

Return of Organization Exempt From Income Tax

2002

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

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

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

B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending. C Name of organization: CHILDREN'S GOSPEL HOUR, INC. D Employer identification number: 62-6052010. E Telephone number. F Accounting method: Cash, Accrual, Other (specify).

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

H and I are not applicable to section 527 organizations. H(a) Is this a group return for affiliates? H(b) If "Yes," enter number of affiliates. H(c) Are all affiliates included? H(d) Is this a separate return filed by an organization covered by a group ruling? I Enter 4-digit GEN. M Check if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF).

G Web site. J Organization type (check only one): X 501(c)3. K Check here if the organization's gross receipts are normally not more than \$25,000. L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12: 402,323.00

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

Table with 12 columns: Line number, Description, Sub-column (a, b, c), and Total. Rows include: 1 Contributions, gifts, grants, and similar amounts received (Total: 312,359.00); 2 Program service revenue including government fees and contracts (Total: 75,472.00); 3 Membership dues and assessments; 4 Interest on savings and temporary cash investments (Total: 883.00); 5 Dividends and interest from securities (Total: 3,394.00); 6a Gross rents (Total: 300.00); 6b Less rental expenses; 6c Net rental income or (loss) (Total: 300.00); 7 Other investment income; 8a Gross amount from sales of assets other than inventory (Total: 6,300.00); 8b Less cost or other basis and sales expenses; 8c Gain or (loss) (Total: 6,300.00); 8d Net gain or (loss) (Total: 6,300.00); 9 Special events and activities (attach schedule); 9a Gross revenue (not including \$ of contributions reported on line 1a); 9b Less direct expenses other than fundraising expenses; 9c Net income or (loss) from special events (subtract line 9b from line 9a); 10a Gross sales of inventory, less returns and allowances; 10b Less cost of goods sold; 10c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a); 11 Other revenue (from Part VII, line 103) (Total: 3,615.00); 12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11) (Total: 402,323.00); 13 Program services (from line 44, column (B)); 14 Management and general (from line 44, column (C)) (Total: 83,111.00); 15 Fundraising (from line 44, column (D)); 16 Payments to affiliates (attach schedule); 17 Total expenses (add lines 16 and 44, column (A)) (Total: 118,632.00); 18 Excess or (deficit) for the year (subtract line 17 from line 12) (Total: 283,691.00); 19 Net assets or fund balances at beginning of year (from line 73, column (A)); 20 Other changes in net assets or fund balances (attach explanation); 21 Net assets or fund balances at end of year (combine lines 18, 19, and 20) (Total: 673,337.00).

RECEIVED DATE SEP 07 2005

SCANNED OCT 05 2005

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For Paperwork Reduction Act Notice, see the separate instructions.

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**Part II Statement of Functional Expenses**

All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others (See page 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 \$ _____ noncash \$ _____)				
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc.	12,172.00		12,172.00	
26	Other salaries and wages	8,879.00		8,879	
27	Pension plan contributions				
28	Other employee benefits				
29	Payroll taxes	803.00		803.00	
30	Professional fundraising fees				
31	Accounting fees	50.00		50.00	
32	Legal fees				
33	Supplies	17,567.00	17,567		
34	Telephone	1,178.00	1,178.00		
35	Postage and shipping	1,285.00		1,285.00	
36	Occupancy	15,271.00	15,271.00		
37	Equipment rental and maintenance	21,035.00	927.00	20,108	
38	Printing and publications	1,315.00	120.00	1,195.00	
39	Travel	458.00	458.00		
40	Conferences, conventions, and meetings	1,959.00		1,959.00	
41	Interest				
42	Depreciation, depletion, etc (attach schedule)	20,782.00		20,782.00	
43	Other expenses not covered above (itemize) a <b>AUTO</b>	3,500.00		3,500.00	
	b _____				
	c <b>INSURANCE</b>	10,535.00		10,535.00	
	d <b>GIFTS</b>	742.00		742.00	
	e <b>OFFICE</b>	1,101.00		1,101.00	
44	<b>Total functional expenses</b> (add lines 22 through 43) <i>Organizations completing columns (B)-(D), carry these totals to lines 13-15</i>	118,632.00	35,521.00	83,111.00	

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

	Program Service Expenses (Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts, but optional for others)
a <u>WE SERVE THE GENERAL PUBLIC THROUGH RELIGIOUS CHILDRENS SHOWS, WE PROVIDE A DAY CAMP THAT THE PUBLIC, FOR CHILDREN TO ATTEND AND PARTICIPATE IN RELIGIOUS ACTIVITIES WE TEACH CHILDREN MORAL VALUES AND ENCOURAGE THEM TO GROW SPIRITUALLY.</u> (Grants and allocations \$ _____)	93,920.00
b _____ (Grants and allocations \$ _____)	
c _____ (Grants and allocations \$ _____)	
d _____ (Grants and allocations \$ _____)	
e Other program services (attach schedule) (Grants and allocations \$ _____)	
f <b>Total of Program Service Expenses</b> (should equal line 44, column (B), Program services)	93,920.00

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

				(A)		(B)
				Beginning of year		End of year
<b>Note:</b> Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.						
Assets	45	Cash - non-interest-bearing . . . . .		18,306.00	45	18,480.00
	46	Savings and temporary cash investments . . . . .		832.00	46	252,125.00
	47a	Accounts receivable . . . . .	47a			
	b	Less: allowance for doubtful accounts . . . . .	47b		47c	
	48a	Pledges receivable . . . . .	48a			
	b	Less: allowance for doubtful accounts . . . . .	48b		48c	
	49	Grants receivable . . . . .			49	
	50	Receivables from officers, directors, trustees, and key employees (attach schedule) . . . . .			50	
	51a	Other notes and loans receivable (attach schedule) . . . . .	51a			
	b	Less: allowance for doubtful accounts . . . . .	51b		51c	
	52	Inventories for sale or use . . . . .			52	
	53	Prepaid expenses and deferred charges . . . . .			53	
	54	Investments - securities (attach schedule) . . . . . <input type="checkbox"/> Cost <input type="checkbox"/> FMV			54	
	55a	Investments - land, buildings, and equipment: basis . . . . .	55a			
	b	Less: accumulated depreciation (attach schedule) . . . . .	55b		55c	
56	Investments - other (attach schedule) . . . . .			56		
57a	Land, buildings, and equipment: basis . . . . .	57a	613,030.00			
b	Less: accumulated depreciation (attach schedule) . . . . .	57b	210,298.00	370,508.00	57c	402,732.00
58	Other assets (describe ► _____ )			58		
59	<b>Total assets</b> (add lines 45 through 58) (must equal line 74) . . . . .		389,646.00	59	673,337.00	
Liabilities	60	Accounts payable and accrued expenses . . . . .			60	
	61	Grants payable . . . . .			61	
	62	Deferred revenue . . . . .			62	
	63	Loans from officers, directors, trustees, and key employees (attach schedule) . . . . .			63	
	64a	Tax-exempt bond liabilities (attach schedule) . . . . .			64a	
	b	Mortgages and other notes payable (attach schedule) . . . . .			64b	
	65	Other liabilities (describe ► _____ )			65	
66	<b>Total liabilities</b> (add lines 60 through 65) . . . . .			66		
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.					
	67	Unrestricted . . . . .		389,646.00	67	673,337.00
	68	Temporarily restricted . . . . .			68	
	69	Permanently restricted . . . . .			69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74					
	70	Capital stock, trust principal, or current funds . . . . .			70	
	71	Paid-in or capital surplus, or land, building, and equipment fund . . . . .			71	
	72	Retained earnings, endowment, accumulated income, or other funds . . . . .			72	
73	<b>Total net assets or fund balances</b> (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19, column (B) must equal line 21) . . . . .		389,646.00	73	673,337.00	
74	<b>Total liabilities and net assets / fund balances</b> (add lines 66 and 73) . . . . .		389,646.00	74	673,337.00	

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.

<b>Part IV-A</b> Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See page 26 of the instructions.)	<b>Part IV-B</b> Reconciliation of Expenses per Audited Financial Statements with Expenses per Return
<p><b>a</b> Total revenue, gains, and other support per audited financial statements . . . ▶ <b>a</b></p> <p><b>b</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>_____ \$ _____</p> <p>Add amounts on lines (1) through (4) ▶ <b>b</b></p> <p><b>c</b> Line a minus line b . . . . . ▶ <b>c</b></p> <p><b>d</b> 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>_____ \$ _____</p> <p>Add amounts on lines (1) and (2) . . ▶ <b>d</b></p> <p><b>e</b> Total revenue per line 12, Form 990 (line c plus line d) . . . . . ▶ <b>e</b></p>	<p><b>a</b> Total expenses and losses per audited financial statements . . . . ▶ <b>a</b></p> <p><b>b</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>_____ \$ _____</p> <p>Add amounts on lines (1) through (4) . . ▶ <b>b</b></p> <p><b>c</b> Line a minus line b . . . . . ▶ <b>c</b></p> <p><b>d</b> 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>_____ \$ _____</p> <p>Add amounts on lines (1) and (2) . . ▶ <b>d</b></p> <p><b>e</b> Total expenses per line 17, Form 990 (line c plus line d) . . . . . ▶ <b>e</b></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) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
<b>DR. CRANSTON MOSES</b>	<b>AS NEEDED</b>			
<b>2062 PIGEON FORGE RD, CROSSVILLE, TN</b>	<b>SECRETARY</b>	0	0	0
<b>DR. DAN FESLER</b>	<b>AS NEEDED</b>			
<b>520 JULIA DR, COOKEVILLE, TN</b>	<b>TREASURER</b>	0	0	0
<b>ROBERT STEWART</b>	<b>AS NEEDED</b>			
<b>5880 PRESLEY LN ALGOOD, TN</b>	<b>MEMBER</b>	0	0	0
<b>JIM BOLLINGER</b>	<b>AS NEEDED</b>			
<b>1305 HEARRELL ST NEOSHO, MO</b>	<b>MEMBER</b>	0	0	0
<b>BILL WALLACE</b>	<b>AS NEEDED</b>			
<b>334 HERMITAGE AVE, COOKEVILLE, TN</b>	<b>MEMBER</b>	0	0	0
<b>REV TIM BURTON</b>	<b>AS NEEDED</b>			
<b>18106 HWY 26W LUCEDALE, MS</b>	<b>MEMBER</b>	0	0	0
<b>BOB BUFORD</b>	<b>AS NEEDED</b>			
<b>1360 JAMESTOWN HWY, LIVINGSTON, TN</b>	<b>MEMBER</b>	0	0	0
<b>REV ALLEN STEELE</b>	<b>40HRS</b>			
<b>229 CONATSER LN LIVINGSTON, TN</b>	<b>EXEC DIRECTOR</b>	12,172.00	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
77 Were any changes made in the organizing or governing documents but not reported to the IRS?
78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?
78b 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
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?
80b If "Yes," enter the name of the organization
81a Enter direct or indirect political expenditures. See line 81 instructions
81b Did the organization file Form 1120-POL for this year?
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?
82b 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?
83b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?
84a Did the organization solicit any contributions or gifts that were not tax deductible?
84b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?
85 501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?
85b Did the organization make only in-house lobbying expenditures of \$2,000 or less?
85c Dues, assessments, and similar amounts from members
85d Section 162(e) lobbying and political expenditures
85e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices
85f Taxable amount of lobbying and political expenditures (line 85d less 85e)
85g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?
85h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?
86 501(c)(7) orgs Enter. a Initiation fees and capital contributions included on line 12
86b Gross receipts, included on line 12, for public use of club facilities
87 501(c)(12) orgs Enter. a Gross income from members or shareholders
87b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)
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
89a 501(c)(3) organizations. Enter. Amount of tax imposed on the organization during the year under: section 4911, section 4912; section 4955
89b 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
89c Enter. Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958
89d Enter. Amount of tax on line 89c, above, reimbursed by the organization
90a List the states with which a copy of this return is filed
90b Number of employees employed in the pay period that includes March 12, 2002 (See instructions)
91 The books are in care of REV ALLEN STEELE Telephone no (931) 823-5655
Located at 229 CONATSER LN LIVINGSTON, TN ZIP + 4 38570-8738
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 92

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

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a <b>CAMP FEES</b>					42,845.00
b <b>RETREAT FEES</b>					32,627.00
c _____					
d _____					
e _____					
f Medicare/Medicaid payments . . . . .					
g Fees and contracts from government agencies . . . . .					
94 Membership dues and assessments . . . . .					
95 Interest on savings and temporary cash investments . . . . .					
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 <b>SNACK SHOP</b>					3,615
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E)) . . . . .					79,087.00
105 Total (add line 104, columns (B), (D), and (E)) . . . . .					79,087.00

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).
A	WE PROVIDED A CAMP IN WHICH CHILDREN CAN GROW SPIRITUALLY, AND LEARN CHRISTIAN VALUES IN A SAFE ENVIRONMENT.
B	WE PROVIDED THE CHILDREN A PLACE TO COME AND LEARN ABOUT CHRIST WITH THEIR PEERS, IN A FUN AND SAFE ENVIRONMENT.

**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
	%			
	%			
	%			
	%			

**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).

**Please Sign Here**

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.

Signature of officer: Rev. Allan Steele Date: July 18, 2005  
 Executive Director

Date: Assoc. 6/16/05 Check if self-employed  Preparer's SSN or PTIN (See Gen. Inst. W): 62-1805234

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

Department of the Treasury  
Internal Revenue Service

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

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

**Supplementary Information - (See separate instructions.)**

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

OMB No 1545-0047

**2002**

Name of the organization

**CHILDREN'S GOSPEL HOUR, INC.**

Employer identification number

**62-6052010**

**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
<b>NONE</b>				
Total number of other employees paid over \$50,000 . . . . . ▶				

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

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

<b>Part III</b> <b>Statements About Activities</b> (See page 2 of the instructions.)	Yes	No
<b>1</b> 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 I or 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.	1	<b>X</b>
<b>2</b> 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.)		
<b>a</b> Sale, exchange, or leasing of property? . . . . .	2a	<b>X</b>
<b>b</b> Lending of money or other extension of credit? . . . . .	2b	<b>X</b>
<b>c</b> Furnishing of goods, services, or facilities? . . . . .	2c	<b>X</b>
<b>d</b> Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? . . . . .	2d	<b>X</b>
<b>e</b> Transfer of any part of its income or assets? . . . . .	2e	<b>X</b>
<b>3</b> Does the organization make grants for scholarships, fellowships, student loans, etc.? (See Note below.) . . . . .	3	<b>X</b>
<b>4</b> Do you have a section 403(b) annuity plan for your employees? . . . . .	4	<b>X</b>
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
<b>15</b> Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.) . . . . .	21,852.00	123,633.00	31,159.00	47,186.00	223,830.00
<b>16</b> Membership fees received . . . . .					
<b>17</b> 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 . . . . .	56,249.00	94,980.00	100,171.00	99,029.00	350,429.00
<b>18</b> 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 . . . . .	347.00	296.00	386.00	351.00	1,380.00
<b>19</b> Net income from unrelated business activities not included in line 18 . . . . .					
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf . . . . .					
<b>21</b> 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 . . . . .					
<b>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
<b>23</b> Total of lines 15 through 22 . . . . .	78,448.00	218,909.00	131,716.00	146,566.00	575,639.00
<b>24</b> Line 23 minus line 17 . . . . .	22,199.00	123,929.00	31,545.00	47,537.00	225,210.00
<b>25</b> Enter 1% of line 23 . . . . .	784.48	2,189.09	1,317.16	1,465.66	
<b>26 Organizations described on lines 10 or 11:</b> a Enter 2% of amount in column (e), line 24 . . . . . ▶					26a 4,504.20
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 225,210.00
d Add: Amounts from column (e) for lines: 18 <u>1,380.00</u> 19 _____					▶ 26d 1,380.00
22 _____ 26b _____					
e Public support (line 26c minus line 26d total) . . . . . ▶					26e 223,830.00
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) . . . . . ▶					26f 99.3872 %
<b>27 Organizations described on line 12:</b> 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) _____ (2000) <u>77,818.00</u> (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) <u>17,000.00</u> (1999) _____ (1998) _____					
c Add: Amounts from column (e) for lines: 15 <u>223,830.00</u> 16 _____					▶ 27c 574,259.00
17 <u>350,429.00</u> 20 _____ 21 _____					
d Add: Line 27a total <u>77,818.00</u> and line 27b total <u>17,000.00</u> . . . . . ▶					27d 94,818.00
e Public support (line 27c total minus line 27d total) . . . . . ▶					27e 479,441.00
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) . . . . . ▶					27f 575,639.00
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) . . . . . ▶					27g 83.2885 %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) . . . . . ▶					27h 0.2397 %
<b>28 Unusual Grants:</b> 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)

		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)

- 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
<b>36</b> Total lobbying expenditures to influence public opinion (grassroots lobbying) . . .	<b>36</b>	
<b>37</b> Total lobbying expenditures to influence a legislative body (direct lobbying) . . .	<b>37</b>	
<b>38</b> Total lobbying expenditures (add lines 36 and 37) . . . . .	<b>38</b>	
<b>39</b> Other exempt purpose expenditures . . . . .	<b>39</b>	
<b>40</b> Total exempt purpose expenditures (add lines 38 and 39) . . . . .	<b>40</b>	
<b>41</b> 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 . . . . .	<b>41</b>	
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		
<b>42</b> Grassroots nontaxable amount (enter 25% of line 41) . . . . .	<b>42</b>	
<b>43</b> Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 . . . . .	<b>43</b>	
<b>44</b> Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 . . . . .	<b>44</b>	

**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
<b>45</b> Lobbying nontaxable amount . . . . .					
<b>46</b> Lobbying ceiling amount (150% of line 45(e)) . . . . .					
<b>47</b> Total lobbying expenditures					
Grassroots nontaxable					
<b>48</b> amount . . . . .					
Grassroots ceiling amount					
<b>49</b> (150% of line 48(e)) . . . . .					
<b>50</b> 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 instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
<b>a</b> Volunteers . . . . .		<b>X</b>	
<b>b</b> Paid staff or management (Include compensation in expenses reported on lines c through h.) . . . . .		<b>X</b>	
<b>c</b> Media advertisements . . . . .		<b>X</b>	
<b>d</b> Mailings to members, legislators, or the public . . . . .		<b>X</b>	
<b>e</b> Publications, or published or broadcast statements . . . . .		<b>X</b>	
<b>f</b> Grants to other organizations for lobbying purposes . . . . .		<b>X</b>	
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body . . . . .		<b>X</b>	
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means . . . . .		<b>X</b>	
<b>i</b> Total lobbying expenditures (Add lines c through h.) . . . . .			

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



CHILDREN'S GOSPEL HOUR, INC.

62-6052010

ATTACHMENT TO FORM 990 12-31-2002

REASON FOR LATE FILING

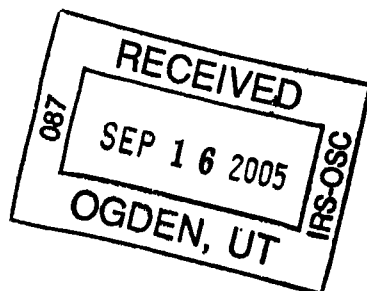
Attached is the Return of Organization Exempt from Income Tax for The Children's Gospel Hour, Inc., for the year ended December 31, 2002. The organization has had extenuating circumstances that have resulted in the late filing of the return, as outlined below.

The returns in prior years were being prepared by a CPA and he had prepared them for several years. But, he was forced to resign from the engagement, as the distance between the organization and the CPA was too much to adequately serve the client.

Along with this, the organization lost its bookkeeper and was unable to find a suitable replacement, which added even more duties to the Director, Reverend Allen Steele. So, not only was Reverend Steele keeping up the recordkeeping, he also prepared the Form 990 for the organization for the year ended December 31, 2001.

Realizing he needed to get a professional to help him in the preparation of the returns, as they were becoming more and more complicated, he tried for a long time to hire a CPA. Reverend Steele was not able to find a CPA who would accept the engagement, citing numerous reasons, such as no time, unfamiliar with this type of return, etc. Eventually, Reverend Steele was able to find a CPA firm who would agree to prepare the return. The CPA firm was not able to start on the work immediately, but completed the returns as soon as possible.

Please accept the attached return and all apologies are offered for any inconvenience.



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