

Return of Organization Exempt From Income Tax

2003

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

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 2003, and ending

Header section containing organization name (KIDSAVE INTERNATIONAL), address (2122 P STREET, NW WASHINGTON, DC 20037), and identification numbers (91-1887623).

Section B-M: Website (WWW.KIDSAVE.ORG), Organization type (501(c)(3)), and various checkboxes regarding reporting requirements.

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 1,990,132.

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

Main table with 21 rows detailing revenue (lines 1-12), expenses (lines 13-17), and net assets (lines 18-21). Includes a 'RECEIVED' stamp dated OCT 24 2004.

SCANNED OCT 28 2004

Handwritten notes: 913-15 and a signature.

For Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2003)

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) (cash \$ 268,203, noncash \$)	22 268,203.	268,203.		
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25 Compensation of officers, directors, etc.	25 200,559.	169,914.	1,343.	29,302.
26 Other salaries and wages	26 310,677.	244,845.	25,444.	40,388.
27 Pension plan contributions	27			
28 Other employee benefits	28 23,217.	18,300.	1,898.	3,019.
29 Payroll taxes	29 23,768.	18,731.	1,947.	3,090.
30 Professional fundraising fees	30			
31 Accounting fees	31			
32 Legal fees	32			
33 Supplies	33			
34 Telephone	34 36,621.	34,657.	616.	1,348.
35 Postage and shipping	35 22,109.	16,859.	418.	4,832.
36 Occupancy	36 79,327.	70,790.	2,677.	5,860.
37 Equipment rental and maintenance	37 46,335.	38,395.	2,216.	5,724.
38 Printing and publications	38 19,419.	5,706.	21.	13,692.
39 Travel	39 325,665.	318,519.	758.	6,388.
40 Conferences, conventions, and meetings	40 78,103.	77,255.	54.	794.
41 Interest	41			
42 Depreciation, depletion, etc. (attach schedule)	42 1,112.	1,112.		
43 Other expenses not covered above (itemize) STMT 6	43a 310,561.	269,535.	3,623.	37,403.
b	43b			
c	43c			
d	43d			
e	43e			
44 Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	44 1,745,676.	1,552,821.	41,015.	151,840.

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? **STMT 7**

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

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

a SUMMER MIRACLES/FAIRFAX WEEKEND MIRACLES - SEE ATTACHED DESCRIPTION	(Grants and allocations \$ 13,769.)	792,487.
b SECURE FUTURES - SEE ATTACHED DESCRIPTION	(Grants and allocations \$ 193,123.)	469,443.
c ADOPTION ASSISTANCE - SEE ATTACHED DESCRIPTION	(Grants and allocations \$)	76,779.
d LIFE SKILLS TRAINING - SEE ATTACHED DESCRIPTION	(Grants and allocations \$ 11,298.)	22,837.
e Other program services (attach schedule) STMT 8	(Grants and allocations \$ 50,013.)	191,275.
f Total of Program Service Expenses (should equal line 44, column (B), Program services)		1,552,821.

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

		(A)		(B)		
		Beginning of year		End of year		
Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only						
Assets	45 Cash - non-interest-bearing		2,309.	45	NONE	
	46 Savings and temporary cash investments		432,053.	46	720,464.	
	47a Accounts receivable	47a	28,523.			
	b Less: allowance for doubtful accounts	47b		47c	28,523.	
	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 and loans receivable (attach schedule)	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) STMT 9 , <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV			54	7,248.	
	55a Investments - land, buildings, and equipment basis	55a				
	b Less: accumulated depreciation (attach schedule)	55b		55c		
	56 Investments - other (attach schedule)			56		
	57a Land, buildings, and equipment basis	57a	6,041.			
	b Less: accumulated depreciation (attach schedule)	57b	2,520.	4,634.	57c	3,521.
58 Other assets (describe <input type="checkbox"/> _____)				58		
59 Total assets (add lines 45 through 58) (must equal line 74)			472,833.	59	759,756.	
Liabilities	60 Accounts payable and accrued expenses		58,213.	60	120,765.	
	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 <input type="checkbox"/> _____ STMT 10)			175,434.	65	185,260.
66 Total liabilities (add lines 60 through 65)			233,647.	66	306,025.	
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		-221.	67	88,731.	
	68 Temporarily restricted		239,407.	68	365,000.	
	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)			239,186.	73	453,731.
	74 Total liabilities and net assets / fund balances (add lines 66 and 73)			472,833.	74	759,756.

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

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See page 27 of the instructions)		Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return	
a Total revenue, gains, and other support per audited financial statements . . . ▶	a 1,960,221.	a Total expenses and losses per audited financial statements ▶	a 1,745,676.
b Amounts included on line a but not on line 12, Form 990		b Amounts included on line a but not on line 17, Form 990	
(1) Net unrealized gains on investments . . \$ -4,871.		(1) Donated services and use of facilities \$	
(2) Donated services and use of facilities \$		(2) Prior year adjustments reported on line 20, Form 990 \$	
(3) Recoveries of prior year grants \$		(3) Losses reported on line 20, Form 990 \$	
(4) Other (specify)		(4) Other (specify)	
_____ \$		_____ \$	
Add amounts on lines (1) through (4) ▶	b -4,871.	Add amounts on lines (1) through (4) . . ▶	b
c Line a minus line b ▶	c 1,965,092.	c Line a minus line b ▶	c 1,745,676.
d Amounts included on line 12, Form 990 but not on line a:		d Amounts included on line 17, Form 990 but not on line a:	
(1) Investment expenses not included on line 6b, Form 990 . . . \$		(1) Investment expenses not included on line 6b, Form 990 . . . \$	
(2) Other (specify)		(2) Other (specify)	
_____ \$		_____ \$	
Add amounts on lines (1) and (2) . . ▶	d	Add amounts on lines (1) and (2) . . ▶	d
e Total revenue per line 12, Form 990 (line c plus line d) ▶	e 1,965,092.	e Total expenses per line 17, Form 990 (line c plus line d) ▶	e 1,745,676.

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

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
SEE STATEMENT 13		200,559.	NONE	NONE

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

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

Form with multiple rows and columns for reporting other information, including questions 76 through 92. Columns include 'Yes' and 'No' for binary questions, and numerical or text input fields for specific amounts and details.

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

Note: Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	5,202.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	217.	
101 Net income or (loss) from special events					260,517.
102 Gross profit or (loss) from sales of inventory					10,477.
103 Other revenue a _____					
b REIMB OF EXPENSES			01	10,972.	
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				16,391.	270,994.
105 Total (add line 104, columns (B), (D), and (E))					287,385.

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)
▼	STMT 14

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	%			
	%			
	%			
	%			

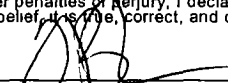
Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the instructions.)

- (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

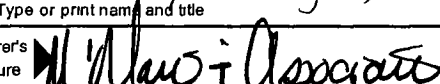
Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)

Under penalties of perjury, I declare that I have examined this return and belief, this is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has knowledge.

Please Sign Here

Signature of officer: 
 Type or print name and title: R. Terry Baugh, Pres

Paid Preparer's Use Only

Preparer's signature: 
 Firm's name (or yours if self-employed), address, and ZIP + 4: MCMASTER & ASSOCIATES
 1776 MASSACHUSETTS AVE
 WASHINGTON, DC

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information - (See separate instructions.)

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

OMB No 1545-0047

2003

Name of the organization

KIDSAVE INTERNATIONAL

Employer identification number

91-1887623

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

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
LAUREN REICHER-GORDON 11835 W OLYMPIC BLVD, STE 295 LOS ANGELES, CA 90064	PROGRAM DIRECTOR 40	55,500.	NONE	NONE
Total number of other employees paid over \$50,000	▶ NONE			

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
NONE		
Total number of others receiving over \$50,000 for professional services	▶ NONE	

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

Schedule A (Form 990 or 990-EZ) 2003

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

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ <u>5,094</u> . (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)	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? STMT 15	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)? STMT 16	X	
e Transfer of any part of its income or assets?		X
3a Do you make grants for scholarships, fellowships, student loans, etc? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)		X
b Do you have a section 403(b) annuity plan for your employees?		X
4 Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?	N/A	

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
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28)	1,412,313.	1,326,034.	310,434.	436,121.	3,484,902.
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					
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	5,846.	7,478.	752.	1,588.	15,664.
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	STMT 17 8,502.	8,965.			17,467.
23 Total of lines 15 through 22	1,426,661.	1,342,477.	311,186.	437,709.	3,518,033.
24 Line 23 minus line 17	1,426,661.	1,342,477.	311,186.	437,709.	3,518,033.
25 Enter 1% of line 23	14,267.	13,425.	3,112.	4,377.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 NOT APPLICABLE					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 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) _____ 519,391. (2001) _____ 456,000. (2000) _____ 131,931. (1999) _____ 45,000.					
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 _____ 3,484,902. 16 _____ 17 _____ 20 _____ 21 _____					27c 3,484,902.
d Add Line 27a total _____ 1,152,322. and line 27b total _____					27d 1,152,322.
e Public support (line 27c total minus line 27d total)					27e 2,332,580.
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e)					27f 3,518,033.
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g 66.3035 %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h 0.4452 %
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.) **NOT APPLICABLE**
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29	
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?	30	
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.) ----- ----- -----	31	
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?	32d	
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?	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?	33h	
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?	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) **NOT APPLICABLE**

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 -	41		
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 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
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
Grassroots nontaxable					
48 amount					
Grassroots ceiling amount					
49 (150% of line 48(e))					
Grassroots lobbying					
50 expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

E

(For reporting only by organizations that did not complete Part VI-A) (See page 12 of the instructions.)

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:	Yes	No	Amount
a Volunteers	X		
b Paid staff or management (Include compensation in expenses reported on lines c through h.)	X		
c Media advertisements		X	
d Mailings to members, legislators, or the public		X	
e Publications, or published or broadcast statements		X	
f Grants to other organizations for lobbying purposes		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body . STMT 22	X		5,094.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (Add lines c through h.)			5,094.

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 page 12 of the 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?

	Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of:		
(i) Cash		X
(ii) Other assets		X
b Other transactions:		
(i) Sales or exchanges of assets with a noncharitable exempt organization		X
(ii) Purchases of assets from a noncharitable exempt organization		X
(iii) Rental of facilities, equipment, or other assets		X
(iv) Reimbursement arrangements		X
(v) Loans or loan guarantees		X
(vi) Performance of services or membership or fundraising solicitations		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees		X

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.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
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

b If "Yes," complete the following schedule:

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

KIDSAVE INTERNATIONAL
Schedule D Detail of Short-term Capital Gains and Losses

91-1887623

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Short-term Gain/Loss
PRE-MAY 6TH CAPITAL GAINS (LOSSES)					
SALE OF INVESTMENTS	01/31/2003	04/30/2003	1,087.	870.	217.
TOTAL PRE-MAY 6TH CAPITAL GAINS (LOSSES)					
CAPITAL GAINS (LOSSES) FROM SECURITIES					
SALE OF INVESTMENTS	01/31/2003	04/30/2003	1,087.	870.	217.
TOTAL CAPITAL GAINS (LOSSES) FROM SECURITIES					
Totals			1,087.	870.	217.

KIDSAVE INTERNATIONAL

91-1887623

FORM 990, PART I - EXCLUDED CONTRIBUTIONS

=====

DESCRIPTION	AMOUNT
-----	-----
SUMMER MIRACLES GALAS ADVOCACY GALA	95,000.
TOTAL	----- 95,000. =====

FORM 990, PART I - SPECIAL FUNDRAISING EVENTS AND ACTIVITIES

DESCRIPTION	GROSS REVENUE	DIRECT EXPENSES	NET INCOME
SUMMER MIRACLES GALAS	220,837.	11,755.	209,082.
ADVOCACY GALA	63,850.	12,415.	51,435.
TOTALS	284,687.	24,170.	260,517.

KIDSAVE INTERNATIONAL

91-1887623

FORM 990, PART I - GROSS SALES LESS RETURNS AND ALLOWANCES
=====

DESCRIPTION -----	AMOUNT -----
MERCHANDISE SALES	10,477.
TOTAL	----- 10,477. =====

FORM 990, PART I - OTHER DECREASES IN FUND BALANCES

=====

DESCRIPTION	AMOUNT
-----	-----
UNREALIZED LOSS ON INVESTMENTS	4,871.
TOTAL	----- 4,871. =====

KIDSAVE INTERNATIONAL
 FORM 990 - DECEMBER 31, 2003
 EIN: 91-1887623

PAGE 2, PART II - EXPENSES: LINE 22 - GRANTS AND ALLOCATIONS

Name	City & Country	Amount
Grants and allocations		
AMANAT	Almaty, Kazakhstan	\$ 28,000
Bereginya	Smolensk, Russia	12,330
Internet Cafe Grants (work training for older orphans)		
Karaganda Internet Center	Karaganda, Kazakhstan	8,236
Reflect Internet Café	St Petersburg, Russia	15,000
Radi Budusheva	Smolensk, Russia	85,292
Right of the Child	Moscow, Russia	50,013
St Petersburg Secure Futures Center	St Petersburg, Russia	17,225
Smolensk Secure Futures (Family Stipends)	Smolensk, Russia	11,119
Spaci Rebyonka Grant	Moscow, Russia	5,502
STOP Program -- RAMOLA	New Dehli, India	20,000
Humanitarian Aid (aid to individual children & groups of children)		
Ludmilla Chebb	Smolensk, Russia	615
2003 DC Summer Miracles Children	Kaluga, Russia	323
Alexie Efremov	Smolensk, Russia	350
Gagarin School Internet	Gagarin, Russia	1,775
Mikhail Grishin	Smolensk, Russia	450
Sasha Isskakov	Karaganda, Kazakhstan	120
Nellie Murchie	Smolensk, Russia	125
Sergey Ostrensky	Smolensk, Russia	200
Svetlana Petrova	Smolensk, Russia	420
Raisa Malkeva	Smolensk, Russia	1,485
Elena & Vica Chanusheva	Karaganda, Kazakhstan	1,000
Tanya Shiganova	Novocherkassk, Russia	150
Kardimovo School Internet	Smolensk, Russia	3,491
Anatoly & Edouard Turuk	Smolensk, Russia	2,175
Nekrasovo (Tver English Lessons)	Tver, Russia	987
Alexei Visiliv	Smolensk, Russia	30
Alexandra & Olga Voronchkina	Karaganda, Kazakhstan	90
Worldwide Orphan Foundation (pediatric health services)	New York, USA	200
Zhakisheva, Noorzhamul	Karaganda, Kazakhstan	1,500
Total		<u>\$ 268,203</u>

FORM 990, PART II - OTHER EXPENSES
=====

DESCRIPTION -----	TOTAL -----	PROGRAM SERVICES -----	MANAGEMENT AND GENERAL -----	FUNDRAISING -----
ADOPTION ASSISTANCE	76,574.	76,574.		
DATABASE SUPPORT	3,688.	2,457.	29.	1,202.
ADVERTISING	52.	52.		
BANK CHARGES	10,885.	9,762.	316.	807.
CONTRACTORS	123,756.	104,870.	830.	18,056.
LICENSES, TAXES AND FEES	9,042.	6,203.	310.	2,529.
DUES AND SUBSCRIPTIONS	4,114.	3,295.	71.	748.
FUNDRAISING COSTS	8,642.	1,030.		7,612.
INSURANCE	19,838.	17,147.	817.	1,874.
PROFESSIONAL FEES	7,881.	6,134.	548.	1,199.
OFFICE EXPENSE	24,741.	20,989.	702.	3,050.
TRANSLATION/INTERPRETATION	7,293.	7,293.		
MISCELLANEOUS	14,055.	13,729.		326.
TOTALS	310,561.	269,535.	3,623.	37,403.

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

KIDSAVE INTERNATIONAL'S MISSION IS TO END THE HARMFUL
INSTITUTIONALIZATION OF CHILDREN. THE ORGANIZATION WORKS TO: TEST
AND PROMOTE SUCCESSFUL MODELS FOR CHANGE FOCUSED ON ONE RESULT,
MOVING CHILDREN OUT OF ORPHANAGES AND FOSTER CARE INTO PERMANENT
FAMILIES; AND ENCOURAGE GOVERNMENTS TO CHANGE THEIR POLICIES THAT
PERPETUATE THE DAMAGE CAUSED BY THE LACK OF A NURTURING PARENT.

FORM 990, PART III - OTHER PROGRAM SERVICES
=====

DESCRIPTION -----	GRANTS AND ALLOCATIONS -----	EXPENSES -----
PUBLIC EDUCATION AND ADVOCACY - SEE ATTACHED DESCRIPTION.	50,013.	191,275.
TOTALS	----- 50,013. =====	----- 191,275. =====

Kidsave International

EIN 91-1887623

December 31, 2003

Form 990; Part III - Statement of Program Service Accomplishments

Kidsave International's most important breakthrough in 2003 has been the refinement of the Organization's family visit program, the Kidsave Short Stay and Mentoring Model, combining personal advocacy and outreach that has shown remarkable results - with adoption rates as high as 90% in the USA. That, combined with two other elements -- mentoring and family support -- form the three building blocks of an intervention we believe will work in many cultures, to build lasting connections with caring adults for millions of children who otherwise would not have one. Unlike adoption agencies that find children for families, a process that tends to help mostly babies and toddlers, Kidsave finds families for older children who aren't usually chosen.

Summer Miracles Program - brings orphaned children between the ages of 5-16 from Eastern Europe and Latin America for a six-week summer visit with families with the goal of finding permanent families for each child (in their own country). During the six week, Kidsave and volunteers advocate to find families for all participating children. In addition to placement goals, the programs seeks to build awareness among the US public that 1) orphanages hurt children, 2) too many children are growing up without families, 3) older orphanage children are available for adoption and; 4) every child needs a family. In 2003 a total of 157 children visited 20 Kidsave communities. The communities are managed by an incredibly dedicated group of volunteers. Over the past five years Kidsave has 994 children have traveled to the USA on summer visits. As a result, 90% of the children who traveled, plus an additional 102 children have found permanent families.

Fairfax Weekend Miracles - is a joint initiative of Kidsave International and Fairfax County Department of Family Services. The Organization's focus is creating opportunities for older children in foster care (age 9 to 18) to find adoptive families and engaging the community to support them. The children will spend weekends with families who will be advocates for their adoption, introducing the children to their circles of friends. Children will be partners in the process and will also be placed in mentoring programs to insure that, at minimum, every child ends up with at least one connected, continuing, caring relationship to an adult. Fairfax County social workers provide training and family support. The Organization's goal is to have children visiting families in 2004. Thirty children will be served in 2004 and funds will be raised to rollout the program in the District of Columbia and Los Angeles County.

Secure Futures Program - is a short stay and mentoring program, aimed at involving orphanage children in the community and giving them the opportunity to experience family life. Started in Smolensk Russia in 2001, the model expanded to St. Petersburg and Sakhalin, Russia and Almaty, Kazakhstan.

Family visits are an important part of the model. The NGOs recruit and train family mentors to host the children during school vacations and on weekends. For short stay programs and mentoring relationships. For younger children, the focus is continued mentoring and adoption. Of 227 children who participated in the first year (2002), 25 children (11%) were adopted, or moved to long-term formal or informal foster care. As of October 2003, 116 children (51%) currently had a family or a single adult mentor who spends time with them on a regular basis. Of these, 70% are being mentored by the original family who hosted them, while 30% continued in the program with a new mentor. Said another way, 141 (62%) of the children who participated are on the track to permanency. Similar results are occurring with 100 children who had family visits in Kazakhstan in 2003.

Short Stay Plus Mentoring Model in the Smolensk Region is demonstrating that for many children, adoptive families and permanent formal and informal foster family relationships are possible. For many others who remain living day-to-day in orphanages, a connected, stable relationship with at least one caring adult is an exciting new reality.

Adoption Assistance - The adoption assistance fund facilitates the adoption of orphaned children whose families could otherwise not afford to proceed with an adoption, but who have the resources to parent a child. Donors designate an orphan whom they would like to assist and are earmarked to assist the particular child regardless of who adopts the child. If the child is not adopted, the funds are utilized to assist the child with development of life skills, counseling and social skills needed to lead a productive life.

Life Skills Training - The Organization's life skills training supports orphans ages 15 to 23 who are in the process of being emancipated from the orphanages. Through a mentoring center and traveling program managed by Russian nonprofit organizations, the young people receive a 9-month classroom program. The coursework offers information and psychological skills to help children prepare for life in a family, believe in themselves, recognize their strengths. Staff psychologists offer individual and group counseling. Outreach social workers, doctors and legal advocates are available to participants with special needs who may need more support than they receive through counseling and classes. For older children, the NGOs help them focus on integrating into society, becoming responsible young adults and obtaining experience (through internships) to obtain employment.

Kidsave International
EIN 91-1887623
December 31, 2003
Form 990; Part III - Statement of Program Service Accomplishments

Public Education/Advocacy - Last year (2002) we were instrumental in convening an international coalition of organizations who work on behalf of orphans, The Network for Better Care. This created a dialogue about efforts in support of deinstitutionalization worldwide. In 2003, with Kidsave's strong voice, the Network adopted indicators for children in formal public care that will be used to provide

- country situation analyses and
- track progress towards moving children out of institutionalized environments and into community-based care and into permanency.

The Organization's work with the US Congress resulted in language in the Foreign Operations appropriations Bill directing USAID to allocate funding toward efforts that promote permanency for orphans in Russia.

FORM 990, PART IV - INVESTMENTS - SECURITIES

=====

DESCRIPTION	ENDING BOOK VALUE
-----	-----
MUTUAL FUNDS	7,248.
TOTALS	----- 7,248. =====

KIDSAVE INTERNATIONAL

91-1887623

FORM 990, PART IV - OTHER LIABILITIES

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DESCRIPTION	ENDING BOOK VALUE
-----	-----
DEFERRED PAYMENTS	185,260.
TOTALS	----- 185,260. =====

FORM 990, PART V - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
RANDI THOMPSON 11835 W. OLMPIC BLVD SUITE 295 LOS ANGELES, CA 90064	EXECUTIVE DIRECTOR 40	119,000.	NONE	NONE
TERRY BAUGH 2122 P STREET, NW SUITE 302 WASHINGTON, DC 20037	PRESIDENT 40	81,559.	NONE	NONE
RENEE BIANCO 2122 P STREET, NW SUITE 302 WASHINGTON, DC 20037	DIRECTOR VARIOUS	NONE	NONE	NONE
KEN A. CRERAR 2122 P STREET, NW SUITE 302 WASHINGTON, DC 20037	CO-CHAIR VARIOUS	NONE	NONE	NONE
BENNY CUKIER 2122 P STREET, NW SUITE 302 WASHINGTON, DC 20037	DIRECTOR VARIOUS	NONE	NONE	NONE
HELENA HUTTON 2122 P STREET, NW SUITE 302 WASHINGTON, DC 20037	DIRECTOR VARIOUS	NONE	NONE	NONE
KAREN A. JOHNSON	DIRECTOR VARIOUS	NONE	NONE	NONE

FORM 990, PART V - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
2122 P STREET, NW SUITE 302 WASHINGTON, DC 20037				
HELEN MACKINNON 2122 P STREET, NW SUITE 302 WASHINGTON, DC 20037	DIRECTOR VARIOUS	NONE	NONE	NONE
EDWARD MAIBACH 2122 P STREET, NW SUITE 302 WASHINGTON, DC 20037	CO-CHAIR VARIOUS	NONE	NONE	NONE
GERALD PORTER 2122 P STREET, NW SUITE 302 WASHINGTON, DC 20037	DIRECTOR VARIOUS	NONE	NONE	NONE
PETER SCHWARTZ 2122 P STREET, NW SUITE 302 WASHINGTON, DC 20037	DIRECTOR VARIOUS	NONE	NONE	NONE
LEONARD S. SIMON 2122 P STREET, NW SUITE 302 WASHINGTON, DC 20037	DIRECTOR VARIOUS	NONE	NONE	NONE
PATRICIA VAN SCOYOC 2122 P STREET, NW SUITE 302	DIRECTOR VARIOUS	NONE	NONE	NONE

KIDSAVE INTERNATIONAL

91-1887623

FORM 990, PART V - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
WASHINGTON, DC 20037				
BOB WOODRUFF 2122 P STREET, NW SUITE 307 WASHINGTON, DC 20037	DIRECTOR VARIOUS	NONE	NONE	NONE
	GRAND TOTALS	200,559.	NONE	NONE

FORM 990, PART VIII - ACCOMPLISHMENT OF EXEMPT PURPOSES

LINE NO.	EXPLANATION OF HOW EACH ACTIVITY FOR WHICH INCOME IS REPORTED IN COLUMN (E) OF PART VII CONTRIBUTED IMPORTANTLY TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES
101	NET PROFITS FROM SPECIAL EVENTS HELD TO RAISE FUNDS TO SUPPORT THE ORGANIZATION'S MISSION AND EDUCATE THE PUBLIC ABOUT THE NEEDS OF ALL ABANDONED, ORPHANED, AND FOSTER CARE CHILDREN FOR PERMANENT, LOVING FAMILIES.
102	THE SALE OF MERCHANDISE BEARING THE ORGANIZATION'S LOGO.

SCHEDULE A, PART III - EXPLANATION FOR LINE 2A

=====

COST SHARING OF LEASED OFFICE SPACE AND EQUIPMENT WITH A FOR-PROFIT COMPANY SOLEY OWNED BY THE PRESIDENT OF THE ORGANIZATION. THE ORGANIZATION DOES NOT HAVE A FORMAL LEASE AGREEMENT, HOWEVER, IS NAMED IN THE LEASE AGREEMENT AS AUTHORIZED TO ASSUME THE LEASE SHOULD THE ORGANIZATION ELECT TO TAKE SUCH ACTION. CURRENTLY THE ORGANIZATION LEASES THE OFFICE SPACE ON A MONTH TO MONTH BASIS.

SCHEDULE A, PART III - EXPLANATION FOR LINE 2D

=====

SEE FORM 990, PAGE 4, PART V

SCHEDULE A, PART IV-A - OTHER INCOME

DESCRIPTION	2002	2001	2000	1999	TOTAL
REIMBURSEMENT OF EXPENSES	8,502.	8,965.			17,467.
TOTALS	8,502.	8,965.			17,467.

SCHEDULE A, PART VI-B - DIRECT CONTACT WITH LEGISLATORS
=====

THE ORGANIZATION MET WITH MEMBERS AND STAFF OF THE HOUSE FOREIGN OPERATIONS COMMITTEE TO ENCOURAGE THE USAID TO FUND PROGRAMS FOR PERMANENCY FOR CHILDREN. WHILE USAID WORKS IN RUSSIA AND IN OTHER PARTS OF THE WORLD THAT HELP ORPHANS WITH VOCATIONAL TRAINING, NO UNIFIED EFFORT IS MADE TO MOVE CHILDREN OUT OF ORPHANAGES AND INTO FAMILIES IN THEIR OWN COUNTRIES. THE ORGANIZATION WORKED ON THE HILL TO DRAW ATTENTION TO THIS PROBLEM AND ENCOURAGE FUNDING OF PROGRAMS THAT MOVED CHILDREN INTO PERMANENCY.