

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)

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 Check if applicable:

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

Please use IRS label or print or type. See Specific Instructions.

C Name of organization Bethany Christian Services
Mid-South Christian Services
Number and street (or P O box if mail is not delivered to street address) Room/suite
1044 Brookfield Rd 901 Eastern Ave NE
City or town State or country ZIP + 4
Memphis Grand Rapids TN MI 38119

D Employer identification number

38-2895093

E Telephone number

616-224-7610

F Accounting method Cash Accrual

Other (specify)

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

H and I are not applicable to section 527 organizations.

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

H(b) If "Yes," enter number of affiliates

H(c) Are all affiliates included? Yes No

(If "No," attach a list. See instructions.)

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

I Group Exemption Number 5103

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

Website: www.bethany.org

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

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 should file a return without financial data Some states require a complete return.

receipts. Add lines 6b, 8b, 9b, and 10b to line 12 553,809

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

Contributions, gifts, grants, and similar amounts received:

Table with columns for line numbers (1a-1d, 2-5) and amounts. Includes rows for Direct public support (234,404), Indirect public support, Government contributions (grants), Total (234,404), Program service revenue (318,954), Membership dues and assessments, Interest on savings and temporary cash investments, Dividends and interest from securities.

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Table with columns for line numbers (6a-6c, 7) and amounts. Includes rows for Gross rents, Less rental expenses, Net rental income or (loss), Other investment income.

Table with columns for line numbers (8a-8c, 8d) and amounts. Includes rows for Gross amount from sales of assets other than inventory, Less cost or other basis and sales expenses, Gain or (loss), Net gain or (loss).

Table with columns for line numbers (9a-9c) and amounts. Includes rows for Special events and activities (gross revenue 14,580), Less direct expenses other than fundraising expenses, Net income or (loss) from special events.

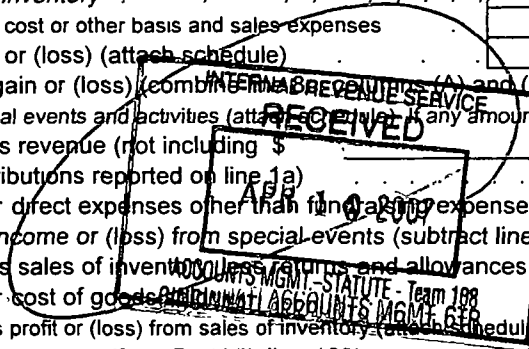
Table with columns for line numbers (10a-10c) and amounts. Includes rows for Gross sales of inventory, Less cost of goods sold, Gross profit or (loss) from sales of inventory.

Table with columns for line numbers (11, 12) and amounts. Includes rows for Other revenue, Total revenue (553,709).

Table with columns for line numbers (13-17) and amounts. Includes rows for Program services (492,532), Management and general (56,148), Fundraising (879), Payments to affiliates, Total expenses (549,559).

Table with columns for line numbers (18-21) and amounts. Includes rows for Excess or (deficit) for the year (4,150), Net assets or fund balances at beginning of year (54,399), Other changes in net assets or fund balances (220), Net assets or fund balances at end of year (58,769).

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**Part II Statement of Functional Expenses**

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (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 \$ 0 noncash \$ 0)	0	0		
23	Specific assistance to individuals (attach schedule)	26,914	26,914		
24	Benefits paid to or for members (attach schedule)	0			
25	Compensation of officers, directors, etc.	0			
26	Other salaries and wages	214,464	214,464		
27	Pension plan contributions	3,017	3,017		
28	Other employee benefits	44,786	44,786		
29	Payroll taxes	16,271	16,271		
30	Professional fundraising fees	0			
31	Accounting fees	0			
32	Legal fees	12,141	12,141		
33	Supplies	4,190	4,190		
34	Telephone	7,679	7,679		
35	Postage and shipping	7,538	7,436		102
36	Occupancy	39,702	39,702		
37	Equipment rental and maintenance	0			
38	Printing and publications	5,852	5,075		777
39	Travel	12,570	12,570		
40	Conferences, conventions, and meetings	1,126	1,126		
41	Interest	0			
42	Depreciation, depletion, etc (attach schedule)	1,222	1,222		
43	Other expenses not covered above (itemize): a Equip Costs	5,536	5,536		
	b Dues/ Subscriptions	400	400		
	c Advertising	81,816	81,816		
	d Misc.	64,334	8,186	56,148	
	e Investments	1	1		
	f	0			
44	<b>Total functional expenses</b> (add lines 22 through 43) <b>Organizations completing columns (B)-(D), carry these totals to lines 13-15</b>	549,559	492,532	56,148	879

**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 \$ 0 ; (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? <input checked="" type="checkbox"/> Child and Family Social Services	Program Service Expenses Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others.)
a Domestic, International, and State Adoptions  (Grants and allocations \$ )	492,532
b  (Grants and allocations \$ )	
c  (Grants and allocations \$ )	
d  (Grants and allocations \$ )	
e Other program services (attach schedule) (Grants and allocations \$ )	
f <b>Total of Program Service Expenses</b> (should equal line 44, column (B), Program services)	492,532

**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) Beginning of year		(B) End of year
Assets	45	Cash—non-interest-bearing			45	
	46	Savings and temporary cash investments		51,192	46	54,896
	47 a	Accounts receivable	29,764			
	b	Less: allowance for doubtful accounts	0	29,749	47c	29,764
	48 a	Pledges receivable	0			
	b	Less: allowance for doubtful accounts	0	0	48c	0
	49	Grants receivable			49	
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)		0	50	0
	51 a	Other notes and loans receivable (attach schedule)	0			
	b	Less: allowance for doubtful accounts	0	0	51c	0
	52	Inventories for sale or use			52	
	53	Prepaid expenses and deferred charges		3,100	53	3,100
	54	Investments—securities (attach schedule) <span style="float: right;"><input type="checkbox"/> Cost <input type="checkbox"/> FMV</span>		0	54	0
	55 a	Investments—land, buildings, and equipment: basis				
	b	Less: accumulated depreciation (attach schedule)		0	55c	0
	56	Investments—other (attach schedule)		0	56	0
	57 a	Land, buildings, and equipment basis	12,888			
	b	Less: accumulated depreciation (attach schedule)		9,921	57c	2,967
	58	Other assets (describe <span style="float: right;">▶ Pension Exp and Deposits</span> )		7,886	58	7,142
59	<b>Total assets</b> (add lines 45 through 58) (must equal line 74)		96,116	59	97,869	
Liabilities	60	Accounts payable and accrued expenses		825	60	18,946
	61	Grants payable			61	
	62	Deferred revenue		4,800	62	6,900
	63	Loans from officers, directors, trustees, and key employees (attach schedule)		0	63	0
	64 a	Tax-exempt bond liabilities (attach schedule)		0	64a	0
	b	Mortgages and other notes payable (attach schedule)		0	64b	0
	65	Other liabilities (describe <span style="float: right;">▶ Pension Liabilities</span> )		36,092	65	13,254
66	<b>Total liabilities</b> (add lines 60 through 65)		41,717	66	39,100	
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		54,399	67	58,769
	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)		54,399	73	58,769
	74	<b>Total liabilities and net assets / fund balances</b> (add lines 66 and 73)		96,116	74	97,869

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.)

<b>a</b>	Total revenue, gains, and other support per audited financial statements	<b>a</b>	554,724
<b>b</b>	Amounts included on line a but not on line 12, Form 990:		
(1)	Net unrealized gains on investments . . . \$		
(2)	Donated services and use of facilities . . . \$		
(3)	Recoveries of prior year grants . . . \$		
(4)	Other (specify):		
	Special Event Rev \$ 100		
	Add amounts on lines (1) through (4)	<b>b</b>	100
<b>c</b>	Line a minus line b	<b>c</b>	554,624
<b>d</b>	Amounts included on line 12, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 . . . \$		
(2)	Other (specify):		
	Misc. . . . . \$ -915		
	Add amounts on lines (1) and (2)	<b>d</b>	-915
<b>e</b>	Total revenue per line 12, Form 990 (line c plus line d)	<b>e</b>	553,709

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

<b>a</b>	Total expenses and losses per audited financial statements . . .	<b>a</b>	550,573
<b>b</b>	Amounts included on line a but not on line 17, Form 990:		
(1)	Donated services and use of facilities . . . \$		
(2)	Prior year adjustments reported on line 20, Form 990 . . . . . \$		
(3)	Losses reported on line 20, Form 990 . . . . . \$		
(4)	Other (specify):		
	Special Event . . . . . \$		
	Direct Exp. . . . . \$ 100		
	Add amounts on lines (1) through (4)	<b>b</b>	100
<b>c</b>	Line a minus line b	<b>c</b>	550,473
<b>d</b>	Amounts included on line 17, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 . . . . . \$		
(2)	Other (specify):		
	Misc. . . . . \$ -914		
	Add amounts on lines (1) and (2)	<b>d</b>	-914
<b>e</b>	Total expenses per line 17, Form 990 (line c plus line d)	<b>e</b>	549,559

**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
Name See Attached List Str City ST ZIP	Title Hr/WK	0	0	0
Name Str City ST ZIP	Title Hr/WK			
Name Str City ST ZIP	Title Hr/WK			
Name Str City ST ZIP	Title Hr/WK			
Name Str City ST ZIP	Title Hr/WK			
Name Str City ST ZIP	Title Hr/WK			
Name Str City ST ZIP	Title Hr/WK			
Name Str City ST ZIP	Title Hr/WK			
Name Str City ST ZIP	Title Hr/WK			
Name Str City ST ZIP	Title Hr/WK			

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.)		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
78 a	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?	N/A	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		X
80 a	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 <u>Bethany Christian Services</u> and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81 a	Enter direct and indirect political expenditures. See line 81 instructions	81a	
b	Did the organization file Form 1120-POL for this year?	81b	X
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	X
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III)	82b	N/A
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	85a	
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	85b	
c	Dues, assessments, and similar amounts from members	85c	
d	Section 162(e) lobbying and political expenditures	85d	
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	0
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	
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?	85h	
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12	86a	
b	Gross receipts, included on line 12, for public use of club facilities	86b	
87	501(c)(12) orgs. Enter: a Gross income from members or shareholders	87a	
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them)	87b	
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88	X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>                    </u> ; section 4912 <u>                    </u> ; section 4955 <u>                    </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	89b	X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization		
90 a	List the states with which a copy of this return is filed		
b	Number of employees employed in the pay period that includes March 12, 2003 (See instructions.)	90b	
91	The books are in care of <u>Name Mervin K. Auchtung</u> Telephone no <u>616-224-7610</u> Located at <u>901 Eastern Ave NE, PO Box 2</u> City <u>                    </u> ST <u>                    </u> Zip + 4 <u>49501-0294</u>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041— Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year	92	N/A

**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	
<b>93</b> Program service revenue:					
<b>a</b> Adoptions					318,954
<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	294	
<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			18	35	
<b>101</b> Net income or (loss) from special events					
<b>102</b> Gross profit or (loss) from sales of inventory			03	16	
<b>103</b> Other revenue: <b>a</b> Miscellaneous					6
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
<b>104</b> Subtotal (add columns (B), (D), and (E))		0		345	318,960
<b>105</b> Total (add line 104, columns (B), (D), and (E))					319,305

**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)
▼	

**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	%		0	0
	%		0	0
	%		0	0
	%		0	0

**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, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Please Sign Here**

Signature of officer: Mervin K. Auchtung Date: 1-5-31-4

Type or print name and title: Mervin K. Auchtung, Vice President of Finance

**Paid Preparer's Use Only**

Preparer's signature: \_\_\_\_\_ Date: \_\_\_\_\_ Check if self-employed:

Firm's name (or yours if self-employed), address, and ZIP + 4: \_\_\_\_\_ EIN: \_\_\_\_\_ Phone no: \_\_\_\_\_

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

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

OMB No 1545-0047

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

**2003**

Supplementary Information—(See separate instructions.)

Department of the Treasury  
Internal Revenue Service

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

Name of the organization

Employer identification number

Mid-South Christian Services

38-2895093

**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
Name None				
Str				
City ST	Title			
Zip Country	Avg hr/wk			
Name				
Str				
City ST	Title			
Zip Country	Avg hr/wk			
Name				
Str				
City ST	Title			
Zip Country	Avg hr/wk			
Name				
Str				
City ST	Title			
Zip Country	Avg hr/wk			
Name				
Str				
City ST	Title			
Zip Country	Avg hr/wk			
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
Name Check here if a business <input type="checkbox"/>		
Str		
City		
ST ZIP Country		
Name Check here if a business <input type="checkbox"/>		
Str		
City		
ST ZIP Country		
Name Check here if a business <input type="checkbox"/>		
Str		
City		
ST ZIP Country		
Name Check here if a business <input type="checkbox"/>		
Str		
City		
ST ZIP Country		
Name Check here if a business <input type="checkbox"/>		
Str		
City		
ST ZIP Country		
Total number of others receiving over \$50,000 for professional services		

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>0</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)  Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		X
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a	Sale, exchange, or leasing of property?	2a	X
b	Lending of money or other extension of credit?	2b	X
c	Furnishing of goods, services, or facilities?	2c	X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	X
e	Transfer of any part of its income or assets?	2e	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.)	3a	X
b	Do you have a section 403(b) annuity plan for your employees?	3b	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?	4	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 ► \_\_\_\_\_ City \_\_\_\_\_ ST \_\_\_\_\_ Country \_\_\_\_\_
- 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.)
- 11 a  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.)
- 11 b  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.)	136,246	165,707	247,554	182,936	732,443
16 Membership fees received					0
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	301,474	259,495	165,645	114,056	840,670
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	1,160	5,511	2,307		8,978
19 Net income from unrelated business activities not included in line 18					0
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
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					0
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					0
23 Total of lines 15 through 22	438,880	430,713	415,506	296,992	1,582,091
24 Line 23 minus line 17	137,406	171,218	249,861	182,936	741,421
25 Enter 1% of line 23	4,389	4,307	4,155	2,970	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					14,828
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					
c Total support for section 509(a)(1) test Enter line 24, column (e)					741,421
d Add. Amounts from column (e) for lines:					
18 8,978	8,978	19 0	0		
22 0	0	26b 0	0		
e Public support (line 26c minus line 26d total)					732,443
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					98.79%
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 0	0	16 0	0		
17 0	0	20 0	0		
21 0	0	21 0	0		
d Add Line 27a total _____ and line 27b total _____					0
e Public support (line 27c total minus line 27d total)					0
f Total support for section 509(a)(2) test Enter amount from line 23, column (e)					0
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					0.00%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					0.00%
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)

Table with 3 columns: Question, Yes, No. Rows include questions 29-35 regarding nondiscrimination policies, record keeping, and financial aid.

**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)

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)		
37	Total lobbying expenditures to influence a legislative body (direct lobbying)		
38	Total lobbying expenditures (add lines 36 and 37)	0	0
39	Other exempt purpose expenditures		
40	Total exempt purpose expenditures (add lines 38 and 39)	0	0
41	Lobbying nontaxable amount. Enter the amount from the following table—		
	<b>If the amount on line 40 is—</b>		
	Not over \$500,000		
	Over \$500,000 but not over \$1,000,000		
	Over \$1,000,000 but not over \$1,500,000		
	Over \$1,500,000 but not over \$17,000,000		
	Over \$17,000,000		
	<b>The lobbying nontaxable amount is—</b>		
	20% of the amount on line 40		
	\$100,000 plus 15% of the excess over \$500,000		
	\$175,000 plus 10% of the excess over \$1,000,000		
	\$.225,000 plus 5% of the excess over \$1,500,000		
	\$1,000,000		
41		0	0
42	Grassroots nontaxable amount (enter 25% of line 41)	0	0
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	0	0
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	0	0

**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				0
46	Lobbying ceiling amount (150% of line 45(e))				0
47	Total lobbying expenditures				0
48	Grassroots nontaxable amount				0
49	Grassroots ceiling amount (150% of line 48(e))				0
50	Grassroots lobbying expenditures				0

**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.)

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			
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.)			0

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?

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

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

Table with 3 columns: Question, Yes, No. Rows include 51a(i), a(ii), b(i) through b(vi), and c.

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received:

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

52 a 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 [X] No

b If "Yes," complete the following schedule:

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

**Mid-South Christian Services**  
**FEIN 38-2895093**  
**December 31, 2003**  
**Return for Organizations Exempt from Income Tax**

**Page 2, line 42 - Depreciation**

Land and Improvements	0
Buildings and Improvements	0
Equipment and Furnishings	1,222
Vehicles	0
	-----
Total	1,222
	=====

**Page 3, line 57 - Assets**

	Cost	Accumulated Depreciation	Book Value
Land and Improvements	0	0	0
Buildings and Improvements	0	0	0
Equipment and Furnishings	12,888	9,921	2,967
Vehicles	0	0	0
Construction in Progress	0	0	0
	-----	-----	-----
Total	12,888	9,921	2,967
	=====	=====	=====

Name	Phone	Address	Exp.	Role	Last Mod.
7 TN, Memphis					
Agee, Michael L	O: 901-818-6511 H 901-759-9237	7252 Stamford Drive Germantown, TN 38138 magee@33h.rjf.com	-NA-		10/21/2003
Clinton, Jimmy	O 901-842-2834 H 901-758-1444	1676 Bryn Mawr Circle Germantown, TN 38138 jsclinton@msn.com	-NA-		10/21/2003
Craven, William F	O 901-751-9909 H. 901-685-5914 F 901-751-0455	783 Eaton Street Memphis, TN 38120 lucymcraven@aol.com	2004		04/23/2004
Dobbins, James M	O (901) 387-0081 H (901) 754-5840 F (901) 385-2469	1607 Autumn Tree Cove Cordova, TN 38018 jdobbins@tnstarbattery.com	-NA-	Pres/Int Treasurer	10/21/2003
Ghaffan, Janie R.	O: 901-766-7277 H: (901) 380-1112	3755 Charles Brown Cove Bartlett, TN 38133	2005		10/24/2003
Guenther, Jennifer	H 901-755-0942	340 Bluff Ridge Cove Cordova, TN 38018 sguenthe@midsouth.rr.com	-NA-		10/21/2003
Read, Traverse A	H: 901-767-3203	778 Eaton Memphis, TN 38120 tread@bellsouth.net	-NA-	Secretary	10/21/2003