

HURRICANE ISABEL

Form **990**

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2002

Department of the Treasury
Internal Revenue Service

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

Open to Public Inspection

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

A For the 2002 calendar year, or tax year period beginning and ending

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return
 Amended return
 Application pending

C Name of organization: **WINDY HILL FOUNDATION, INC**
 Number and street (or P O box if mail is not delivered to street address): **P O BOX 1593**
 City or town, state or country, and ZIP + 4: **MIDDLEBURG, VA 20118-1593**

D Employer identification number: **54-1244012**

E Telephone number: **(540) 554-4810**

F Accounting method: Cash Accrual
 Other (specify) ▶

G Web site: **N/A**

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

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

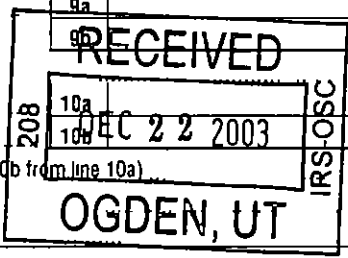
L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **598,988.**

H and I are not applicable to section 527 organizations
H(a) Is this a group return for affiliates? Yes No
H(b) If "Yes," enter number of affiliates ▶
H(c) Are all affiliates included? **N/A** Yes No (If "No," attach a list)
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No
I Enter 4-digit GEN ▶

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

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Revenue	1	Contributions gifts, grants, and similar amounts received			
	a	Direct public support	1a	372,810.	
	b	Indirect public support	1b		
	c	Government contributions (grants)	1c		
	d	Total (add lines 1a through 1c) (cash \$ 372,810. noncash \$)	1d	372,810.	
	2	Program service revenue including government fees and contracts (from Part VII line 93)	2	219,859.	
	3	Membership dues and assessments	3		
	4	Interest on savings and temporary cash investments	4	290.	
	5	Dividends and interest from securities	5		
	6a	Gross rents	6a		
	b	Less rental expenses	6b		
	c	Net rental income or (loss) (subtract line 6b from line 6a)	6c		
7	Other investment income (describe ▶)	7			
8a	Gross amount from sale of assets other than inventory	(A) Securities	8a		
		(B) Other	8b		
			8c		
			8d		
9	Special events and activities (attach schedule)				
a	Gross revenue (not including \$ of contributions reported on line 1a)	9a			
b	Less direct expenses other than fundraising expenses	9b			
c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c			
10a	Gross sales of inventory, less returns and allowances	10a			
		10b			
		10c			
11	Other revenue (from Part VII, line 103)	11	6,029.		
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	598,988.		
Expenses	13	Program services (from line 44, column (B))	13	245,980.	
	14	Management and general (from line 44, column (C))	14	23,584.	
	15	Fundraising (from line 44, column (D))	15		
	16	Payments to affiliates (attach schedule)	16		
	17	Total expenses (add lines 16 and 44, column (A))	17	269,564.	
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	329,424.	
	19	Net assets or fund balances at beginning of year (from line 73 column (A))	19	1,382,180.	
	20	Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 1	20	<111,422.>	
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	1,600,182.	



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Part II Statement of Functional Expenses All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others Page 2

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 \$ _____ noncash \$ _____	22			
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25 Compensation of officers directors, etc	25	0.	0.	0.
26 Other salaries and wages	26	37,868.	37,868.	
27 Pension plan contributions	27			
28 Other employee benefits	28	2,927.	2,927.	
29 Payroll taxes	29			
30 Professional fundraising fees	30			
31 Accounting fees	31	4,185.	628.	3,557.
32 Legal fees	32	1,198.	1,198.	
33 Supplies	33	2,190.	2,190.	
34 Telephone	34	4,446.	1,482.	2,964.
35 Postage and shipping	35	1,386.	924.	462.
36 Occupancy	36			
37 Equipment rental and maintenance	37			
38 Printing and publications	38	5,741.	3,827.	1,914.
39 Travel	39			
40 Conferences, conventions, and meetings	40			
41 Interest	41	43,976.	43,976.	
42 Depreciation, depletion etc (attach schedule)	42			
43 Other expenses not covered above (itemize)				
a _____	43a			
b _____	43b			
c _____	43c			
d _____	43d			
e SEE STATEMENT 2	43e	165,647.	150,960.	14,687.
44 Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D) carry these totals to lines 13-15	44	269,564.	245,980.	23,584.

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

What is the organization's primary exempt purpose? **SEE STATEMENT 3**

	Program Service Expenses (Required for 501(c)(3) and (4) orgs. and 4947(a)(1) trusts but optional for others)
a THE ORGANIZATION PROVIDED SUBSIDIZED HOUSING FOR 31 LOW INCOME FAMILIES. (Grants and allocations \$ _____)	245,980.
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)	245,980.

Part IV Balance Sheets

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		90,806.	45	365,068.	
	46	Savings and temporary cash investments			46		
	47 a	Accounts receivable	47a 11,182.				
	b	Less allowance for doubtful accounts	47b	6,652.	47c	11,182.	
	48 a	Pledges receivable	48a				
	b	Less allowance for doubtful accounts	48b		48c		
	49	Grants receivable			49		
	50	Receivables from officers, directors, trustees, and key employees			50		
	51 a	Other notes and loans receivable	51a				
	b	Less allowance for doubtful accounts	51b		51c		
	52	Inventories for sale or use			52		
	53	Prepaid expenses and deferred charges			53	190.	
	54	Investments - securities		<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54		
	55 a	Investments - land, buildings, and equipment basis	55a				
	b	Less accumulated depreciation	55b		55c		
56	Investments - other			56			
57 a	Land, buildings, and equipment basis	57a 2,960,828.					
b	Less accumulated depreciation	57b 208,237.		2,705,670.	57c	2,752,591.	
58	Other assets (describe)				58		
59	Total assets (add lines 45 through 58) (must equal line 74)			2,803,128.	59	3,129,031.	
Liabilities	60	Accounts payable and accrued expenses		10,041.	60	8,015.	
	61	Grants payable			61		
	62	Deferred revenue			62		
	63	Loans from officers, directors, trustees, and key employees			63		
	64 a	Tax-exempt bond liabilities			64a		
	b	Mortgages and other notes payable	STMT 4		1,410,907.	64b	1,512,644.
	65	Other liabilities (describe)	SEE STATEMENT 5			65	8,190.
66	Total liabilities (add lines 60 through 65)			1,420,948.	66	1,528,849.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74						
	67	Unrestricted			67		
	68	Temporarily restricted			68		
	69	Permanently restricted			69		
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 70 through 74						
	70	Capital stock trust principal, or current funds		0.	70	0.	
	71	Paid-in or capital surplus, or land, building, and equipment fund		0.	71	0.	
	72	Retained earnings, endowment, accumulated income, or other funds		1,382,180.	72	1,600,182.	
	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)		1,382,180.	73	1,600,182.	
	74	Total liabilities and net assets / fund balances (add lines 66 and 73)		2,803,128.	74	3,129,031.	

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

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
Note Enter gross amounts unless otherwise indicated					
93 Program service revenue					
a RENTAL INCOME					178,218.
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					41,641.
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	290.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a MISCELLANEOUS					4,331.
b RECOVERY OF BAD DEBTS					1,698.
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0.		290.	225,888.
105 Total (add line 104, columns (B), (D), and (E))					226,178.

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)
93A	REPRESENTS PORTION OF RENTS PAID BY THE TENANTS.
93G	REPRESENTS RENT SUBSIDIES RECEIVED FROM THE LOCAL GOVERNMENT HOUSING AUTHORITY.

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)

accompanying schedules and statements, and to the best of my knowledge and belief, it is true information of which preparer has any knowledge

Date 6/6 Type or print name and title _____

Check if self- Preparer's SSN or PTIN _____

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

OMB No 1545 0047

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

2002

Department of the Treasury
Internal Revenue Service

Supplementary Information--(See separate instructions.)
▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization **WINDY HILL FOUNDATION, INC** Employer identification number **54 1244012**

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
NONE				
Total number of other employees paid over \$50,000	0			

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

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services	0	

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

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line 1 of Part VI-B) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities		X
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions)		
a Sale, exchange, or leasing of property?		X
b Lending of money or other extension of credit?		X
c Furnishing of goods, services, or facilities?		X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		X
e Transfer of any part of its income or assets?		X
3 Does the organization make grants for scholarships, fellowships student loans, etc ? (See Note below)		X
4 Do you have a section 403(b) annuity plan for your employees?		X
Note Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments		

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

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

- 5 A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6 A school Section 170(b)(1)(A)(ii) (Also complete Part V)
- 7 A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8 A Federal state, or local government or governmental unit Section 170(b)(1)(A)(v)
- 9 A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state **▶ _____**
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 11b A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 12 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc , functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3))

Provide the following information about the supported organizations (See page 5 of the instructions)

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

- 14 An organization organized and operated to test for public safety Section 509(a)(4) (See page 5 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) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	111,084.	82,640.	97,320.	73,522.	364,566.
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	211,136.	207,917.	190,814.	192,893.	802,760.
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	211.	715.	264.	297.	1,487.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.	26,870.	1,088.	SEE STATEMENT 7 4,920.	6,259.	39,137.
23 Total of lines 15 through 22	349,301.	292,360.	293,318.	272,971.	1,207,950.
24 Line 23 minus line 17	138,165.	84,443.	102,504.	80,078.	405,190.
25 Enter 1% of line 23	3,493.	2,924.	2,933.	2,730.	

25 Organizations described on lines 10 or 11	a Enter 2% of amount in column (e) line 24	▶ 25a	8,104.
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 sum of all these excess amounts.		▶ 25b	148,349.
c Total support for section 509(a)(1) test. Enter line 24, column (e).		▶ 25c	405,190.
d Add: Amounts from column (e) for lines 18 <u>1,487.</u> 19 _____ 22 <u>39,137.</u> 26b <u>148,349.</u>		▶ 25d	188,973.
e Public support (line 26c minus line 26d total)		▶ 25e	216,217.
f Public support percentage (line 25e (numerator) divided by line 25c (denominator))		▶ 25f	53.3619%

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) N/A (2000) _____ (1999) _____ (1998) _____

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 _____ 20 _____ 21 _____

d Add: Line 27a total _____ and line 27b total _____

e Public support (line 27c total minus line 27d total)

f Total support for section 509(a)(2) test. Enter amount on line 23, column (e) ▶ **27f** N/A

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

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

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)

N/A

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

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

34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b please explain using an attached statement	34b	
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions)

N/A

(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
		N/A	
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 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	41	
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				N/A (e) Total
	(a) 2002	(b) 2001	(c) 2000	(d) 1999	
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 11 of the instructions)

N/A

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

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

Yes	No	Amount
		0.

If "Yes" to any of the above also attach a statement giving a detailed description of the lobbying activities

FORM 990	OTHER CHANGES IN NET ASSETS OR FUND BALANCES	STATEMENT	1
DESCRIPTION		AMOUNT	
PRIOR PERIOD ADJUSTMENT TO RECORD RECORD GOVERNMENT LOAN AMORTIZATION		<111,422.>	
TOTAL TO FORM 990, PART I, LINE 20		<111,422.>	

FORM 990	OTHER EXPENSES			STATEMENT	2
DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING	
ADVERTISING	878.	878.			
MANAGEMENT FEES	43,810.	35,597.	8,213.		
BANK CHARGES	86.		86.		
TRAINING	366.		366.		
UTILITIES	17,086.	17,086.			
EXTERMINATING	777.	777.			
TRASH REMOVAL	5,010.	5,010.			
OPERATING EXPENSES	9,096.	9,096.			
PROTECTION CONTRACT	1,682.	841.	841.		
REPAIRS & MAINTENANCE	22,971.	22,971.			
INSURANCE	11,810.	6,871.	4,939.		
MISCELLANEOUS	747.	697.	50.		
PROGRAMS	1,669.	1,669.			
COMPUTER SERVICE	384.	192.	192.		
OTHER TAXES AND INSURANCE	4,078.	4,078.			
SNOW REMOVAL	12,472.	12,472.			
PAINT/DECORATING	5,253.	5,253.			
REPLACEMENT RESERVE	27,472.	27,472.			
TOTAL TO FM 990, LN 43	165,647.	150,960.	14,687.		

FORM 990	STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE PART III	STATEMENT	3
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EXPLANATION

THE ORGANIZATION PROVIDES SUBSIDIZED HOUSING FOR LOW INCOME FAMILIES.

FORM 990	MORTGAGES PAYABLE	STATEMENT	4
DESCRIPTION		BALANCE DUE	
THE MIDDLEBURG BANK		218,814.	
RECD (US GOVT)		1,195,440.	
VIRGINIA WATER PROJECT		98,390.	
TOTAL INCLUDED ON FORM 990, PART IV, LINE 64B, COLUMN B		1,512,644.	

FORM 990	OTHER LIABILITIES	STATEMENT	5
DESCRIPTION		AMOUNT	
PREPAID RENTS		123.	
SECURITY DEPOSITS		8,067.	
TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B		8,190.	

FORM 990

PART V - LIST OF OFFICERS, DIRECTORS,
TRUSTEES AND KEY EMPLOYEES

STATEMENT 6

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
G. KIMBALL HART P.O. BOX 1258, MIDDLEBURG, VA	PRESIDENT 20	0.	0.	0.
THOMAS S. DODSON P.O. BOX 1124, MIDDLEBURG, VA	DIRECTOR 1	0.	0.	0.
ROBERT B. DALE, III P.O. BOX 467, MIDDLEBURG, VA	TREASURER 3	0.	0.	0.
JUDY WASHBURN P.O. BOX 27, MIDDLEBURG, VA	SECRETARY 3	0.	0.	0.
ALLIE LOVE MIDDLEBURG, VA	VICE PRESIDENT 5	0.	0.	0.
MARY JO JACKSON P.O. BOX 1060, MIDDLEBURG, VA	DIRECTOR 1	0.	0.	0.
EURA H. LEWIS P.O. BOX 473, MIDDLEBURG, VA	DIRECTOR 1	0.	0.	0.
JUDY CASEY MIDDLEBURG, VA	DIRECTOR 1	0.	0.	0.
REGGIE DAWSON MIDDLEBURG, VA	DIRECTOR 1	0.	0.	0.
SISTER CECILIA LIBERATORE 35321 NOTRE DAME LANE, MIDDLEBURG, VA	DIRECTOR 1	0.	0.	0.
TOTALS INCLUDED ON FORM 990, PART V		0.	0.	0.

SCHEDULE A	OTHER INCOME			STATEMENT	7
DESCRIPTION	2001 AMOUNT	2000 AMOUNT	1999 AMOUNT	1998 AMOUNT	
MISCELLANEOUS	26,870.	1,088.	4,920.	6,259.	
TOTAL TO SCHEDULE A, LINE 22	26,870.	1,088.	4,920.	6,259.	

Application for Extension of Time To File an Exempt Organization Return

▶ 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 WINDY HILL FOUNDATION, INC	Employer identification number 54-1244012
	Number street and room or suite no. If a P O box see instructions P O BOX 1593	
	City, town or post office, state, and ZIP code. For a foreign address see instructions MIDDLEBURG, VA 20118-1593	

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 **AUGUST 15, 2003** 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 \$ **N/A**

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 ▶ *[Signature]* Title ▶ **CPA** Date ▶ **5/15/03**

LHA For Paperwork Reduction Act Notice, see instruction

YOUNT, HYDE & BARBOUR, P C CPA 540-667 6381
 P O BOX 467 MIDDLEBURG VA 20118

Form 8868 (12-2000)

• If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only Part II and check this box

Note Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

• If you are filing for an **Automatic 3-Month Extension**, complete only Part I (on page 1)

Part II Additional (not automatic) 3-Month Extension of Time - Must file Original and One Copy.		
Type or print File by the extended due date for filing the return See instructions	Name of Exempt Organization WINDY HILL FOUNDATION, INC	Employer identification number 54-1244012
	Number, street, and room or suite no. If a P O box, see instructions P O BOX 1593	For IRS use only
	City, town or post office, state, and ZIP code For a foreign address, see instructions MIDDLEBURG, VA 20118-1593	

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

- Form 990 Form 990 EZ Form 990-T (sec 401(a) or 408(a) trust) Form 1041 A Form 5227 Form 8870
- Form 990 BL Form 990 PF Form 990 T (trust other than above) Form 4720 Form 6069

STOP Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868

- 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 is for

4 I request an additional 3-month extension of time until NOVEMBER 17, 2003

5 For calendar year 2002, or other tax year beginning _____ and ending _____

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

7 State in detail why you need the extension
SEE STATEMENT 6

8a 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, 990 T, 4720, or 6069, enter any refundable credits and estimated tax payments made include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 **\$ _____**

c **Balance Due** Subtract line 8b from line 8a 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 **\$ _____ N/A**

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 Jeffrey C. Steinhilber Title CPA - VA Date 8/14/03

Notice to Applicant - To Be Completed by the IRS

- We **have** approved this application Please attach this form to the organization's return
- We **have not** approved this application However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions) This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return Please attach this form to the organization's return
- We **have not** approved this application After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file We are not granting the 10-day grace period
- We **cannot consider** this application because it was filed after the due date of the return for which an extension was requested
- Other _____

Director _____ By _____ Date _____

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3 month extension returned to an address different than the one entered above

Type or print	Name YOUNT, HYDE & BARBOUR, P.C. CPA'S
	Number and street (include suite, room, or apt no.) Or a P O box number P.O. BOX 467
	City or town, province or state, and country (including postal or ZIP code) MIDDLEBURG, VA 20118

223832 05-22-02

Certified # 7002 2030 0006 3501 5501

YOUNT, HYDE & BARBOUR, P.C., CPA 540-887-8381
P O BOX 467, MIDDLEBURG, VA 20118

FORM 8688

EXPLANATION FOR EXTENSION

STATEMENT 6

EXPLANATION

ALL OF THE INFORMATION NECESSARY TO FILE AN ACCURATE TAX RETURN IS NOT AVAILABLE. AS SOON AS THIS INFORMATION IS AVAILABLE THE TAX RETURN WILL BE PROMPTLY FILED.