

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)

2002

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

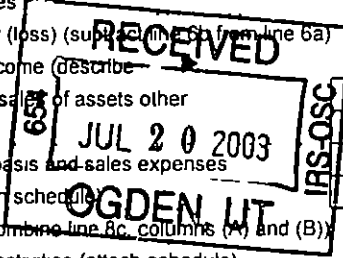
Header section A-F: For the 2002 calendar year, or tax year beginning and ending; B Check if applicable; C Name of organization (APPLE TREE DENTAL); D Employer ID number (36-3411437); E Telephone number (763-784-7570); F Accounting method (Accrual).

Section G: Web site (www.appletreedental.org); J Organization type (501(c)(3)); K Check here if the organization's gross receipts are normally not more than \$25,000; L Gross receipts (4,308,908); H and I: Are there affiliates? (No); Enter 4-digit GEN.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 17 of the instructions)

Main table with 21 rows: 1 Contributions, gifts, grants, and similar amounts received; 2 Program service revenue; 3-5 Other income; 6-12 Revenue; 13-17 Expenses; 18-21 Net assets or fund balances.

FILMED JUL 29 2003



Handwritten marks: 17,141.53 and 8

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 21 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 \$ _____ non-cash \$ _____)	22			
23	Specific assistance to individuals	23			
24	Benefits paid to or for members	24			
25	Compensation of officers, directors, etc	25	384,000	159,000	209,400
26	Other salaries and wages	26	2,074,927	2,007,561	34,034
27	Pension plan contributions	27	32,202	28,373	3,188
28	Other employee benefits	28	89,725	79,056	8,883
29	Payroll taxes	29	181,233	159,684	17,942
30	Professional fundraising fees	30			
31	Accounting fees	31	8,020		8,020
32	Legal fees	32			
33	Supplies	33	39,874	20,870	19,004
34	Telephone	34	37,675	30,140	7,535
35	Postage and shipping	35	15,510	12,408	3,102
36	Occupancy	36	169,877	149,678	16,818
37	Equipment rental and maintenance	37	12,631	12,251	380
38	Printing and publications	38	9,430	7,544	1,886
39	Travel	39	69,875	26,671	43,204
40	Conferences, conventions, and meetings	40	19,115	10,990	8,125
41	Interest	41	120,489	106,163	11,928
42	Depreciation, depletion, etc (attach schedule)	42	313,759	276,453	31,062
43	Other expenses not covered above (itemize) a	43a			
	b See Statement 2	43b	479,534	415,544	58,935
	c	43c			
	d	43d			
	e	43e			
44	Total functional expenses (add lines 22-43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	44	4,057,876	3,502,386	483,446

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 24 of the instructions)

What is the organization's primary exempt purpose?

► Provides dental services for underserved populations

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

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

a	Provides dental care for long-term care patients, persons with disabilities and others lacking access to dental care	(Grants and allocations \$ _____)	3,502,386
b		(Grants and allocations \$ _____)	
c		(Grants and allocations \$ _____)	
d		(Grants and allocations \$ _____)	
e	Other program services (attach schedule)	(Grants and allocations \$ _____)	
f	Total of Program Service Expenses (should equal line 44, column (B), Program services)		3,502,386

Part IV Balance Sheets (See page 24 of the instructions)

Note		(A) Beginning of year		(B) End of year	
Where required, attached schedules and amounts within the description column should be for end-of-year amounts only					
45	Cash - non-interest-bearing	30,113	45	114,137	
46	Savings and temporary cash investments		46		
47a	Accounts receivable	47a 503,608			
b	Less allowance for doubtful accounts	47b 13,982	332,856	47c	489,626
48a	Pledges receivable	48a			
b	Less allowance for doubtful accounts	48b		48c	
49	Grants receivable		90,795	49	425,761
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	Intention for sale or use			52	
53	Prepaid expenses and deferred charges		11,836	53	10,939
54	Investments-securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV			54	
55a	Investments-land, buildings, and equipment basis	55a 2,180,905			
b	Less accumulated depreciation (attach schedule) See Stmt 3	55b 1,188,659	1,114,357	55c	992,246
56	Investments-other (attach schedule)			56	
57a	Land, buildings, and equipment basis	57a			
b	Less accumulated depreciation (attach schedule)	57b		57c	
58	Other assets (describe See Stmt 4)		56,846	58	10,136
59	Total assets (add lines 45 through 58) (must equal line 74)		1,636,803	59	2,042,845
60	Accounts payable and accrued expenses		433,109	60	539,533
61	Grants payable			61	
62	Deferred revenue		55,564	62	58,476
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) See Worksheet		1,168,862	64b	1,179,185
65	Other liabilities (describe See Stmt 5)		189,964	65	248,510
66	Total liabilities (add lines 60 through 65)		1,847,499	66	2,025,704
Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74					
67	Unrestricted		-349,224	67	-539,620
68	Temporarily restricted		138,528	68	556,761
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)		-210,696	73	17,141
74	Total liabilities and net assets / fund balances (add lines 66 and 73)		1,636,803	74	2,042,845

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 26 of the instructions)	Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return
<p>a Total revenue gains & other support per audited financial statements ▶ a 4,285,713</p> <p>b Amounts included on line a but not on line 12, Form 990</p> <p>(1) Net unrealized gains on investments \$</p> <p>(2) Donated services and use of facilities \$</p> <p>(3) Recoveries of prior year grants \$</p> <p>(4) Other (specify)</p> <p style="text-align: right;">\$</p> <p>Add amounts on lines (1) through (4) ▶ b</p> <p>c Line a minus line b ▶ c 4,285,713</p> <p>d Amounts included on line 12, Form 990 but not on line a</p> <p>(1) Investment expenses not included on line 6b, Form 990 \$</p> <p>(2) Other (specify)</p> <p style="text-align: right;">\$</p> <p>Add amounts on lines (1) and (2) ▶ d</p> <p>e Total revenue per line 12, Form 990 (line c plus line d) ▶ e 4,285,713</p>	<p>a Total expenses and losses per audited financial statements ▶ a 4,057,876</p> <p>b Amounts included on line a but not on line 17, Form 990</p> <p>(1) Donated services and use of facilities \$</p> <p>(2) Prior year adjustments reported on line 20, Form 990 \$</p> <p>(3) Losses reported on line 20 Form 990 \$</p> <p>(4) Other (specify)</p> <p style="text-align: right;">\$</p> <p>Add amounts on lines (1) through (4) ▶ b</p> <p>c Line a minus line b ▶ c 4,057,876</p> <p>d Amounts included on line 17, Form 990 but not on line a</p> <p>(1) Investment expenses not included on line 6b, Form 990 \$</p> <p>(2) Other (specify)</p> <p style="text-align: right;">\$</p> <p>Add amounts on lines (1) and (2) ▶ d</p> <p>e Total expenses per line 17, Form 990 (line c plus line d) ▶ e 4,057,876</p>

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated, see page 26 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) Contrib to employee benefit plans & deferred compensation	(E) Expense account and other allowances
Michael J. Helgeson, DDS 13511 Thrush Street NW, Andover, MN	CEO 40	125,000	2,512	0
Carl W. Ebert, DDS 2650 Lee Avenue N, Golden Valley, MN	Vice Pres. 40	105,000	2,112	0
Natt Friday 12501 Portland Ave, Burnsville, MN	Finance Dir. 40	62,000	768	0
Jayne Cernohous 1018 Labarge Rd, Hudson, WI	Clinical Dir 40	92,000	1,851	0
See list of board members		0	0	0

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? ▶ Yes No
 If "Yes" attach schedule-see page 26 of the instructions

Part VI Other Information (See page 27 of the instructions)

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If 'Yes' attach a detailed description of each activity		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes" attach a conformed copy of the changes		X
78a	Did the organization have unrelated business gross inc of \$1,000 or more during the year covered by this return?		X
b	If "Yes" has it filed a tax return on Form 990-T for this year?		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?		X
b	If "Yes," enter the name of the organization <input type="checkbox"/> and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
81a	Enter direct or indirect political expenditures See line 81 instr		
b	Did the organization file Form 1120-POL for this year?		X
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X
b	If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III)		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	N/A	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	N/A	
85	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?	N/A	
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year	N/A	
c	Dues, assessments and similar amounts from members	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	
g	Does the organization elect to pay the section 6033(e) tax on the amount in 85f?	N/A	
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	N/A	
86	501(c)(7) orgs Enter a Initiation fees and capital contributions included on line 12	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
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 <u>0</u> , section 4912 <u>0</u> , section 4955 <u>0</u>		
b	501(c)(3) and 501(c)(4) orgs Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0
d	Enter Amount of tax on line 89c, above, reimbursed by the organization		0
90a	List the states with which a copy of this return is filed <u>MN</u>		
b	Number of employees employed in the pay period that includes March 12, 2002 (See instructions)	90b	46
91	The books are in care of <u>Nat Friday</u> Located at <u>Minneapolis, Minnesota</u>	Telephone no	<u>763-784-7570</u>
		ZIP + 4	<u>55433-5810</u>
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here and enter the amount of tax-exempt interest received or accrued during the tax year <u>92</u>		

Part VII Analysis of Income-Producing Activities (See page 31 of the instructions)

	Unrelated business income		Excluded by sec. 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
Note Enter gross amounts unless otherwise indicated					
93 Program service revenue					
a <u>Program fees</u>					3,113,048
b <u>Training & support</u>					97,256
c <u>Dental Director fees</u>					393,796
d <u>Other program revenue</u>					11,500
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	53	
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			1		
100 Gain or (loss) from sales of assets other than inventory			18	3,003	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a _____					
b <u>MISCELLANEOUS</u>			1	3,196	
c <u>Rental income</u>			17	8,603	
d <u>Administrative fees</u>			41	23,158	
e _____					
104 Subtotal (add columns (B), (D), and (E))		0		38,013	3,615,600
105 Total (add line 104, columns (B), (D), and (E))					3,653,613

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 32 of the instructions)

Line No	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
●	See Statement 6

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 32 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 33 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

[Signature] LEO

7-16-03

Date

LEO

Date	7-16-03	Check if self-prepared	<input type="checkbox"/>	Preparer's SSN or PTIN (See Gen. Instr. W)
------	---------	------------------------	--------------------------	--

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

2002

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

APPLE TREE DENTAL

36-3411437

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

(a) Name and address of each employee paid more than \$50 000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee ben plans & deferred compensation	(e) Expense account and other allowances
Ali A. Mohebbi, DDS 1717 Parkshore Dr, Arden Hills, MN	Dentist 40	153,308	0	0
Mark Schaffer PO Box 921, Hawley, MN	Dental Dir. 40	93,754	1,674	0
George Goldhammer 1220 Earle Way, Burnsville, MN	Dentist 40	90,000	1,497	0
Margie A. Kennelly, DDS 1353 Summit Ave., St Paul, MN	Dentist 40	81,000	1,630	0
Thy Lu 7568 Blackoaks, Maple Grove, MN	Dentist 40	75,000	1,509	0
Total number of other employees paid over \$50 000 ▶	3			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instr 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 ▶		

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

Schedule A (Form 990 or 990-EZ) 2002

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

Table with 3 columns: Question, Yes, No. Rows include questions about lobbying activities, compensation, and grants. Includes a 'Note' section at the bottom.

Part IV Reason for Non-Private Foundation Status (See pages 3 through 5 of the instructions)

Form for Part IV with numbered questions (5-13) and a table for supported organizations. Includes checkboxes and text input fields.

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

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

Calendar year (or fiscal year beginning in)	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	446,163	997,961	622,932	99,497	2,166,553
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	2,428,630	2,469,593	2,253,648	1,938,181	9,090,052
18 Gross inc from int. dividends amounts received from pymt. on securities loans (section 512(a)(5)), rents, royalties & unrelated busn. taxable inc (less sec. 511 taxes) from businesses acquired by the organization after June 30, 1975	95	29		17	141
19 Net income from unrelated business activities not included in line 18					
20 Tax on levied for the organization's bond & either paid to it or expended on its behalf					
21 The value of serv. or fac. furnished to the org. by a governmental unit without charge. Do not incl. the value of serv. or fac. generally furnished to the public without charge.					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of cap. assets. Stmt 8	20,242	8,883	-20,298	40,606	49,433
23 Total of lines 15 through 22	2,895,130	3,476,466	2,856,282	2,078,301	11,306,179
24 Line 23 minus line 17	466,500	1,006,873	602,634	140,120	2,216,127
25 Enter 1% of line 23	28,951	34,765	28,563	20,783	

26 Organizations described on lines 10 or 11	a Enter 2% of amount in column (e), line 24	26a	
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1998 through 2001 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.		26b	
c Total support for section 509(a)(1) test. Enter line 24, column (e).		26c	
d Add: Amounts from column (e) for lines 18 _____ 19 _____ 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.	(2001)	446,163	(2000)	997,961	(1999)	622,932	(1998)	99,497
---------------------------------------	--	--------	---------	--------	---------	--------	---------	--------	--------

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year.	(2001)	(2000)	(1999)	(1998)
c Add: Amounts from column (e) for lines 15 _____ 16 _____ 17 <u>9,090,052</u> 20 _____ 21 _____				
d Add: Line 27a total <u>2,166,553</u> and line 27b total _____				
e Public support (line 27c total minus line 27d total)				27c 11,256,605
f Total support for section 509(a)(2) test. Enter amount on line 23, column (e).			27f 11,306,179	27d 2,166,553
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))				27e 9,090,052
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))				27g 80.3990%
				27h 0.0012%

28 Unusual Grants For an organization described in line 10, 11, or 12 that received any unusual grants during 1998 through 2001, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

**Part V Private School Questionnaire (See page 7 of the instructions)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

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

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions)
 (To be completed ONLY by an eligible organization that filed Form 5768) **N/A**

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

Limits on Lobbying Expenditures

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

	(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38 Total lobbying expenditures (add lines 36 and 37)	38	
39 Other exempt purpose expenditures	39	
40 Total exempt purpose expenditures (add lines 38 and 39)	40	
41 Lobbying nontaxable amount Enter the amount from the following table-		
If the amount on line 40 is- The lobbying nontaxable amount is-		
Not over \$500,000 20% of the amount on line 40		
Over \$500,000 but not over \$1,000,000 \$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000 \$175,000 plus 10% of the excess over \$1,000,000	41	
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) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instr)

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

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

Yes	No	Amount
	<input checked="" type="checkbox"/>	
	<input checked="" type="checkbox"/>	
	<input checked="" type="checkbox"/>	
	<input checked="" type="checkbox"/>	
	<input checked="" type="checkbox"/>	
	<input checked="" type="checkbox"/>	
	<input checked="" type="checkbox"/>	
	<input checked="" type="checkbox"/>	
	<input checked="" type="checkbox"/>	

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

Table with 2 columns: Yes, No. Rows include 51a(i), a(ii), b(i), b(ii), b(iii), b(iv), b(v), b(vi), and c. 'No' column contains 'X' for all rows.

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.

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

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

Yes No (X) (input checked)

b If "Yes," complete the following schedule

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

Mortgages and Other Notes Payable

Form
990/990-PF

2002

For calendar year 2002 or tax year beginning

and ending

Name

Employer Identification Number

APPLE TREE DENTAL

36-3411437

Form 990, Part IV, Line 64b - Additional Information

Name of lender	Relationship to disqualified person
(1) Ford Motor Credit Company	
(2) Otto Bremer Foundation	
(3) Patterson Dental Supply	
(4) Matsco Financial Corporation	
(5) Patterson Dental Supply	
(6) Patterson Dental Supply	
(7) Bremer Bank	
(8) Bremer Bank	
(9) Community Loan Technologies	
(10) Patterson Dental Supply	

Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1) 36,461	7/24/97	8/07/02	Monthly payments of \$773	9.750
(2) 75,000	4/16/97	5/01/04	Pay \$15,000 principal/year	5.000
(3) 20,105	4/24/97	4/24/02	Monthly payments of \$436	10.900
(4) 122,987	5/10/98	7/10/03	Monthly payments of \$2,843	12.400
(5) 134,619	9/01/00	9/01/05	Monthly payments of \$3,160	12.940
(6) 84,983	9/01/00	9/01/05	Monthly payments of \$1,995	12.940
(7) 250,000	6/06/01	6/06/02	Interest only payments	8.000
(8) 250,000	6/06/01	6/06/06	Monthly payment of \$2,269	8.990
(9) 375,000	3/11/01	3/11/02	Monthly interest only	9.500
(10) 119,926	Various	Various	Various	

Security provided by borrower	Purpose of loan
(1) Ford truck	
(2) None	
(3) X-ray equipment	
(4) All tangible and intangible property	
(5) Equipment	
(6) Equipment	
(7) Supplies and equipment	
(8) Real estate	
(9) All tangible and intangible property	
(10) Equipment	

Consideration furnished by lender	Balance due at beginning of year	Balance due at end of year
(1)	7,394	
(2)	45,000	30,000
(3)	1,705	
(4)	48,845	21,730
(5)	119,735	98,033
(6)	75,590	61,893
(7)	250,000	230,000
(8)	247,770	242,930
(9)	250,000	314,328
(10)	110,444	89,859
Totals	1,156,483	1,088,773

Mortgages and Other Notes Payable

2002

Form
990/990-PF

For calendar year 2002 or tax year beginning , and ending

Name

Employer Identification Number

APPLE TREE DENTAL

36-3411437

Form 990, Part IV, Line 64b - Additional Information

Name of lender	Relationship to disqualified person
(1) Patterson Dental Supply	
(2) Patterson Dental Supply	
(3) Patterson Dental Supply	
(4) Patterson Dental Supply	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1) 12,379	Various	Various	Various	
(2) 37,234	7/23/02	8/22/07	monthly installments \$772	8 950
(3) 39,502	2/01/02	2/01/04	monthly installments \$1646	
(4) 25,347	2/01/02	2/01/04	monthly installments \$1056	
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

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

Consideration furnished by lender	Balance due at beginning of year	Balance due at end of year
(1)	12,379	10,854
(2)		36,326
(3)		26,334
(4)		16,898
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Totals	12,379	90,412

Depreciation and Amortization

OMB No 1545-0172

Form **4562**

(Including Information on Listed Property)

2002

Department of the Treasury
Internal Revenue Service

▶ See separate instructions

▶ Attach to your tax return

Attachment Sequence No **67**

Name(s) shown on return **APPLE TREE DENTAL**

Identifying number
36-3411437

Business or activity to which this form relates

Indirect Depreciation

Part I Election To Expense Certain Tangible Property Under Section 179

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

1	Maximum amount See page 2 of the instructions for a higher limit for certain businesses	1	24,000
2	Total cost of section 179 property placed in service (see page 2 of the instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	200,000
4	Reduction in limitation Subtract line 3 from line 2 If zero or less enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less enter 0- If married filing separately see pg 2 of the instr	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property Enter the amount from line 29	7	
8	Total elected cost of section 179 property Add amounts in column (c) lines 6 and 7	8	
9	Tentative deduction Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2001 Form 4562	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2003 Add lines 9 and 10, less line 12	13	

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

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

14	Special depreciation allowance for qualified prop (other than listed prop) placed in service during the tax year (see pg 3 of the instr)	14	
15	Property subject to section 168(f)(1) election (see page 4 of the instructions)	15	
16	Other depreciation (including ACRS) (see page 4 of the instructions)	16	312,822

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

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2002	17	
18	If you are electing under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check here		<input type="checkbox"/>

Section B-Assets Placed in Service During 2002 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

Section C-Assets Placed in Service During 2002 Tax Year Using the Alternative Depreciation System

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

Part IV Summary (see page 6 of the instructions)

21	Listed property Enter amount from line 28	21	895
22	Total Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g) and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations-see instr	22	313,717
23	For assets shown above and placed in service during the current year enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions

Form **4562** (2002)

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

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

Section A-Depreciation and Other Information (Caution See page 8 of the instructions for limits for passenger automobiles)

24a Do you have evidence to support the business/investment use claimed? Yes No 24b If "Yes," is the evidence written? Yes No

(a) Type of prop (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
---	----------------------------------	---	-------------------------------	--	---------------------------	------------------------------	----------------------------------	---------------------------------------

25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see page 7 of the instructions) **25**

26 Property used more than 50% in a qualified business use (see page 7 of the instructions)

2C 03 Acura	12/12/02	100.00%	42,949	42,949	4.0	S/L-	895	
--------------------	-----------------	----------------	---------------	---------------	------------	-------------	------------	--

27 Property used 50% or less in a qualified business use (see page 7 of the instructions)

						S/L-		
						S/L-		

28 Add amounts in column (h) lines 25 through 27 Enter here and on line 21, page 1 **28 895**

29 Add amounts in column (i), line 26 Enter here and on line 7, page 1 **29**

Section B-Information on Use of Vehicles

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

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

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

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

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

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles including commuting by your employees?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See page 8 of the instructions for vehicles used by corporate officers, directors or 1% or more owners	<input checked="" type="checkbox"/>	<input type="checkbox"/>
39 Do you treat all use of vehicles by employees as personal use?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
41 Do you meet the requirements concerning qualified automobile demonstration use? (See page 9 of the instructions)	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Note If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2002 tax year (see page 9 of the instructions) Copyright	10/01/02	2,529	0	15.0	42
43 Amortization of costs that began before your 2002 tax year				43	
44 Total Add amounts in column (f) See page 9 of the instructions for where to report				44	42

79300 APPLE TREE DENTAL
 30-3411437
 FYE 12/31/2002

Federal Statements

Statement 1 - Form 990, Part I, Line 8c - Sale of Assets Other Than Inventory - Other

Desc		How Rec'd	Whom Sold	Date Acquired	Date Sold	Sale Price	Cost & Expense	Deprec	Gain/-Loss
Ford Van	Purchase			1/01/97	1/30/02	\$ 12,698	\$ 24,415	\$ 17,730	\$ 6,013
Add-ons	Purchase			4/08/97	1/30/02		8,573	5,919	-2,654
Painting	Purchase			4/30/97	1/30/02		1,108	752	-356
SUBARU WAGON	Purchase			9/01/99	9/17/02	13,500	30,549	17,049	
Total						<u>\$ 26,198</u>	<u>\$ 64,645</u>	<u>\$ 41,450</u>	<u>\$ 3,003</u>

Federal Statements

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

Description	Total Expenses	Program Service	Mgt & General	Fund- Raising
	\$	\$	\$	\$
Expenses				
MN Care tax	11,904		11,904	
Contracted services	29,758	29,758		
Dental supplies	224,527	224,527		
Lab fees	112,325	112,325		
Bad debt expense	3,880		3,880	
Bank charges	10,725		10,725	
Fundraising Expense	3,956			3,956
Miscellaneous expense	21,587		21,587	
401k expenses	5,373		5,373	
Real estate taxes	285	285		
Insurance	55,214	48,649	5,466	1,099
Total	<u>\$ 479,534</u>	<u>\$ 415,544</u>	<u>\$ 58,935</u>	<u>\$ 5,055</u>

Federal Statements

Statement 3 - Form 990, Part IV, Line 55 - Investments in Land, Buildings, and Equipment

<u>Description</u>	<u>Beginning of Year</u>	<u>Accum Deprec</u>	<u>End of Year</u>	<u>Accum Deprec</u>
Land	\$ 10,500	\$	\$ 10,500	\$
Building	315,401	137,563	315,401	169,103
Leasehold improvements	87,002	85,640	92,710	87,749
Dental equipment	1,079,254	388,878	1,139,844	576,154
Vans	323,284	142,954	364,503	158,111
Office equipment and furniture	215,313	161,362	257,947	197,542
Total	<u>\$ 2,030,754</u>	<u>\$ 916,397</u>	<u>\$ 2,180,905</u>	<u>\$ 1,188,659</u>

Statement 4 - Form 990, Part IV, Line 58 - Other Assets

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
Security deposit	\$ 6,850	\$ 7,650
Other receivables	2,263	
Long-term promise to give receivable	47,733	
Trademark, net amortization		2,486
Total	<u>\$ 56,846</u>	<u>\$ 10,136</u>

Statement 5 - Form 990, Part IV, Line 65 - Other Liabilities

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
Capitalized lease obligations	\$ 166,579	\$ 185,243
Patients deposit payable	23,385	63,267
Total	<u>\$ 189,964</u>	<u>\$ 248,510</u>

Federal Statements**Statement 6 - Form 990, Part VIII - Relationship of Activities**

<u>Line No</u>	<u>Description</u>
93a	Program fees directly from dental services provided to long-term care patients, disabled persons, and others lacking access to dental care. This is our primary mission
93b	Training and support fees came from the clinic in North Carolina to whom we provided on-going support services relating to the dental services administered to nursing home residents.
93c	Program fees provided for in-house dental care of nursing home residents

79300 APPLE TREE DENTAL

36-3411437

FYE 12/31/2002

Federal Statements

**Statement 7 - Schedule A, Part III, Line 2d - Payment of Compensation / Reimbursement of
Exp**

SEE FORM 990, PART V

Federal Statements**Statement 8 - Schedule A, Part IV-A, Line 22 - Other Income**

<u>Description</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
Miscellaneous income	\$ 16,823	\$ 4,934	\$	\$ 40,606
Gain/(loss) on sale of assets	3,419	3,949	-20,298	
Total	<u>\$ 20,242</u>	<u>\$ 8,883</u>	<u>\$ -20,298</u>	<u>\$ 40,606</u>



Apple Tree Dental Board of Directors

Melissa Baer	<u>Attorney</u> Moss-Barnett Law Firm
Dan Callahan	<u>Public Relations Director</u> Dain Rauscher
Charles Cook	<u>General Manager</u> Adec, Inc
Marla Dennison	<u>Director of Finance</u> Pareo, Inc
Patricia Glasrud	<u>Assistant to the Dean</u> University of Minnesota School of Dentistry <u>Former Executive Director</u> Minnesota Board of Dentistry
Cathy L. Jacobson	<u>Partner</u> Cincinnatus, Inc <u>Assistant Professor</u> Hamline University
James Lanigan	<u>Certified Public Accountant</u> Lanigan & Kolb LLP CPA's
Kevin Lutterman	<u>Customer Services Consultant</u> Self Employed
Bill Milner, DDS	<u>Executive Director</u> Access Dental Care of North Carolina
Joseph Pederson	<u>Executive Director</u> Clay-Wilkin Opportunity Council <u>Mayor</u> City of Hawley
Rev. Walfred Rodman	<u>Clergyman</u> House of Praise
Barbara Smith, RDH, MPH	<u>Ph D Graduate Student in Epidemiology</u>



A P P L E T R E E D E N T A L B O A R D O F D I R E C T O R S
University of Michigan

79300 APPLE TREE DENTAL

36-3411437

FYE 12/31/2002

Federal Asset Report

Indirect Depreciation

Asset	Description	Date In Service	Cost	Bus %	Sec 179168(k)	Sec (k)	Basis for Depr	PerConv Meth	Prior	Current
Other Depreciation										
1	Metro Systems	10/29/93	11,445				11,445	10 MO S/L	9,346	1,144
2	Metro Systems	5/18/94	25,000				25,000	10 MO S/L	18,958	2,500
3	Metro Systems	10/31/94	28,092				28,092	10 MO S/L	20,133	2,809
4	Metro Systems	11/30/94	7,683				7,683	10 MO S/L	5,442	768
5	Modem	11/30/94	534				534	10 MO S/L	378	53
6	File Cabinet	3/15/95	446				446	10 MO S/L	305	45
7	Message Board	3/21/95	290				290	10 MO S/L	196	29
8	Fax Machine	1/30/96	63				63	5 MO S/L	63	0
9	Office Files	7/25/96	3,698				3,698	5 MO S/L	3,698	0
10	Printer	11/30/96	500				500	5 MO S/L	500	0
11	Tape Backup	12/10/96	1,699				1,699	5 MO S/L	1,699	0
12	Tape Duplicate	3/10/97	499				499	5 MO S/L	482	17
13	Xerox	8/11/97	2,321				2,321	5 MO S/L	2,050	271
14	Computers-Mac	8/15/97	3,595				3,595	3 MO S/L	3,595	0
15	Medifax	10/13/97	595				595	5 MO S/L	506	89
16	Computers-Mac	10/21/97	5,267				5,267	3 MO S/L	5,267	0
17	ESI Phone	2/23/98	411				411	5 MO S/L	315	82
18	Apple Modems	12/15/98	685				685	3 MO S/L	685	0
19	Computer Network	10/01/99	32,698				32,698	3 MO S/L	24,523	8,175
20	HP Office Jet	9/14/99	880				880	3 MO S/L	674	206
21	IBM PC/HP Printer	7/30/99	1,000				1,000	3 MO S/L	806	194
22	Lucent Phone System	12/17/99	10,989				10,989	5 MO S/L	4,484	2,198
23	Ricoh Copier	10/21/99	2,275				2,275	3 MO S/L	1,665	610
24	Sears Refrigerator	1/22/94	1,315				1,315	7 MO S/L	1,315	0
25	Equipment-Fundraiser	10/15/99	3,601				3,601	3 MO S/L	2,656	945
26	Digital Camera	6/21/00	852				852	3 MO S/L	568	284
27	OfficeJet Printer	6/17/00	852				852	3 MO S/L	426	284
28	Frontier Systems PC	6/13/00	2,655				2,655	3 MO S/L	1,770	885
29	Dental Equipment	3/31/86	14,542				14,542	10 MO S/L	14,542	0
30	Dental/Office	5/31/86	2,859				2,859	10 MO S/L	2,859	0
31	Phones	3/31/90	265				265	10 MO S/L	265	0
32	Dental Equipment	12/31/90	13,615				13,615	10 MO S/L	13,615	0
33	Donated equipment	12/31/90	2,479				2,479	10 MO S/L	2,479	0
34	Dayton's	1/07/91	249				249	10 MO S/L	249	0
35	I O S	1/07/91	1,041				1,041	10 MO S/L	1,041	0
36	Zahn	4/10/91	209				209	10 MO S/L	209	0
37	Used office option	4/23/91	210				210	10 MO S/L	210	0
38	Complete Mobility	6/24/91	1,823				1,823	10 MO S/L	1,823	0
39	Unidentified	12/31/92	1,032				1,032	10 MO S/L	929	103
40	Office options	1/05/93	522				522	10 MO S/L	470	52
41	Office options	1/14/93	56				56	10 MO S/L	50	6
42	Office Max	1/28/93	1,036				1,036	10 MO S/L	924	104
43	Dr Helgeson	5/27/93	712				712	10 MO S/L	611	71
44	Unidentified	6/30/93	957				957	10 MO S/L	813	96
45	Office Max	7/06/93	362				362	10 MO S/L	308	36
46	FM Dental	7/12/93	600				600	10 MO S/L	510	60
47	Sears	7/26/93	440				440	10 MO S/L	370	44
48	Zahn Dental	8/23/93	479				479	5 MO S/L	447	32
49	Digital Magic	9/22/93	1,620				1,620	10 MO S/L	1,337	162
50	Digital Magic	10/05/93	10,000				10,000	10 MO S/L	8,250	1,000
51	MBNA America	10/08/93	2,616				2,616	10 MO S/L	2,158	262
52	Digital Magic	10/14/93	6,376				6,376	10 MO S/L	5,261	638
53	Betty Kuhn	11/01/93	500				500	10 MO S/L	408	50
54	Spartan	11/01/93	17,229				17,229	10 MO S/L	14,070	1,723
55	FM Dental	12/13/93	3,406				3,406	10 MO S/L	2,753	341
56	Dr Johnson	12/20/93	313				313	10 MO S/L	250	31
57	T Casselman	12/20/93	698				698	10 MO S/L	558	70
58	Donated Equipment	12/31/93	15,750				15,750	10 MO S/L	12,600	1,575
59	Sam's Club	1/18/94	385				385	10 MO S/L	305	39
60	FM Dental	2/07/94	32,498				32,498	10 MO S/L	25,728	3,250
61	Metro Systems	2/07/94	1,848				1,848	10 MO S/L	1,463	185
62	Complete Mobility	2/24/94	1,300				1,300	10 MO S/L	1,018	130
63	FM Dental	3/07/94	2,561				2,561	10 MO S/L	2,006	256
64	Unidentified	6/30/94	6,344				6,344	10 MO S/L	4,758	634
65	Unidentified	7/31/94	5,828				5,828	10 MO S/L	4,323	583
66	Unidentified	9/30/94	5,834				5,834	10 MO S/L	4,229	583
67	Unidentified	11/30/94	3,755				3,755	10 MO S/L	2,660	375
68	Sears	1/13/95	1,860				1,860	10 MO S/L	1,302	186

Federal Asset Report Indirect Depreciation

Asset	Description	Date In Service	Cost	Bus %	Sec 179168(k)	Sec	Basis for Depr	PerConv Meth	Prior	Current
69	Prosthetic Kit	11/09/95	177				177	10 MO S/L	109	18
70	Unidentified	11/30/95	605				605	10 MO S/L	368	61
71	Implant Equipment	5/01/96	4,648				4,648	10 MO S/L	2,634	465
72	Portable Unit	11/30/96	3,500				3,500	10 MO S/L	1,429	350
73	Implant Equipment	4/01/97	971				971	10 MO S/L	461	97
74	X-Ray Machine	5/01/97	20,110				20,110	10 MO S/L	9,385	2,011
75	Dental Equipment	6/01/97	20,900				20,900	10 MO S/L	9,579	2,090
76	Dental Equipment	7/18/97	225				225	10 MO S/L	99	23
77	Dental Equipment	8/22/97	5,048				5,048	10 MO S/L	2,187	505
78	Upgrade Equipment	1/30/98	59				59	10 MO S/L	23	6
79	Adec Equipment	4/13/98	11,070				11,070	10 MO S/L	4,151	1,107
80	Adec Comp	7/14/98	544				544	10 MO S/L	190	54
81	Statim 2000	7/28/98	3,270				3,270	10 MO S/L	1,117	327
82	Motorized Cart	8/18/98	5,295				5,295	10 MO S/L	1,765	530
83	Kavo Tools	12/30/98	39				39	10 MO S/L	12	4
84	Sterilizers	12/31/98	1,000				1,000	5 MO S/L	600	200
85	Compressor	8/05/99	4,450				4,450	7 MO S/L	1,529	636
86	Evac Pump	11/12/99	2,060				2,060	7 MO S/L	629	294
87	Vitality Scanner	8/04/99	490				490	7 MO S/L	169	70
88	Tool Cabinet	10/20/99	1,784				1,784	7 MO S/L	560	255
89	Dental Cart	8/27/99	820				820	7 MO S/L	275	117
91	Wheelchair Recliner	2/01/00	3,250				3,250	7 MO S/L	890	464
92	2 Toolbox Carts	3/03/00	1,092				1,092	7 MO S/L	286	156
94	Nitrous Oxide Equipment	4/28/00	5,549				5,549	7 MO S/L	1,321	793
95	Cases for DMD Equipment	8/11/00	1,000				1,000	7 MO S/L	202	143
96	Ford Van	1/01/97	24,415				24,415	7 MO S/L	17,439	291
	Sold/Scrapped	1/30/02								
97	Add-ons	4/08/97	8,573				8,573	7 MO S/L	5,817	102
	Sold/Scrapped	1/30/02								
98	Painting	4/30/97	1,108				1,108	7 MO S/L	739	13
	Sold/Scrapped	1/30/02								
99	Office Max	9/01/97	699				699	5 MO S/L	606	93
100	Oreck Vacuum	9/26/97	479				479	5 MO S/L	407	72
101	Office Furniture	10/01/97	34,422				34,422	5 MO S/L	29,259	5,163
102	Computer	10/21/97	3,520				3,520	3 MO S/L	3,520	0
103	Computer Network	10/22/99	13,626				13,626	3 MO S/L	9,963	3,663
104	2 HP Laserjets	10/08/99	988				988	3 MO S/L	735	253
105	Personal Computer	2/28/99	3,542				3,542	3 MO S/L	3,345	197
106	Van Equipment	3/20/97	16,804				16,804	7 MO S/L	11,403	2,401
107	Chairs	4/15/97	3,000				3,000	5 MO S/L	2,850	150
108	HPC	6/10/97	1,689				1,689	7 MO S/L	1,106	241
109	X-ray	6/10/97	2,735				2,735	7 MO S/L	1,791	391
110	Equipment	9/05/97	674				674	7 MO S/L	417	96
111	Equipment	9/23/97	1,573				1,573	7 MO S/L	955	225
112	Equipment	11/01/97	6,850				6,850	7 MO S/L	4,077	979
113	Equipment	12/11/97	42,039				42,039	7 MO S/L	24,523	6,006
114	Adec Equipment	4/13/98	7,564				7,564	7 MO S/L	4,052	1,081
115	Wand Systems	11/01/99	995				995	7 MO S/L	308	142
116	Auto X-ray Developer	5/05/99	4,090				4,090	7 MO S/L	1,552	584
117	EMS Scaler	1/15/00	3,475				3,475	7 MO S/L	993	496
119	Building	5/01/97	25,220				25,220	10 MO S/L	12,469	2,522
120	Building Upgrade	6/26/97	31,560				31,560	10 MO S/L	14,202	3,156
121	Building Upgrade	8/10/97	78,074				78,074	10 MO S/L	34,483	7,807
122	Building Upgrade	9/02/97	48,932				48,932	10 MO S/L	21,204	4,893
123	Building Upgrade	10/07/97	68,630				68,630	10 MO S/L	29,168	6,863
124	Building Upgrade	11/06/97	42,619				42,619	10 MO S/L	17,758	4,262
125	Building Upgrade	12/05/97	17,118				17,118	10 MO S/L	6,990	1,712
126	Reception Room	1/15/98	2,507				2,507	10 MO S/L	1,003	251
127	Sign for Building	1/31/98	329				329	10 MO S/L	129	33
128	Lab Sink	3/04/98	412				412	10 MO S/L	158	41
129	Dayton's	1/16/91	160				160	10 MO S/L	160	0
130	Land	5/01/97	10,500				10,500	0 -- Land	0	0
131	Gaughan Companies	10/31/93	14,794				14,794	7 MO S/L	14,794	0
132	BJ & M Plumbing	1/10/94	4,513				4,513	7 MO S/L	4,513	0
133	Metro Systems	1/10/94	8,619				8,619	7 MO S/L	8,619	0
134	Gaughan Companies	1/19/94	14,794				14,794	7 MO S/L	14,794	0
135	BJ & M Plumbing	2/07/94	1,937				1,937	7 MO S/L	1,937	0
136	Industrial Door	2/07/94	300				300	7 MO S/L	300	0
137	Gaughan Companies	3/07/94	15,956				15,956	7 MO S/L	15,956	0
138	Gaughan Companies	4/04/94	5,000				5,000	7 MO S/L	5,000	0
139	Northridge	4/19/94	228				228	7 MO S/L	228	0

79300 APPLE TREE DENTAL
 36-3411437
 FYE 12/31/2002

Federal Asset Report Indirect Depreciation

Asset	Description	Date In Service	Cost	Bus %	Sec 179168(k)	Sec 179168(k)	Basis for Depr	PerConv Meth	Prior	Current
140	Gaughan Companies	5/02/94	5,000				5 000	7 MO S/L	5 000	0
141	BJ & M Plumbing	5/31/94	270				270	7 MO S/L	270	0
142	Gaughan Companies	5/31/94	5,000				5 000	7 MO S/L	5,000	0
143	??????	1/16/95	1,582				1,582	6 MO S/L	1,582	0
144	??????	10/31/95	2,543				2 543	5 MO S/L	2,543	0
145	Federal Electric	2/13/97	780				780	4 MO S/L	780	0
146	Federal Electric	10/27/97	1,059				1,059	4 MO S/L	1,059	0
147	Industrial Door	11/19/99	4,627				4,627	3 MO S/L	3,265	1,362
153	Van #4	7/24/97	40,508				40 508	7 MO S/L	25,123	5,787
154	Custom Mobile Equipment (DHS Grant, 20	10/01/00	14,400				14,400	5 MO S/L	3,600	2,880
155	Patient chairs (DHS Grant, 2000)	10/01/00	39,852				39 852	5 MO S/L	9,963	7,970
156	Delivery Systems (DHS Grant, 2000)	10/01/00	34,968				34,968	5 MO S/L	8,742	6,994
157	Stools (DHS Grant, 2000)	10/01/00	3 567				3,567	5 MO S/L	892	713
158	Cabinetry and Asst Cart (DHS Grant, 2000)	10/01/00	21,847				21,847	5 MO S/L	5,462	4,369
159	Patient Lights (DHS Grant, 2000)	10/01/00	9,324				9 324	5 MO S/L	2,331	1,865
160	X-Ray Units (DHS Grant, 2000)	10/01/00	32,173				32,173	5 MO S/L	8,043	6,435
161	Nitrous Oxide Accessories (DHS Grant, 20	10/01/00	10,646				10,646	5 MO S/L	2,662	2,129
162	Patient Chairs (DHS Grant, 2000)	10/01/00	38,700				38 700	5 MO S/L	9 675	7,740
163	Delivery Systems (DHS Grant, 2000)	10/01/00	38,825				38,825	5 MO S/L	9,706	7,765
164	Stools (DHS Grant, 2000)	10/01/00	13,079				13,079	5 MO S/L	3,270	2 616
165	Handpieces (DHS Grant, 2000)	10/01/00	84,772				84,772	5 MO S/L	21,193	16,954
166	Cabinetry (DHS Grant, 2000)	10/01/00	28,724				28,724	5 MO S/L	7,181	5,745
167	Patient Lights (DHS Grant, 2000)	10/01/00	7,905				7,905	5 MO S/L	1,976	1,581
168	X-Ray Units (DHS Grant, 2000)	10/01/00	54,118				54,118	5 MO S/L	13,530	10,824
169	Nitrous Oxide Equipment	10/01/00	19,561				19,561	5 MO S/L	4,890	3,912
170	Digital X-Ray Equipment (AmEx Grant. 2	10/01/00	33,500				33,500	5 MO S/L	8,375	6,700
171	Handpieces (DHS Grant, 2000)	10/01/00	27,396				27,396	5 MO S/L	6,849	5,479
172	Criticare monitor	12/29/00	3,904				3,904	5 MO S/L	781	781
174	SUBARU WAGON	9/01/99	30,549				30,549	3 MO S/L	14,769	2,279
		Sold/Scrapped 9/17/02								
175	COROLLA GREEN	9/30/99	15,784				15,784	4 MO S/L	5,137	2,071
176	COROLLA BEIGE	9/30/99	15,784				15,784	4 MO S/L	5,137	2,071
177	COROLLA WHITE	9/30/99	15,784				15,784	4 MO S/L	5,137	2,071
178	COROLLA SILVER	9/30/99	15,784				15,784	4 MO S/L	5,137	2,071
179	INTL VAN/TRUCK	9/30/99	65,011				65,011	5 MO S/L	24,362	10,542
180	DENTAL EQUIPMENT	9/11/00	499				499	5 MO S/L	133	100
181	AMEX EQUIPMENT LEASE	6/16/00	62,573				62,573	3 MO S/L	31,286	20,858
182	Power carts	4/17/01	83,895				83,895	5 MO S/L	11,186	16,779
183	Dental chair	4/17/01	54,740				54,740	5 MO S/L	7,299	10 948
184	X-ray cart	4/17/01	29,750				29,750	5 MO S/L	3,967	5,950
185	Dental Assistant cart	4/17/01	27,965				27 965	5 MO S/L	3,729	5,593
186	Statim 5000 sterilizer	1/01/01	3,712				3,712	5 MO S/L	742	742
191	Frontier 3000 Comp Workstation	5/03/01	899				899	7 MO S/L	86	128
192	Office 2000 Business Edition	5/03/01	209				209	3 MO S/L	46	70
193	Metro System metal cabinet	3/12/01	500				500	7 MO S/L	60	71
194	Sony camcorder & equipment	1/15/01	863				863	5 MO S/L	173	173
195	Addition of body to truck	5/08/01	5,555				5 555	7 MO S/L	529	794
196	Frontier 3000 computer workstation	5/03/01	899				899	7 MO S/L	86	128
197	ADI color monitor	5/03/01	223				223	5 MO S/L	30	45
198	Plain Paper Laser Printer	6/20/01	339				339	5 MO S/L	34	68
199	Upgrade Office 2000	6/27/01	460				460	3 MO S/L	77	153
200	Upgrade Office 2000	6/27/01	1,840				1,840	3 MO S/L	307	613
201	Fax Machine	6/21/01	300				300	7 MO S/L	21	43
202	Frontier Computer Workstation System	9/12/01	1,568				1,568	5 MO S/L	105	314
207	ADEC HPC Comp Synea Cntra	10/12/01	7,618				7 618	5 MO S/L	381	1,524
208	2001 Honda Accord	3/30/01	21,855				21,855	7 MO S/L	2,342	3,122
209	Curing Lights	6/04/02	4,695				4,695	5 MO S/L	0	548
210	Hand Pieces	4/30/02	2,650				2,650	5 MO S/L	0	353
211	Hand Pieces	4/30/02	1,786				1,786	5 MO S/L	0	238
212	Hand Pieces	5/23/02	1 053				1,053	5 MO S/L	0	123
213	Statim 2000 Sterilizer - 3 units	5/06/02	10,047				10,047	5 MO S/L	0	1,340
214	Statim Repair	5/20/02	686				686	5 MO S/L	0	80
215	Model Trimmer	5/15/02	874				874	5 MO S/L	0	116
216	Hand Pieces	7/12/02	1,720				1,720	5 MO S/L	0	172
217	Dental Equipment	7/23/02	27,160				27 160	5 MO S/L	0	2,263
218	Network Wiring - Suite 100	2/01/02	5,708				5,708	7 MO S/L	0	748
219	HP Laser Printer	4/20/02	2,136				2,136	5 MO S/L	0	285
220	Best Buy Computer	4/25/02	3,150				3,150	5 MO S/L	0	420
221	Techline Office Furniture	4/01/02	15 502				15,502	7 MO S/L	0	1,661
222	Light Guide	5/01/02	596				596	5 MO S/L	0	79
223	Hand Pieces	7/23/02	1,553				1,553	5 MO S/L	0	129

79300 APPLE TREE DENTAL
 36-3411437
 FYE 12/31/2002

**Federal Asset Report
 Indirect Depreciation**

Asset	Description	Date In Service	Cost	Bus %	Sec 179	Sec 168(k)	Basis for Depr	PerConv Meth	Prior	Current
224	Monitors (2)	7/14/02	1,000				1,000	7 MO S/L	0	71
225	Office Furniture	7/18/02	701				701	7 MO S/L	0	42
226	Computer	8/01/02	600				600	7 MO S/L	0	36
227	Computer Equipment	7/17/02	2,370				2,370	7 MO S/L	0	141
228	Digital X-Rays	8/01/02	1,400				1,400	5 MO S/L	0	117
229	Dental Stool	8/27/02	519				519	5 MO S/L	0	35
230	Subaru Legacy Outback	9/17/02	14,590				14,590	3 MO S/L	0	1,216
231	Subaru Legacy Outback	9/17/02	29,089				29,089	3 MO S/L	0	2,424
232	Dental Cabinets (2)	10/01/02	1,590				1,590	5 MO S/L	0	80
233	Network equipment	9/30/02	7,714				7,714	7 MO S/L	0	276
234	Network Equipment	9/30/02	4,932				4,932	7 MO S/L	0	176
235	Network Equipment	9/30/02	2,170				2,170	7 MO S/L	0	77
236	Network Equipment	9/30/02	3,329				3,329	7 MO S/L	0	119
238	Whisper Jet KCP 1000	12/02/02	16,395				16,395	7 MO S/L	0	195
239	Diagnodent Laser Caries Detect Aid	11/30/02	2,840				2,840	7 MO S/L	0	34
240	Printer Laserjet HP	11/06/02	700				700	5 MO S/L	0	23
243	HPCE Foot Control	10/31/02	1,256				1,256	7 MO S/L	0	30
244	Office Equip	10/03/02	700				700	10 MO S/L	0	18
245	Patterson Motorea	11/12/02	635				635	7 MO S/L	0	15
Total Other Depreciation			2,202,601				2,202,601		916,399	312,822
Total ACRS and Other Depreciation			2,202,601				2,202,601		916,399	312,822
Listed Property										
237	2003 Acura	12/12/02	42,949	A			42,949	4 MO S/L	0	895
			<u>42,949</u>				<u>42,949</u>		<u>0</u>	<u>895</u>
Amortization										
242	Copyright	10/01/02	2,529				2,529	15 MO Amort	0	42
			<u>2,529</u>				<u>2,529</u>		<u>0</u>	<u>42</u>
Grand Totals			2,248,079				2,248,079		916,399	313,759
Less Dispositions			64,645				64,645		38,764	2,685
Net Grand Totals			2,183,434				2,183,434		877,635	311,074

Application for Extension of Time To File an Exempt Organization Return

Form **8868**
(December 2000)
Department of the Treasury
Internal Revenue Service

▶ File a separate application for each return

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

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

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

Note Form 990-T corporations requesting an automatic 6-month extension-check this box and complete Part I only
All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041

Type or print File by the due date for filing your return See instructions	Name of Exempt Organization APPLE TREE DENTAL	Employer identification number 36-3411437
	Number, street, and room or suite no If a P O box, see instructions 8960 Springbrook Drive 150	
	City, town or post office, state and ZIP code For a foreign address, see instructions Minneapolis MN 55433	

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 8/15/03 to file the exempt organization return for the organization named above The extension is for the organization's return for calendar year 2002 or tax year beginning _____, and ending _____

- 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 ▶ Kerest Kalin Title ▶ C.P.A. Date ▶ 5-14-03

For Paperwork Reduction Act Notice, see Instruction