part V, Form 990

## Federal Statements

### Statement 8 - Form 990, Part V - List of Officers, Directors, Trustees, and Key Employees

Name				Average	City, State, Zip
	Comp	Benefits	Expenses	Hrs	
				Address	
Bart Bingham	0	0	0	1200 Cedar St	Elwood IN 46036
Jane Byrum	0	0	0	3645 Gaston Day Sch. Rd	Gastonia NC 28056
Ricki Carruth	0	0	0	1421 Parkshore Dr.	Charleston SC 29417
Terry Fries	0	0	0	4228 Congressional Dr.	Myrtle Beach SC 29579
Gary Green	0	0	0	9 Quail Hill Court	Greenville SC 29607
Tomilee Harding				Executive Di 40	
67,751	11,104	0	0	111 Ashley Avenue	Charleston SC 29401
Robert Harding				CFO 40	
67,742	11,104	0	0	111 Ashley Avenue	Charleston SC 29401
Susan Kilpatrick	0	0	0	861 Robert E. Lee Blvd.	Charleston SC 29412
Leah Miller	0	0	0	1555 Rifle Range Rd	Mt. Pleasant SC 29464
Maria Moore	0	0	0	123 Estate Drive	Hendersonville NC 28739
Lynn Rathbun	0	0	0	Dullfield Hall	Ithaca NY 14853
Sandra Watkins	0	0	0	107 Stapleford Park Dr.	Greenville SC 29607
Anita Thomas				Controller 40	
39,439	3,097	0	0	303 7th Avenue East	Hendersonville NC 28792

# Depreciation and Amortization

OMB No 1545-0172

Form **4562**

(Including Information on Listed Property)

**2003**

Department of the Treasury  
Internal Revenue Service

▶ See separate instructions.    ▶ Attach to your tax return.

Attachment  
Sequence No **67**

Name(s) shown on return **Christian World Adoption**

Identifying number  
**57-0967054**

Business or activity to which this form relates  
**Indirect Depreciation**

**Part I Election To Expense Certain Property Under Section 179**

**Note: If you have any listed property, complete Part V before you complete Part I.**

1 Maximum amount See page 2 of the instructions for a higher limit for certain businesses	1	100,000
2 Total cost of section 179 property placed in service (see page 2 of the instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	400,000
4 Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5 Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see page 2 of the instructions	5	

(a) Description of property	(b) Cost (business use only)	(c) Elected cost
6		

7 Listed property Enter the amount from line 29	7	
8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction Enter the smaller of line 5 or line 8	9	
10 Carryover of disallowed deduction from line 13 of your 2002 Form 4562	10	
11 Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12 Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13 Carryover of disallowed deduction to 2004 Add lines 9 and 10, less line 12	13	

**Note:** Do not use Part II or Part III below for listed property. Instead, use Part V

**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)**

14 Special depreciation allowance for qualified prop (other than listed prop) placed in service during the tax year (see pg 3 of the instr)	14	
15 Property subject to section 168(f)(1) election (see page 4 of the instructions)	15	
16 Other depreciation (including ACRS) (see page 4 of the instructions)	16	34,416

**Part III MACRS Depreciation (Do not include listed property.) (See page 4 of the instructions.)**

**Section A**

17 MACRS deductions for assets placed in service in tax years beginning before 2003	17	31,311
18 If you are electing under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check here	<input type="checkbox"/>	

**Section B-Assets Placed in Service During 2003 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only-see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	

**Section C-Assets Placed in Service During 2003 Tax Year Using the Alternative Depreciation System**

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs	MM	S/L	

**Part IV Summary (see page 6 of the instructions)**

21 Listed property Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return. Partnerships and S corporations-see instr	22	65,727
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

**Part V Listed Property** (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

**Section A-Depreciation and Other Information** (Caution: See page 7 of the instructions for limits for passenger automobiles)

<b>24a</b> Do you have evidence to support the business/investment use claimed?				<b>Yes</b>	<b>No</b>	<b>24b</b> If "Yes," is the evidence written?		<b>Yes</b>	<b>No</b>
(a) Type of prop (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)		(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
<b>25</b> Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see page 6 of the instructions)							<b>25</b>		
<b>26</b> Property used more than 50% in a qualified business use (see page 6 of the instructions)									
		%							
		%							
<b>27</b> Property used 50% or less in a qualified business use (see page 6 of the instructions)									
		%				S/L-			
		%				S/L-			
<b>28</b> Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							<b>28</b>		
<b>29</b> Add amounts in column (i), line 26. Enter here and on line 7, page 1								<b>29</b>	

**Section B-Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person

If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

<b>30</b> Total business/investment miles driven during the year (do not include commuting miles- see page 2 of the instructions)	<b>(a)</b> Vehicle 1		<b>(b)</b> Vehicle 2		<b>(c)</b> Vehicle 3		<b>(d)</b> Vehicle 4		<b>(e)</b> Vehicle 5		<b>(f)</b> Vehicle 6	
<b>31</b> Total commuting miles driven during the year												
<b>32</b> Total other personal (noncommuting) miles driven												
<b>33</b> Total miles driven during the year Add lines 30 through 32												
<b>34</b> Was the vehicle available for personal use during off-duty hours?	<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>
<b>35</b> Was the vehicle used primarily by a more than 5% owner or related person?												
<b>36</b> Is another vehicle available for personal use?												

**Section C-Questions for Employers Who Provide Vehicles for Use by Their Employees**

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see page 8 of the instructions)

<b>37</b> Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	<b>Yes</b>	<b>No</b>
<b>38</b> Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See page 8 of the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
<b>39</b> Do you treat all use of vehicles by employees as personal use?		
<b>40</b> Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
<b>41</b> Do you meet the requirements concerning qualified automobile demonstration use? (See page 9 of the instructions) Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles		

**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
<b>42</b> Amortization of costs that begins during your 2003 tax year (see page 9 of the instructions)					
<b>43</b> Amortization of costs that began before your 2003 tax year				<b>43</b>	183
<b>44</b> Total. Add amounts in column (f). See page 9 of the instructions for where to report				<b>44</b>	183