

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

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

B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending. C Name of organization: The Shepherd's Way, Inc. D Employer ID number: 65-0670031 E Telephone number: 954-566-2311 F Accounting method: Accrual

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 no. 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) 501(c)(3) 4947(a)(1) or 527

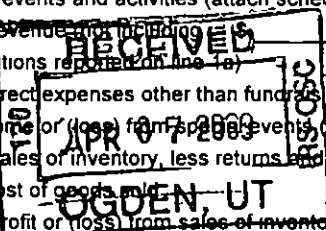
K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return

L Gross receipts Add lines 6b, 8b, 9b and 10b to line 12 660,086

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

Table with 21 rows and 4 columns: Description, Sub-column (a-c), Total, and Final Total. Includes sections for Revenue (lines 1-12), Expenses (lines 13-17), and Net Assets (lines 18-21). Total revenue is 657,134 and total expenses are 811,599.

SCANNED APR 1 2003



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	14,000	14,000		
26	Other salaries and wages	26	232,713	188,512	44,201	
27	Pension plan contributions	27				
28	Other employee benefits	28	15,657	11,966	3,691	
29	Payroll taxes	29	18,689	14,280	4,409	
30	Professional fundraising fees	30				
31	Accounting fees	31	8,373		8,373	
32	Legal fees	32				
33	Supplies	33				
34	Telephone	34	25,372	22,766	2,606	
35	Postage and shipping	35				
36	Occupancy	36	64,325	58,268	6,057	
37	Equipment rental and maintenance	37				
38	Printing and publications	38				
39	Travel	39				
40	Conferences conventions and meetings	40				
41	Interest	41	86,329	86,329		
42	Depreciation, depletion etc (attach schedule)	42	54,885	54,885		
43	Other expenses not covered above (itemize) a	43a				
	b See Statement 4	43b	291,256	265,196	26,060	
	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	811,599	702,202	109,397	0

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?	Program Service Expenses (Required for 501(c)(3) & (4) orgs & 4947(a)(1) trusts but optional for others)
▶ Assist to eliminate homelessness. All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	
a See Statement 5 (Grants and allocations \$ _____)	524,292
b Thrift Store- Operation of thrift store to raise funds and merchandise for the needs of the homeless- 500 people benefited. (Grants and allocations \$ _____)	177,910
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)	702,202

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

Note	Where required attached schedules and amounts within the description column should be for end-of-year amounts only	(A) Beginning of year		(B) End of year
45	Cash - non-interest-bearing	19,878	45	23,286
46	Savings and temporary cash investments	5,650	46	4,796
47a	Accounts receivable			
b	Less allowance for doubtful accounts		47c	
48a	Pledges receivable	15,299		
b	Less allowance for doubtful accounts		48c	15,299
49	Grants receivable	35,067	49	27,945
50	Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
51a	Other notes and loans receivable (attach schedule)			
b	Less allowance for doubtful accounts		51c	
52	Inventories for sale or use	36,924	52	18,589
53	Prepaid expenses and deferred charges	10,435	53	
54	Investments-securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54	
55a	Investments-land, buildings and equipment basis			
b	Less accumulated depreciation (attach schedule)		55c	
56	Investments-other (attach schedule)		56	
57a	Land, buildings, and equipment basis	2,093,931		
b	Less accumulated depreciation (attach schedule)		57c	1,926,927
58	Other assets (describe <input type="checkbox"/> See Stmt 6)	35,136	58	5,958
59	Total assets (add lines 45 through 58) (must equal line 74)	2,101,260	59	2,022,800
60	Accounts payable and accrued expenses	109,643	60	246,739
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) See Worksheet	1,653,430	64b	1,620,464
65	Other liabilities (describe <input type="checkbox"/>)		65	
66	Total liabilities (add lines 60 through 65)	1,763,073	66	1,867,203
Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74				
67	Unrestricted	336,453	67	140,298
68	Temporarily restricted	1,734	68	15,299
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)	338,187	73	155,597
74	Total liabilities and net assets / fund balances (add lines 66 and 73)	2,101,260	74	2,022,800

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

a	Total revenue, gains, & other support per audited financial statements ▶	a	959,943
b	Amounts included on line a but not on line 12 Form 990		
(1)	Net unrealized gains on investments \$		
(2)	Donated services and use of facilities \$ 302,809		
(3)	Recoveries of prior year grants \$		
(4)	Other (specify)		
	\$		
	Add amounts on lines (1) through (4) ▶	b	302,809
c	Line a minus line b ▶	c	657,134
d	Amounts included on line 12, Form 990 but not on line a		
(1)	Investment expenses not included on line 6b Form 990 \$		
(2)	Other (specify)		
	\$		
	Add amounts on lines (1) and (2) ▶	d	
e	Total revenue per line 12, Form 990 (line c plus line d) ▶	e	657,134

a	Total expenses and losses per audited financial statements ▶	a	1,114,408
b	Amounts included on line a but not on line 17, Form 990		
(1)	Donated services and use of facilities \$ 302,809		
(2)	Prior year adjustments reported on line 20, Form 990 \$		
(3)	Losses reported on line 20, Form 990 \$		
(4)	Other (specify)		
	\$		
	Add amounts on lines (1) through (4) ▶	b	302,809
c	Line a minus line b ▶	c	811,599
d	Amounts included on line 17, Form 990 but not on line a		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify)		
	\$		
	Add amounts on lines (1) and (2) ▶	d	
e	Total expenses per line 17, Form 990 (line c plus line d) ▶	e	811,599

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
See Statement 7				

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?		X
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?		N/A
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)		302,809
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?	X	
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		X
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 <input type="checkbox"/> 0, section 4912 <input type="checkbox"/> 0, section 4955 <input type="checkbox"/> 0		
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		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 <input type="checkbox"/> FL		
b	Number of employees employed in the pay period that includes March 12, 2002 (See instructions)		90b 13
91	The books are in care of <input type="checkbox"/> Cathie Sullivan Located at <input type="checkbox"/> Fort Lauderdale, FL		Telephone no <input type="checkbox"/> 954-566-2311 ZIP + 4 <input type="checkbox"/> 33305
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		<input type="checkbox"/> 92

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>Residence Fees</u>					12,345
b <u>Rental Income</u>					64,649
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					-452
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					150,429
103 Other revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D) and (E))		0		0	226,971
105 Total (add line 104, columns (B), (D), and (E))					226,971

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	Provides low cost of temporary living accomodations for the homeless.
93b	Provides low cost of temporary living accomodations for the homeless.

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)

Please 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

Date 4-2-2003

THE DIRECTOR

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

The Shepherd's Way, Inc.

Employer identification number

65-0670031

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
None				
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 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)

	Yes	No
1		X
2a		X
2b		X
2c		X
2d	X	
2e		X
3		X
4		X

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 amount on line 38, Part VI-A, or line I of Part VI-B)

Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A Other organizations checking "Yes " must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities

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?

b Lending of money or other extension of credit?

c Furnishing of goods services or facilities?

d Payment of compensation (or payment or reimbursement of exp if more than \$1 000)?

See Stmt 8

e Transfer of any part of its income or assets?

3 Does the organization make grants for scholarships fellowships, student loans etc ? (See Note below)

4 Do you have a section 403(b) annuity plan for your employees?

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)	290,308	203,026	135,396	209,025	837,755
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	143,280	240,396	179,139	145,795	708,610
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	1,718	197	137	151	2,203
19 Net income from unrelated business activities not included in line 18					
20 Tax revn levied for the organization's ben & 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					
23 Total of lines 15 through 22	435,306	443,619	314,672	354,971	1,548,568
24 Line 23 minus line 17	292,026	203,223	135,533	209,176	839,958
25 Enter 1% of line 23	4,353	4,436	3,147	3,550	

26 Organizations described on lines 10 or 11	a Enter 2% of amount in column (e), line 24	▶ 26a	16,799
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	11,302
c Total support for section 509(a)(1) test Enter line 24, column (e)		▶ 26c	839,958
d Add Amounts from column (e) for lines	18 <u>2,203</u> 19 _____	▶ 26d	13,505
	22 _____ 26b <u>11,302</u>	▶ 26e	826,453
e Public support (line 26c minus line 26d total)		▶ 26f	98.3922%
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))			

27 Organizations described on line 12 a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person" Do not file this list with your return Enter the sum of such amounts for each year N/A

	(2001)	(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 N/A					
c Add Amounts from column (e) for lines	15 _____ 16 _____	▶ 27c			
	17 _____ 20 _____ 21 _____	▶ 27d			
d Add Line 27a total _____ and line 27b total _____		▶ 27e			
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			
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))		▶ 27g		%	
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))		▶ 27h		%	

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?	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		
34a 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)
 (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	} 41
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	
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)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in) ▶	(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
	X	
	X	
	X	
	X	
	X	
	X	
	X	
	X	
	X	

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

Name: The Shepherd's Way, Inc. | Employer Identification Number: 65-0670031

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

Name of lender	Relationship to disqualified person
(1) <u>Foundation</u>	<u>None</u>
(2) <u>Bank</u>	<u>None</u>
(3) <u>Individual</u>	<u>None</u>
(4) <u>Bank</u>	<u>None</u>
(5) <u>Bank</u>	<u>None</u>
(6) <u>Individual</u>	<u>None</u>
(7) <u>Corporation</u>	<u>None</u>
(8) <u>Bank</u>	<u>None</u>
(9)	
(10)	

Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1)		<u>4/01/03</u>		<u>5.000</u>
(2)		<u>5/01/06</u>		
(3)		<u>4/01/02</u>		<u>8.000</u>
(4)		<u>8/01/04</u>		<u>5.810</u>
(5)		<u>7/01/03</u>		<u>9.000</u>
(6)				
(7)				
(8)		<u>9/01/07</u>		<u>7.500</u>
(9)				
(10)				

Security provided by borrower	Purpose of loan
(1) <u>Residential Property</u>	
(2) <u>Residential Property</u>	
(3) <u>Residential Property</u>	
(4) <u>Certificate of Deposit</u>	
(5) <u>Vehicle</u>	
(6)	
(7)	
(8) <u>Vehicle</u>	
(9)	
(10)	

Consideration furnished by lender	Balance due at beginning of year	Balance due at end of year
(1) <u>None</u>	<u>1,500,000</u>	<u>1,500,000</u>
(2) <u>None</u>	<u>77,539</u>	<u>61,719</u>
(3) <u>None</u>	<u>56,245</u>	
(4) <u>None</u>	<u>13,641</u>	
(5) <u>None</u>	<u>6,005</u>	
(6) <u>None</u>		<u>10,000</u>
(7) <u>None</u>		<u>20,000</u>
(8) <u>None</u>		<u>28,745</u>
(9)		
(10)		
Totals	1,653,430	1,620,464

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
Thrift Store Truck	Purchase		1/01/99	8/14/02	\$ 2,500	\$ 10,419	\$ 7,467	\$ -452
Total					\$ 2,500	\$ 10,419	\$ 7,467	\$ -452

Statement 2 - Form 990, Line 10c - Sales of Inventory

<u>Description</u>	<u>Gross Sales</u>	<u>COGS</u>	<u>Gross Profit</u>
Thrift Store Sales	\$ 150,429	\$	\$ 150,429
Total	<u>\$ 150,429</u>	<u>\$ 0</u>	<u>\$ 150,429</u>

Statement 3 - Form 990, Line 20 - Other Changes in Net Assets or Fund Balances

<u>Description</u>	<u>Amount</u>
Prior Period Adjustment-Accrued Interest	\$ -28,125
Total	<u>\$ -28,125</u>

Federal Statements

Statement 4 - Form 990, Part II, Line 43 - Other Functional Expenses

Description	Total Expenses	Program Service	Mgt & General	Fund- Raising
	\$	\$	\$	\$
Expenses				
Utilities	78,882	73,952	4,930	
Utilities	19,721	19,721		
Insurance	43,579	39,016	4,563	
Insurance	17,075	17,075		
Repairs & Maintenance	9,709	9,709		
Repairs & Maintenance	1,713	1,713		
Transportation	1,400	1,400		
Property Taxes	44,542	44,542		
Child Care	8,390	8,390		
Amortization	14,533	14,533		
Miscellaneous	8,013	5,614	2,399	
Miscellaneous	2,315	2,315		
Food	1,488	1,488		
Office	12,704	7,663	5,041	
Office	1,219	1,219		
Auto	1,889	1,889		
Auto	7,555	7,555		
Licenses & Permits	5,473	473	5,000	
Licenses & Permits	472	472		
Legal Services	4,127		4,127	
Client Assistance	6,457	6,457		
Total	<u>\$ 291,256</u>	<u>\$ 265,196</u>	<u>\$ 26,060</u>	<u>\$ 0</u>

Statement 5 - Form 990, Part III, Line a - Statement of Program Service Accomplishments

Provided Christian guidance, counseling, transitional housing, food, clothing, assistance for employment and any other services required to nurture homeless individuals & families to independence- 283 benefited.

Statement 6 - Form 990, Part IV, Line 58 - Other Assets

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
Deposits	\$ 1,970	\$ 2,325
Deferred Loan Costs	18,166	3,633
Investment- Certificate of Deposit	15,000	
Total	<u>\$ 35,136</u>	<u>\$ 5,958</u>

Statement 7 Part V – List of Officers, Directors, Trustees and Key Employees

a Name and address	b Title and Average hours per week devoted to position	c Compensation (if not paid, enter -0-)	d Contribution to employee benefit plans and deferred compensation	e Expense Acc other allowances
Arthur Jackson 1232 N E 26 th Street Fort Lauderdale, FL 33305	Exec Director 40	0	0	0
Perry Canan 4233 N W 61 st Ct Coconut Creek, FL 33073	Chairperson 5	0	0	0
Cal Rains 3401 Robbins Rd Pompano Bch , FL 33062	President 5	0	0	0
Bill Ricker 1611 N E 60 th Street Fort Lauderdale, FL 33334	Secretary 5	0	0	0
Tom Meena 713 Vista Meadows Drive Weston, FL 33327	Treasurer 5	0	0	0
Karla Sanchez 2769 S Oakland Forrest Dr , #103 Fort Lauderdale, FL 33309	Care & Prog 5	0	0	0
Fred Scarbrough 4761 N E 29 th Avenue Fort Lauderdale, FL 33334	Lay Pastor 5	0	0	0
Paul Freels 752 N W 42 Place Pompano Bch , FL 33064	Exec Director 5	0	0	0
Dick Wills 4845 N E 25 th Avenue Fort Lauderdale, FL 33308	Pastor 5	0	0	0
Debbie McLeod 4845 N E 25 th Avenue Fort Lauderdale, FL 33308	Pastor 5	0	0	0
Ann Davis 1520 N W 5 th Street Fort Lauderdale, FL 33311	Pastor 5	0	0	0
Eddie Murphy 2351 N W 26 th Street Fort Lauderdale, FL 33311	Pastor 5	0	0	0
John Myers 101 S E 3 rd Avenue Fort Lauderdale, FL 33301	Pastor 5	0	0	0

Statement 7 Part V – List of Officers, Directors, Trustees and Key Employees

<u>a</u> Name and address	<u>b</u> Title and Average hours per week devoted to position	<u>c</u> Compensation (if not paid, enter -0-)	<u>d</u> Contribution to employee benefit plans and deferred compensation	<u>e</u> Expense Acc other allowances
Matt Gulley 2832 N E 38 th Street Fort Lauderdale, FL 33308	Director 5	0	0	0
Joe Slama 638 Middle River Fort Lauderdale, FL 33306	Director 5	0	0	0
Dee O'Hara 5821 N E 17 th Avenue Fort Lauderdale, FL 33334	Director 5	0	0	0
Adele Rynkiewicz 4221 N E 26 th Avenue Fort Lauderdale, FL 33308	Director 5	0	0	0
Sean Stepelton 5100 Dupont Blvd , Ste 11B Fort Lauderdale, FL 33308	Director 5	0	0	0

Statement 8 - Schedule A, Part III, Line 2d - Payment of Compensation / Reimbursement of Exp

See Part V Form 990