

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

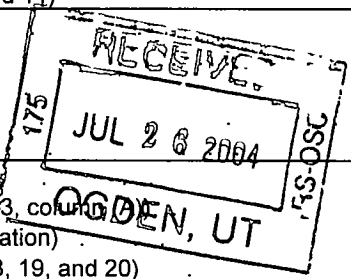
Department of the Treasury Internal Revenue Service

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

Form 990 header section including: A For the 2003 calendar year, or tax year beginning, and ending; B Check if applicable; C Name of organization; D Employer identification number; E Telephone number; F Accounting method; G Website; H and I are not applicable to section 527 organizations; J Organization type; K Check here; L Gross receipts.

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

Table with 21 rows and multiple columns for revenue, expenses, and net assets. Includes sub-rows for contributions, program service revenue, membership dues, interest, dividends, gross rents, special events, and fundraising. Total revenue is 49,545,600 and total expenses is 45,666,514.



SCANNED JUL 28 2004

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)	7,362,461	7,362,461		
24	Benefits paid to or for members (attach schedule)	0			
25	Compensation of officers, directors, etc	0			
26	Other salaries and wages	21,501,502	19,178,807	1,748,922	573,773
27	Pension plan contributions	255,567	216,504	29,297	9,766
28	Other employee benefits	3,532,268	3,261,336	177,339	93,593
29	Payroll taxes	1,585,290	1,420,415	122,021	42,854
30	Professional fundraising fees	0			
31	Accounting fees	72,731	24,619	48,112	
32	Legal fees	453,902	394,617	59,285	
33	Supplies	478,695	433,259	38,742	6,694
34	Telephone	800,597	685,318	103,483	11,796
35	Postage and shipping	610,824	438,026	134,533	38,265
36	Occupancy	2,396,779	2,260,043	96,662	40,074
37	Equipment rental and maintenance	0			
38	Printing and publications	690,143	553,959	45,852	90,332
39	Travel	1,417,893	1,311,141	70,938	35,814
40	Conferences, conventions, and meetings	216,347	199,089	12,840	4,418
41	Interest	43,744	24,434	19,310	
42	Depreciation, depletion, etc. (attach schedule)	508,597	323,624	182,645	2,328
43	Other expenses not covered above (itemize) a Miscellaneous	1,404,816	1,116,764	154,931	133,121
	b Memberships, Dues & Subscriptions	181,343	88,037	89,768	3,538
	c Equipment Costs	646,615	610,398	20,212	16,005
	d Advertising	1,449,803	1,344,052	84,189	21,562
	e Program Development	56,597	56,597		
	f	0			
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	45,666,514	41,303,500	3,239,081	1,123,933

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
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.)	
a Domestic and International Adoptions, and Pregnancy Counseling - counseling birth mothers and placing children with adoption parents 1,700 adoptions, 1,860 individuals counseled (Grants and allocations \$ _____)	22,426,779
b Residential Treatment - intense treatment for male youths 63 youth served (Grants and allocations \$ _____)	2,612,067
c Foster Care - care for children provided by a nation-wide network of foster families 2,687 children served (Grants and allocations \$ _____)	9,598,250
d Various programs to assist troubled families and children such as Counseling, Refugee Services, Runaway, and Life Skills Programs (Grants and allocations \$ _____)	6,666,404
e Other program services (attach schedule) (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	41,303,500

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		5,613,176	45	4,358,499
	46 Savings and temporary cash investments		15,857,536	46	18,718,885
	47 a Accounts receivable	47a 4,611,401			
	b Less: allowance for doubtful accounts	47b 37,073	4,685,142	47c	4,574,328
	48 a Pledges receivable	48a 2,868,293			
	b Less: allowance for doubtful accounts	48b 3,533	516,626	48c	2,864,760
	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)	51a 0			
	b Less: allowance for doubtful accounts	51b 0	140,515	51c	0
	52 Inventories for sale or use			52	
	53 Prepaid expenses and deferred charges		699,242	53	1,425,238
	54 Investments—securities (attach schedule)	▶ <input type="checkbox"/> Cost <input type="checkbox"/> FMV	0	54	0
	55 a Investments—land, buildings, and equipment: basis	55a 0			
	b Less: accumulated depreciation (attach schedule)	55b 0	0	55c	0
	56 Investments—other (attach schedule)		0	56	0
	57 a Land, buildings, and equipment basis	57a 12,270,099			
	b Less: accumulated depreciation (attach schedule)	57b 5,616,468	5,335,773	57c	6,653,631
58 Other assets (describe ▶ <u>Prepaid Pension Asset & Other Deposits</u>)		591,368	58	528,458	
59 Total assets (add lines 45 through 58) (must equal line 74)		33,439,378	59	39,123,799	
Liabilities	60 Accounts payable and accrued expenses		3,579,156	60	3,330,803
	61 Grants payable			61	
	62 Deferred revenue		1,933,386	62	2,054,843
	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)		790,120	64b	1,497,285
	65 Other liabilities (describe ▶ <u>See Statement 4</u>)		2,542,357	65	2,000,842
66 Total liabilities (add lines 60 through 65)		8,845,019	66	8,883,773	
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		24,031,716	67	26,811,503
	68 Temporarily restricted		532,786	68	3,367,485
	69 Permanently restricted		29,857	69	61,038
	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)		24,594,359	73	30,240,026	
74 Total liabilities and net assets / fund balances (add lines 66 and 73)		33,439,378	74	39,123,799	

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)	
N/A					
a	Total revenue, gains, and other support per audited financial statements	a			
b	Amounts included on line a but not on line 12, Form 990:				
(1)	Net unrealized gains on investments \$				
(2)	Donated services and use of facilities \$				
(3)	Recoveries of prior year grants \$				
(4)	Other (specify) \$				
	----- \$				
	Add amounts on lines (1) through (4)	b		0	
c	Line a minus line b	c		0	
d	Amounts included on line 12, Form 990 but not on line a:				
(1)	Investment expenses not included on line 6b, Form 990 \$				
(2)	Other (specify) \$				
	----- \$				
	Add amounts on lines (1) and (2)	d		0	
e	Total revenue per line 12, Form 990 (line c plus line d)	e		0	

Part IV-B		Reconciliation of Expenses per Audited Financial Statements with Expenses per Return	
N/A			
a	Total expenses and losses per audited financial statements	a	
b	Amounts included on line a but not on line 17, Form 990:		
(1)	Donated services and use of facilities \$		
(2)	Prior year adjustments reported on line 20, Form 990 \$		
(3)	Losses reported on line 20, Form 990 \$		
(4)	Other (specify) \$		
	----- \$		
	Add amounts on lines (1) through (4)	b	0
c	Line a minus line b	c	0
d	Amounts included on line 17, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify) \$		
	----- \$		
	Add amounts on lines (1) and (2)	d	0
e	Total expenses per line 17, Form 990 (line c plus line d)	e	0

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			
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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.)

Table with columns for question number, question text, Yes, and No. Rows include questions 76 through 92 regarding organizational activities, financials, and compliance.

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 Foster Care					20,330,716
b Adoptions					14,567,067
c Counseling					905,425
d Other Program Services					644,549
e					
f Medicare/Medicaid payments					20,811
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities			14	752,326	
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			16	58,462	
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	132,880	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue a Misc Revenue					358,678
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0		943,668	36,827,246
105 Total (add line 104, columns (B), (D), and (E))					37,770,914

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)
93a	Bethany provides supervision of foster families who provide direct care of abused and neglected children in various US cities.
93b	Bethany receives fees from individuals and families who adopt children, both domestically and internationally
93c	Bethany receives payment for counseling therapy services provided to children, individuals, and families in need of help.
93d	Bethany provides other services under contracts with state and local agencies to aid children and families in a variety of ways.

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)

Please Sign Here

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

Signature of officer: Mervin K Auchtung

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

Paid Preparer's Use Only

Preparer's signature: _____ Date: _____

Firm's name (or yours if self-employed), address, and ZIP + 4: _____

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 Bethany Christian Services, Inc.	Employer identification number 38-1405282
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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 DeMots, Glenn Str 901 Eastern Avenue NE City Grand Rapids ST MI Zip 49503 Country USA	Title Executive Director Avg hr/wk 45	132,711	10,311	0
Name Blacquiere, William Str 901 Eastern Avenue NE City Grand Rapids ST MI Zip 49503 Country USA	Title Chief Operating O Avg hr/wk 45	115,180	11,683	0
Name Roeters, Richard Str 901 Eastern Avenue NE City Grand Rapids ST MI Zip 49503 Country USA	Title VP of Advanceme Avg hr/wk 45	114,845	11,683	0
Name Auchtung, Mervin Str 901 Eastern Avenue NE City Grand Rapids ST MI Zip 49503 Country USA	Title VP of Finance Avg hr/wk 45	97,316	11,683	0
Name Vander Steen, Dirk Str 901 Eastern Avenue NE City Grand Rapids ST MI Zip 49503 Country USA	Title Director of Planne Avg hr/wk 45	88,273	10,311	0
Total number of other employees paid over \$50,000	43			

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

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

	Yes	No
<p>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.)</p> <p>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</p>		X
<p>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)</p>		
<p>a Sale, exchange, or leasing of property?</p>	2a	X
<p>b Lending of money or other extension of credit?</p>	2b	X
<p>c Furnishing of goods, services, or facilities?</p>	2c	X
<p>d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?</p>	2d	
<p>e Transfer of any part of its income or assets?</p>	2e	X
<p>3 a 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)</p>	3a	X
<p>b Do you have a section 403(b) annuity plan for your employees?</p>	3b	X
<p>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?</p>	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.)	9,205,867	9,286,254	10,380,354	10,701,255	39,573,730
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	33,483,594	32,355,155	29,801,583	24,130,693	119,771,025
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	847,745	919,515	984,943	764,068	3,516,271
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	43,537,206	42,560,924	41,166,880	35,596,016	162,861,026
24 Line 23 minus line 17	10,053,612	10,205,769	11,365,297	11,465,323	43,090,001
25 Enter 1% of line 23	435,372	425,609	411,669	355,960	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 861,800
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 43,090,001
d Add: Amounts from column (e) for lines:					
18 3,516,271		19 0			26d 3,516,271
22 0		26b 0			26e 39,573,730
e Public support (line 26c minus line 26d total)					26f 91.84%
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					
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	16 0	17 0	20 0	21 0	27c 0
d Add: Line 27a total 0 and line 27b total 0					27d 0
e Public support (line 27c total minus line 27d total)					27e 0
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e)					27f 0
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g 0.00%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h 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)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement)		

32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?		
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d Copies of all material used by the organization or on its behalf to solicit contributions?		
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		

33 Does the organization discriminate by race in any way with respect to:		
a Students' rights or privileges?		
b Admissions policies?		
c Employment of faculty or administrative staff?		
d Scholarships or other financial assistance?		
e Educational policies?		
f Use of facilities?		
g Athletic programs?		
h Other extracurricular activities?		
If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement.)		

34 a Does the organization receive any financial aid or assistance from a governmental agency?		
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.		
35 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev Proc 75-50, 1975-2 C.B 587, covering racial nondiscrimination? If "No," attach an explanation		

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

Table with 3 columns: Question, Yes, No. Rows include 51a(i) Cash, a(ii) Other assets, b(i) Sales or exchanges of assets, b(ii) Purchases of assets, b(iii) Rental of facilities, b(iv) Reimbursement arrangements, b(v) Loans or loan guarantees, b(vi) Performance of services, and c Sharing of facilities.

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

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

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

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

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.

Line 8 (990) - Gain/loss from sale of assets other than inventory

Totals		Gross sales	Cost, other basis and expenses
Public Securities		5,136,719	5,003,312
Non-Public Securities		53,000	100,920
Other sales		0	100,920

Index	Description	Check if gain/loss is from sale of public securities	Check if gain/loss is from sale of non public securities	Check if purchaser is a business	Purchaser	Date acquired	Acquisition method	Date sold	Gross sales price	Cost or other basis (Enter one field only)		Expense of sale and cost of improvements	Depreciation
										Cost	Donated value		
1	Various Investments	X				various	Purchase	Various	5,136,719	5,003,312		0	0
2	Rug		X		disposed		Donated	1/31/2003	0		3,850		2,483
3	Copier		X		disposed		Donated	10/31/2003	0		4,500		4,455
4	House - Delavan, WI		X		Gerardo Gonzalez	12/31/1996	Donated	12/19/2003	53,000		65,000	3,851	16,781
5													
6													
7													
8													
9													
10													
11													
12													
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16													
17													
18													
19													
20													

To add more lines to this schedule, press CTRL+Q.

Bethany Christian Services
FEIN 38-1405282
December 31, 2003
Return for Organizations Exempt from Income Tax

Statement 1

Page 1, Line 20

Other Changes In Net Assets

Unrealized Gain on Investments	1,769,385
Miscellaneous Adjustment	(2,804)
Total	<u>1,766,581</u>

Statement 2

Page 2, Part II, Line 42

Depreciation

	<u>Total</u>	<u>Program Services</u>	<u>Management & General</u>	<u>Fund- Raising</u>
Equipment and Furnishings	354,973	231,919	120,726	2,328
Buildings & LH Improvements	144,652	92,413	52,239	0
Vehicles	8,972	8,972	0	0
Total	<u>508,597</u>	<u>333,304</u>	<u>172,965</u>	<u>2,328</u>
	508,597	333,304	172,965	

Statement 3

Page 3, Part IV, Line 57

Land, Building, Equipment

	<u>Basis</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land and Land Improvements	794,178	186,440	607,738
Buildings and Improvements	8,050,480	3,010,421	5,040,059
Equipment and Furnishings	3,185,680	2,339,707	845,973
Vehicles	86,233	79,900	6,333
Construction in Progress	153,528	0	153,528
Total	<u>12,270,099</u>	<u>5,616,468</u>	<u>6,653,631</u>

Statement 4

Page 3, Part IV, Line 65

Other Liabilities

	<u>Beg Of Year</u>	<u>End of Year</u>
Annuities Payable	570,472	581,051
Defined Benefit Pension Plan Liability	1,971,885	1,419,791
	<u>2,542,357</u>	<u>2,000,842</u>

Bethany Christian Services FEIN 38-1405282
 December 31, 2003
 List of Board of Directors

Name	Phone	Address	Exp.	Role	Last Mod.
Boers, Ted	O 616-443-7066 H. 616-784-3657 / 616-443-7066 F 616-363-2221	1662 Scott Creek Court Belmont, MI 49306 SEND MAIL TO HOME ADDRESS tab@datacompusa.com	2004	Vice-Chair	06/14/2004
Bouma, Henry	O 616/261-3200 H 616/878-9512 F 616/261-3223	2749 Beechtree Drive SW Byron center, MI 49315 hankb@lumbermens-inc.com	2006		06/10/2004
Bradley, Anthony B	O 616-454-3080 H 616-942-2006 F. 616-454-9454	2040 Rowland Ave, SE Apt 303 Grand Rapids, MI 49546 abradley@acton.org	2006		06/10/2004
Cooper, Rev. Cortez	O 540-994-9015 H 276-637-3416	404 Fox Drive Draper, VA 24324 cacoop@naxs.net	2005		05/08/2003
Daniels, Dr. Joseph	H 616-878-3932	1054 Bay Shore Drive SW Byron Center, MI 49315 drsdsapd@juno.com	2005		05/08/2003
De Kock, Douglas	O: (616) 396-4950 H (616) 396-7152 F 616/396-6599	861 Barkentine Drive Holland, MI 49424 doug@gdkproperties.com	2004	Secretary	06/14/2004
De Pree, Kris	O (616) 394-4500 H. (616) 335-8444 F. 616/394-0035	1344 Heather Drive Holland, MI 49423 kdepree@focusproperties.com	2005		03/11/2003
De Vries, Edward	O 616-454-1446 H 616-454-3070 F. 616-454-2143	2049 Brunsink NE Grand Rapids, MI 49503 jhoekema@devriescompany.com	2005		06/10/2004
Kok, Evonne	H 616-682-1530	2057 Timber Pointe Drive Ada, MI 49301 kokevonne@yahoo.com	2006		06/10/2004
McMurray, Dennis J	O. (616) 243-0991 H (616) 575-2006 F (616) 246-1477	2131 Glen Gary Ct, SE Grand Rapids, MI 49546 blessing@renaissancecogic.com	2004		03/20/2002
Nydam, Rodney J	O 703-993-4861 H 703-255-5022 F 202-478-5165	3114 Savoy Drive Fairfax, VA 22931 SEND MAIL TO OFFICE rnydam@gmu.edu rjn@nydamlaw.com	2005		06/22/2004
Prins, Merle	H. 616-392-4258 F 616-494-0009	988 Kenwood Drive Holland, MI 49423 merleprins@aol.com	2005		06/10/2004
Rynders, Perrin	O (616)336-6734 H (616) 453-2926 F. 616/336-7000	966 Parmalee Court Grand Rapids, MI 49504 SEND MAIL TO OFFICE prynders@varnumlaw.com	2006	Past President	06/10/2004
Spoelhof, Scott	O: 616-494-7403 H. 616-393-6530 F 616-494-7409	41 Bay Meadows Drive Holland, MI 49424 scott@baysidecapital.com	2005		05/01/2003
Sprotte, Bob NON BOARD MEMBER	O. 949-2313 H 942-7862 F. 949-1448	1395 Winterwood Drive NE Grand Rapids, MI 49525-3448 bob@sprotte.com	2004		05/01/2003
Swets, Sally	H 616-247-5548	757 Plymouth SE E. Grand Rapids, MI 49506-2844 sallys@iserv.net	2005		06/23/2003
Van Kuiken, Norma	H. 616-949-3508	3909 Lake Drive, SE Grand Rapids, MI 49546	2005	Chair	11/15/2002
Vander Ploeg, Claude	O (616) 632-8036 H (616)452-3979 F (616) 632-8002	1619 Creekside SE Grand Rapids, MI 49508 SEND MAIL TO OFFICE cvanderploeg@mmbjlaw.com	2006		06/10/2004
Vander Weele, Ray	H (616) 954-1852	4865 N Quail Crest, SE Grand Rapids, MI 49546 rvweele@comcast.net	2004	Treasurer	07/11/2003

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

Note: Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time—Only submit original (no copies needed)
Note: Form 990-T corporations requesting an automatic 6-month extension—check this box and complete Part I only
 All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Type or print	Name of Exempt Organization <i>Bethany Christian Services, Inc.</i>	Employer identification number <i>38 : 1405282</i>
File by the due date for filing your return See instructions	Number, street, and room or suite no. If a P.O. box, see instructions <i>901 Eastern Ave NE</i>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <i>Grand Rapids, MI 49503</i>	

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

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

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

1 I request an automatic 3-month (6-month, for **990-T corporation**) extension of time until *Aug 16*, 2004, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ▶ calendar year 20*03* or
 ▶ tax year beginning _____, 20____, and ending _____, 20____

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

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

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

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

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ▶ *MFC Wright* Title ▶ *Director of Finance* Date ▶ *5/10/04*