Form **990** — Department of the Treasury, Internal Revenue Service

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)

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

OMB No 1545-0047 — **2002** — Open to Public Inspection

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

Please use IRS label or print or type. See Specific Instructions.

C Name of organization: HOPE COTTAGE INC

Number and street (or P O box if mail is not delivered to street address): 4209 MCKINNEY AVENUE — Room/suite

City or town, state or country, and ZIP + 4: DALLAS, TX 75205

D Employer identification number: 75-0800652

E Telephone number: 214 526-8721

F Accounting method: Cash [ ] Accrual [X] 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? Yes [ ] No [X]

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 [X]

G Web site ▶N/A

I Enter 4-digit GEN ▶

J Organization type (check only one) ▶ [X] 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

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

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 1,905,347.

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	204,867.	
	b	Indirect public support	1b	600,232.	
	c	Government contributions (grants)	1c		
	d	Total (add lines 1a through 1c) (cash $ 745,259. noncash $ 59,840.)		1d	805,099.
	2	Program service revenue including government fees and contracts (from Part VII, line 93)		2	461,181.
	3	Membership dues and assessments		3	
	4	Interest on savings and temporary cash investments		4	
	5	Dividends and interest from securities		5	333,217.
	6 a	Gross rents SEE STATEMENT 1	6a	101,525.	
	b	Less rental expenses SEE STATEMENT 2	6b	96,796.	
	c	Net rental income or (loss) (subtract line 6b from line 6a)		6c	4,729.
	7	Other investment income (describe ▶ MINERAL INCOME, NET)		7	64,266.
	8 a	Gross amount from sale of assets other than inventory — (A) Securities / (B) Other	8a		
	b	Less cost or other basis and sales expenses	8b		
	c	Gain or (loss) (attach schedule)	8c		
	d	Net gain or (loss) (combine line 8c, columns (A) and (B))		8d	
	9	Special events and activities (attach schedule)			
	a	Gross revenue (not including $ 0. of contributions reported on line 1a)	9a	65,284.	
	b	Less direct expenses other than fundraising expenses	9b	18,663.	
	c	Net income or (loss) from special events (subtract line 9b from line 9a) SEE STATEMENT 3		9c	46,621.
	10 a	Gross sales of inventory, less returns and allowances	10a	74,767.	
	b	Less cost of goods sold	10b	61,002.	
	c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a) STMT 4		10c	13,765.
	11	Other revenue (from Part VII, line 103)		11	8.
	12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)		12	1,728,886.
Expenses	13	Program services (from line 44 column (B))		13	1,124,888.
	14	Management and general (from line 44, column (C))		14	250,026.
	15	Fundraising (from line 44, column (D))		15	122,670.
	16	Payments to affiliates (attach schedule)		16	
	17	Total expenses (add lines 16 and 44, column (A))		17	1,497,584.
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)		18	231,302.
	19	Net assets or fund balances at beginning of year (from line 73, column (A))		19	2,667,754.
	20	Other changes in net assets or fund balances (attach explanation)		20	0.
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)		21	2,899,056.

ENVELOPE POSTMARK DATE OCT 16 2003

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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

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	154,122.	154,122.	STATEMENT 11	
24 Benefits paid to or for members (attach schedule)	24				
25 Compensation of officers, directors, etc	25	146,087.	67,206.	70,109.	8,772.
26 Other salaries and wages	26	692,610.	554,057.	76,527.	62,026.
27 Pension plan contributions	27	29,151.	20,102.	6,616.	2,433.
28 Other employee benefits	28	75,197.	51,854.	17,066.	6,277.
29 Payroll taxes	29	65,425.	45,115.	14,848.	5,462.
30 Professional fundraising fees	30				
31 Accounting fees	31	6,000.		6,000.	
32 Legal fees	32				
33 Supplies	33				
34 Telephone	34	17,628.	11,706.	3,719.	2,203.
35 Postage and shipping	35	9,102.	5,437.	1,356.	2,309.
36 Occupancy	36	86,028.	66,059.	13,107.	6,862.
37 Equipment rental and maintenance	37				
38 Printing and publications	38	11,158.	3,322.	553.	7,283.
39 Travel	39	8,175.	6,079.	1,414.	682.
40 Conferences, conventions, and meetings	40	5,056.	4,665.	365.	26.
41 Interest	41	24,653.	19,133.	3,680.	1,840.
42 Depreciation, depletion, etc (attach schedule)	42	76,380.	58,924.	11,659.	5,797.
43 Other expenses not covered above (itemize)					
a	43a				
b	43b				
c	43c				
d	43d				
e SEE STATEMENT 5	43e	90,812.	57,107.	23,007.	10,698.
44 Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D) carry these totals to lines 13-15	44	1,497,584.	1,124,888.	250,026.	122,670.

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 6

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 SEE STATEMENT 7 (Grants and allocations $)	372,382.
b SEE STATEMENT 8 (Grants and allocations $)	181,560.
c SEE STATEMENT 9 (Grants and allocations $)	193,850.
d SEE STATEMENT 10 (Grants and allocations $)	127,330.
e Other program services (attach schedule) STATEMENT 12 (Grants and allocations $)	249,766.
f **Total of Program Service Expenses** (should equal line 44, column (B), Program services) ▶	1,124,888.

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		24,802.	45	8,294.
46	Savings and temporary cash investments		156,857.	46	82,323.
47 a	Accounts receivable	47a 57,377.			
b	Less allowance for doubtful accounts	47b	64,328.	47c	57,377.
48 a	Pledges receivable	48a 137,113.			
b	Less allowance for doubtful accounts	48b	173,462.	48c	137,113.
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		8,512.	52	16,880.
53	Prepaid expenses and deferred charges		39,930.	53	29,269.
54	Investments - securities STMT 13	▶ ☐ Cost [X] FMV	42,552.	54	37,284.
55 a	Investments - land, buildings, and equipment basis	55a			
b	Less accumulated depreciation	55b		55c	
56	Investments - other	SEE STATEMENT 14	4,278.	56	339,999.
57 a	Land, buildings, and equipment basis	57a 3,442,552.			
b	Less accumulated depreciation	57b 479,980.	3,023,767.	57c	2,962,572.
58	Other assets (describe ▶ INTANGIBLE ASSETS)		1.	58	3,231.
59	**Total assets** (add lines 45 through 58) (must equal line 74)		3,538,489.	59	3,674,342.
Liabilities					
60	Accounts payable and accrued expenses		34,692.	60	38,062.
61	Grants payable			61	
62	Deferred revenue		99,500.	62	80,068.
63	Loans from officers, directors, trustees, and key employees			63	
64 a	Tax-exempt bond liabilities			64a	
b	Mortgages and other notes payable		627,580.	64b	567,605.
65	Other liabilities (describe ▶ SEE STATEMENT 15)		108,963.	65	89,551.
66	**Total liabilities** (add lines 60 through 65)		870,735.	66	775,286.
Net Assets or Fund Balances					
	Organizations that follow SFAS 117, check here ▶ [X] and complete lines 67 through 69 and lines 73 and 74				
67	Unrestricted		2,492,450.	67	2,729,898.
68	Temporarily restricted		132,752.	68	131,874.
69	Permanently restricted		42,552.	69	37,284.
	Organizations that do not follow SFAS 117, check here ▶ ☐ 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)		2,667,754.	73	2,899,056.
74	**Total liabilities and net assets / fund balances** (add lines 66 and 73)		3,538,489.	74	3,674,342.

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

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Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return

a	Total revenue, gains, and other support per audited financial statements	a	1,673,625.
b	Amounts included on line a but not on line 12, Form 990		
(1)	Net unrealized gains on investments $		
(2)	Donated services and use of facilities $		
(3)	Recoveries of prior year grants $		
(4)	Other (specify) STMT 16 $ 176,461.		
	Add amounts on lines (1) through (4)	b	176,461.
c	Line a minus line b	c	1,497,164.
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) STMT 18 $ 231,722.		
	Add amounts on lines (1) and (2)	d	231,722.
e	Total revenue per line 12, Form 990 (line c plus line d)	e	1,728,886.

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a	Total expenses and losses per audited financial statements	a	1,674,045.
b	Amounts included on line a but not on line 17, Form 990		
(1)	Donated services and use of facilities $		
(2)	Prior year adjustments reported on line 20, Form 990 $		
(3)	Losses reported on line 20, Form 990 $		
(4)	Other (specify) STMT 17 $ 176,461.		
	Add amounts on lines (1) through (4)	b	176,461.
c	Line a minus line b	c	1,497,584.
d	Amounts included on line 17, Form 990 but not on line a		
(1)	Investment expenses not included on line 6b, Form 990 $		
(2)	Other (specify) $		
	Add amounts on lines (1) and (2)	d	0.
e	Total expenses per line 17, Form 990 (line c plus line d)	e	1,497,584.

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated.)

(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
SEE STATEMENT 19		146,087.	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? If "Yes," attach schedule ▶ ☐ Yes ☒ No

Part VI | Other Information

			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	76		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	77		X
78 a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	78a	X	
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78b	X	
79	Was there a liquidation, dissolution termination, or substantial contraction during the year? If "Yes," attach a statement	79		X
80 a	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?	80a		X
b	If "Yes," enter the name of the organization ▶ ____ and check whether it is ☐ exempt or ☐ nonexempt			
81 a	Enter direct or indirect political expenditures See line 81 instructions — 81a: 0.			
b	Did the organization file Form 1120-POL for this year?	81b		X
82 a	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?	82a		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) — 82b: N/A			
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		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	84b		
85	*501(c)(4), (5), or (6) organizations* a Were substantially all dues nondeductible by members? N/A	85a		
b	Did the organization make only in-house lobbying expenditures of $2,000 or less? N/A	85b		
	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			
c	Dues, assessments, and similar amounts from members — 85c: N/A			
d	Section 162(e) lobbying and political expenditures — 85d: N/A			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices — 85e: N/A			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) — 85f: N/A			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? N/A	85g		
h	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? N/A	85h		
86	*501(c)(7) organizations* Enter a Initiation fees and capital contributions included on line 12 — 86a: N/A			
b	Gross receipts, included on line 12, for public use of club facilities — 86b: N/A			
87	*501(c)(12) organizations* Enter a Gross income from members or shareholders — 87a: N/A			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) — 87b: N/A			
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Part IX	88		X
89 a	*501(c)(3) organizations* Enter Amount of tax imposed on the organization during the year under section 4911 ▶ 0., section 4912 ▶ 0., section 4955 ▶ 0.			
b	*501(c)(3) and 501(c)(4) organizations* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b		X

c Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ 0.

d Enter Amount of tax on line 89c, above, reimbursed by the organization ▶ 0.

90 a List the states with which a copy of this return is filed ▶ NONE

b Number of employees employed in the pay period that includes March 12, 2002 — 90b: 35

91 The books are in care of ▶ ALAN ADLER, CFO Telephone no ▶ 214 526-8721

Located at ▶ 4209 MCKINNEY AVENUE ZIP + 4 ▶ 75205

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 N/A

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

Note Enter gross amounts unless otherwise indicated	Unrelated business income (A) Business code	Unrelated business income (B) Amount	Excluded by section 512, 513 or 514 (C) Exclusion code	Excluded by section 512, 513 or 514 (D) Amount	(E) Related or exempt function income
93 Program service revenue					
a ADOPTION, COUNSELING					461,181.
b					
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				333,217.	
97 Net rental income or (loss) from real estate					
a debt-financed property	531120	4,729.			
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income			15	64,266.	
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events			01	46,621.	
102 Gross profit or (loss) from sales of inventory			05	13,765.	
103 Other revenue					
a MISC INCOME					8.
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		4,729.		457,869.	461,189.

105 Total (add line 104, columns (B), (D), and (E)) ▶ 923,787.

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)

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)*

[redacted] ompanying schedules and statements and to the best of my knowledge and belief, it is true

formation of which preparer has any knowledge

/16/03 ▶ Executive Director

te Type or print name and title

	Date	Check if self-	Preparer's SSN or PTIN

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: HOPE COTTAGE INC

Employer identification number: 75 0800652

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 i of Part VI-B)	1		X
	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?	2a		X
	b Lending of money or other extension of credit?	2b		X
	c Furnishing of goods, services, or facilities?	2c		X
	d Payment of compensation (or payment or reimbursement of expenses if more than $1,000)?	2d		X
	e Transfer of any part of its income or assets?	2e		X
3	Does the organization make grants for scholarships, fellowships, student loans, etc ? (See Note below)	3		X
4	Do you have a section 403(b) annuity plan for your employees?	4		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)	815,732.	1,080,514.	1,311,077.	2,430,700.	5,638,023.
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	373,582.	494,991.	410,540.	318,603.	1,597,716.
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	3,749.	7,560.	39,584.	12,136.	63,029.
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	77,677.	73,272.	SEE STATEMENT 20 37,843.		188,792.
23 Total of lines 15 through 22	1,270,740.	1,656,337.	1,799,044.	2,761,439.	7,487,560.
24 Line 23 minus line 17	897,158.	1,161,346.	1,388,504.	2,442,836.	5,889,844.
25 Enter 1% of line 23	12,707.	16,563.	17,990.	27,614.	

26 **Organizations described on lines 10 or 11** a Enter 2% of amount in column (e), line 24 ▶ 26a 117,797.

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 ▶ 26b 2,330,844.

c Total support for section 509(a)(1) test Enter line 24, column (e) ▶ 26c 5,889,844.

d Add Amounts from column (e) for lines 18 63,029. 19 ______ 22 188,792. 26b 2,330,844. ▶ 26d 2,582,665.

e Public support (line 26c minus line 26d total) ▶ 26e 3,307,179.

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ 26f 56.1505 %

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

(2001) (2000) (1999) (1998)

c Add Amounts from column (e) for lines 15 ______ 16 ______ 17 ______ 20 ______ 21 ______ ▶ 27c N/A

d Add Line 27a total ______ and line 27b total ______ ▶ 27d N/A

e Public support (line 27c total minus line 27d total) ▶ 27e N/A

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

NONE

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?	29		
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?	30		
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?	31		
	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?	32d		
	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?	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?	33h		
	If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement)			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b	Has the organization's right to such aid ever been revoked or suspended?	34b		
	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	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 -	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		

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

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				N/A
Calendar year (or fiscal year beginning in) ▶	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

Part VI-B **Lobbying Activity by Nonelecting Public Charities**
(For reporting only by organizations that did not complete Part VI-A) (See page 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	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars conventions, speeches lectures, or any other means			
i Total lobbying expenditures (Add lines c through h)			0.

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

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 12 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of			
(i) Cash	51a(i)		X
(ii) Other assets	a(ii)		X
b Other transactions			
(i) Sales or exchanges of assets with a noncharitable exempt organization	b(i)		X
(ii) Purchases of assets from a noncharitable exempt organization	b(ii)		X
(iii) Rental of facilities, equipment, or other assets	b(iii)		X
(iv) Reimbursement arrangements	b(iv)		X
(v) Loans or loan guarantees	b(v)		X
(vi) Performance of services or membership or fundraising solicitations	b(vi)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c		X

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

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

52 a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ▶ [ ] Yes [X] No

b If "Yes," complete the following schedule N/A

(a) Name of organization	(b) Type of organization	(c) Description of relationship

223151
01 22 03

FORM 990 RENTAL INCOME STATEMENT 1

KIND AND LOCATION OF PROPERTY	ACTIVITY NUMBER	GROSS RENTAL INCOME
OFFICE SPACE	1	101,525.
TOTAL TO FORM 990, PART I, LINE 6A		101,525.

FORM 990 RENTAL EXPENSES STATEMENT 2

DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
RENTAL EXPENSES		96,796.	
- SUBTOTAL -	1		96,796.
TOTAL TO FORM 990, PART I, LINE 6B			96,796.

FORM 990 SPECIAL EVENTS AND ACTIVITIES STATEMENT 3

DESCRIPTION OF EVENT	GROSS RECEIPTS	CONTRIBUT. INCLUDED	GROSS REVENUE	DIRECT EXPENSES	NET INCOME
ANNUAL GOLF TOURNAMENT	54,667.		54,667.	14,139.	40,528.
OTHER FUNDRAISING EVENTS	10,617.		10,617.	4,524.	6,093.
TO FM 990, PART I, LINE 9	65,284.		65,284.	18,663.	46,621.

FORM 990	INCOME AND COST OF GOODS SOLD INCLUDED ON PART I, LINE 10	STATEMENT 4

INCOME

1. GROSS RECEIPTS	74,767	
2. RETURNS AND ALLOWANCES		
3. LINE 1 LESS LINE 2		74,767
4. COST OF GOODS SOLD (LINE 13)	61,002	
5. GROSS PROFIT (LINE 3 LESS LINE 4)		13,765

COST OF GOODS SOLD

6. INVENTORY AT BEGINNING OF YEAR	8,512	
7. MERCHANDISE PURCHASED	69,370	
8. COST OF LABOR		
9. MATERIALS AND SUPPLIES		
10. OTHER COSTS		
11. ADD LINES 6 THROUGH 10		77,882
12. INVENTORY AT END OF YEAR	16,880	
13. COST OF GOODS SOLD (LINE 11 LESS LINE 12)		61,002

FORM 990 OTHER EXPENSES STATEMENT 5

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
ADVERTISING	34,148.	27,318.	3,415.	3,415.
BAD DEBT EXPENSE	41.		41.	
BANK FEES	6,104.	711.	5,318.	75.
LIABILITY INSURANCE	21,948.	17,034.	3,276.	1,638.
MISCELLANEOUS	5,934.	1,881.	2,359.	1,694.
SUBSCRIPTIONS AND PUBLICATIONS	1,822.	1,455.	307.	60.
TRUSTEE FEES	6,998.	2,065.	4,933.	
OFFICE EXPENSES	13,817.	6,643.	3,358.	3,816.
TOTAL TO FM 990, LN 43	90,812.	57,107.	23,007.	10,698.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 6
PART III

EXPLANATION

THE AGENCY IS DALLAS' OLDEST ADOPTION CENTER. IT IS A NON-SECTARIAN, NON-PROFIT, UNITED WAY AFFILIATED ORGANIZATION WHOSE MISSION IS TO FACILITATE ADOPTIONS AND PROVIDE EDUCATION AND SUPPORT TO ALL MEMEBERS OF THE ADOPTION TRIAD (BIRTH FAMILY, ADOPTION FAMILY AND ADOPTED INDIVIDUALS). THE AGENCY ALSO PROVIDES COUNSELING AND FINANCIAL ASSISTANCE FOR WOMEN IN CRISIS PREGNANCIES.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 7

DESCRIPTION OF PROGRAM SERVICE ONE

PREGANCY AND FOSTER CARE - HOPE COTTAGE PROVIDES SERVICES TO ANY WOMAN EXPERIENCING AN UNPLANNED PREGNANCY. LICENSED SOCIAL WORKERS COUNSEL, EDUCATE, AND ASSIST IN HELPING THE MOTHER PLAN FOR HER AND HER CHILD'S FUTURE. CRISIS INTERVENTION AND EMERGENCY ASSISTANCE IS PROVIDED FOR BASIC NEEDS SUCH AS FOOD, HOUSING, CLOTHING, MEDICAL CARE AND TRANSPORTATION FOR PREGNANCY CLIENTS. FOSTER CARE IS PROVIDED FOR SOME INFANTS WHILE THEIR MOTHERS FINALIZE THEIR PLANS. THE EXTENDED BIRTH FAMILY IS ALSO SERVED THROUGH COUNSELING. IN 2002, HOPE COTTAGE SERVED 415 PREGNANCY-RELATED CLIENTS THROUGH 1067 SERVICE HOURS.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE A		372,382.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 8

DESCRIPTION OF PROGRAM SERVICE TWO

DOMESTIC ADOPTION - AS A LICENSED CHILD-PLACEMENT AGENCY FOR THE STATE OF TEXAS, HOPE COTTAGE PROVIDES SERVICES TO FAMILIES WHO ARE WANTING TO BUILD A FAMILY THROUGH ADOPTION. SERVICES INCLUDE FREE ORIENTATIONS, EDUCATIONAL SEMINARS, MONTHLY EDUCATIONAL AND SUPPORT GROUPS, HOME STUDIES AND POST-PLACEMENT SUPERVISION. INTENSIVE COUNSELING IS PROVIDED TO ADOPTIVE COUPLES, BIRTHPARENTS, AND EXTENDED FAMILY. IN 2002, HOPE COTTAGE WORKED WITH 227 DOMESTIC ADOPTION CLIENTS USING 714 SERVICE HOURS. THIS WORK CULMINATED IN THE PLACEMENT OF 16 CHILDREN.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE B		181,560.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 9

DESCRIPTION OF PROGRAM SERVICE THREE

FAMILIES NOW ADOPTION - THIS PROGRAM IS AIMED AT PROVIDING LOVING, STABLE FAMILIES FOR MINORITY CHILDREN WHO MIGHT OTHERWISE WAIT IN FOSTER CARE. SERVICES NOT ONLY INCLUDE THE TRADITIONAL ADOPTION SERVICES PROVIDED IN THE REGULAR DOMESTIC ADOPTION PROGRAM, BUT ALSO INCLUDE EXTENSIVE RECRUITMENT IN THE COMMUNITY FOR AFRICAN AMERICAN ADOPTIVE FAMILIES, TRANSRACIAL TRAINING AND ONGOING EDUCATION IN CULTURAL DIVERSITY AND IDENTITY ISSUED. IN 2002, HOPE COTTAGE WORKED WITH 597 CLIENTS PROVIDING 785 SERVICE HOURS WHILE PLACING 785 CHILDREN.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE C		193,850.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 10

DESCRIPTION OF PROGRAM SERVICE FOUR

PARTNERS IN HOPE - THIS IS A MENTORING PROGRAM DESIGNED TO INCREASE SELF-SUFFICIENCY, PARENTING SKILLS, AND SELF-ESTEEM OF YOUNG MOTHERS. THE PROGRAM MATCHES PREGANT OR PARENTING TEENS AND WOMEN WITH A TRAINED VOLUNTEER WHO PROVIDES SUPPORT AND GUIDANCE ON A WEEKLY BASIS.
IN 2002, SERVICES WERE PROVIDED TO 295 CLIENTS USING 2067 SERVICE HOURS.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE D		127,330.

FORM 990 — SPECIFIC ASSISTANCE TO INDIVIDUALS — STATEMENT 11

DESCRIPTION	AMOUNT
LEGAL SERVICES	53,951.
ADOPTION ASSISTANCE	13,268.
TRAVEL EXPENSES	11,240.
OTHER PROFESSIONAL SERVICES	11,147.
OTHER FINANCIAL ASSISTANCE	19,324.
MISCELLANEOUS SPECIFIC ASSISTANCE	4,109.
FOOD, SHELTER AND CLOTHING FOR INDIGENTS, ETC.	14,853.
MEDICAL, DENTAL AND HOSPITAL EXPENSES PROVIDED	26,230.
TOTAL TO FORM 990, PART II, LINE 23	154,122.

FORM 990 — OTHER PROGRAM SERVICES — STATEMENT 12

DESCRIPTION	GRANTS AND ALLOCATIONS	EXPENSES
POST ADOPTION SUPPORT SERVICES		51,310.
GIVING LIFE A SECOND CHANGE PROGRAM		50,456.
INTERNATIONAL ADOPTION SERVICES		148,000.
TOTAL TO FORM 990, PART III, LINE E		249,766.

FORM 990 — NON-GOVERNMENT SECURITIES — STATEMENT 13

SECURITY DESCRIPTION	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	OTHER SECURITIES	TOTAL NON-GOV'T SECURITIES
MONEY MARKET FUNDS	2,007.				2,007.
INVESTMENT IN MUTUAL FUNDS	35,277.				35,277.
TO 990, LN 54 COL B	37,284.				37,284.

FORM 990	OTHER INVESTMENTS	STATEMENT 14

DESCRIPTION	VALUATION METHOD	AMOUNT
INVESTMENTS IN MINERAL INTEREST	MARKET VALUE	339,999.
TOTAL TO FORM 990, PART IV, LINE 56, COLUMN B		339,999.

FORM 990	OTHER LIABILITIES	STATEMENT 15

DESCRIPTION	AMOUNT
ACCRUED LIABILITIES	69,966.
CURRENT MATURITIES OF LONG-TERM DEBT	11,284.
TENANT SECURITY DEPOSITS	8,301.
TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B	89,551.

FORM 990	OTHER REVENUE NOT INCLUDED ON FORM 990	STATEMENT 16

DESCRIPTION	AMOUNT
COST OF MERCHANDISE SOLD	61,002.
RENTAL EXPENSES	96,796.
DIRECT FUNDRAISING EXPENSES	18,663.
TOTAL TO FORM 990, PART IV-A	176,461.

FORM 990	OTHER EXPENSES NOT INCLUDED ON FORM 990	STATEMENT 17

DESCRIPTION	AMOUNT
COST OF MERCHANDISE SOLD	61,002.
RENTAL EXPENSES	96,796.
DIRECT FUNDRAISING EXPENSES	18,663.
TOTAL TO FORM 990, PART IV-B	176,461.

FORM 990	OTHER REVENUE INCLUDED ON FORM 990	STATEMENT 18

DESCRIPTION	AMOUNT
CHANGE TO FMV FOR INVESTMENT IN MINERAL INTEREST; ACCOUNTED FOR AS CUMULATIVE EFFECT OF ACCOUNTING CHANCE FOR AUDIT PURPOSES	231,722.
TOTAL TO FORM 990, PART IV-A	231,722.

FORM 990	PART V - LIST OF OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES	STATEMENT 19

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
REBECCA UTLEY 4209 MCKINNEY AVENUE DALLAS, TX 75205	EXECUTIVE DIRECTOR 40	87,717.	0.	0.
JANIE DOUGLASS 4209 MCKINNEY AVENUE DALLAS, TX 75205	CFA 40	58,370.	0.	0.
NANCY HUGGINS 4209 MCKINNEY AVENUE DALLAS, TX 75205	BOARD PRESIDENT ELECT 1	0.	0.	0.
PHILLIP ALLBRITTEN 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
CATALINA GARCIA, MD 4209 MCKINNEY AVENUE DALLAS, TX 75205	BOARD VICE PRESIDENT 1	0.	0.	0.
JANET HENDERSON 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
RONALD ZERA 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.

BILL O'DWYER 4209 MCKINNEY AVENUE DALLAS, TX 75205	SECRETARY 1	0.	0.	0.
ROSSER NEWTON 4209 MCKINNEY AVENUE DALLAS, TX 75205	TREASURER 1	0.	0.	0.
RICHARD ADKISSON 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
ROBERT AGNICH 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
DAN EASLEY 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
W.H. GLAZE, SR, MD 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
CAREN KLINE 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
CAROL YOUNG MARVIN 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
DON RUSSELL 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
WILLIAM DAHLSTROM 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
MARK LAROE 4209 MCKINNEY AVENUE DALLAS, TX 75205	BOARD VICE PRESIDENT 1	0.	0.	0.
STEPHEN PRINZ 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
M BRYON WILDER 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
TOTALS INCLUDED ON FORM 990, PART V		146,087.	0.	0.

HOPE COTTAGE INC 75-0800652

SCHEDULE A OTHER INCOME STATEMENT 20

DESCRIPTION	2001 AMOUNT	2000 AMOUNT	1999 AMOUNT	1998 AMOUNT
SALE OF INVENTORY	77,677.	73,272.	37,843.	0.
TOTAL TO SCHEDULE A, LINE 22	77,677.	73,272.	37,843.	0.

Book Asset Detail 1/01/02 - 12/31/02

Asset	Property Description	Date In Service	Book Cost	Book Sec 179 Exp c	Book Sal Value	Book Prior Deprec	Book Current Depreciation	Book End Depreciation	Book Net Book Value	Book Method	Book Period
Group: Building and improvements											
1	New building and improvements	4/30/99	2 302,454 08	0 00	0 00	211,058 29	76,748 47	287,806 76	2,014,647 32	S/L	30 0
2	33 pecan T-111 blinds	5/26/99	4,588 91	0 00	0 00	1,748 16	655 56	2,403 72	2,185 19	S/L	7 0
3	Signage	2/15/00	9,733 00	0 00	0 00	2,664 99	1,390 43	4,055 42	5,677 58	S/L	7 0
4	Brick monument	2/21/00	4,470 00	0 00	0 00	1,223 93	638 57	1,862 50	2,607 50	S/L	7 0
5	Sconces for brick monument	6/01/00	3,780 00	0 00	0 00	855 00	540 00	1,395 00	2,385 00	S/L	7 0
6	Engraved paving stones	12/07/00	3,910 36	0 00	0 00	605 17	558 62	1,163 79	2,746 57	S/L	7 0
76	New Carpet	4/25/02	2,424 50	0 00c	0 00	0 00	230 90	230 90	2,193 60	S/L	7 0
	Building and improvements		2,331,360 85	0 00c	0 00	218,155 54	80,762 55	298,918 09	2,032,442 76		
Group: Computer hardware & softw											
8	IBM Computer (dibated)	10/08/98	1 647 00	0 00	0 00	1,647 00	0 00	1,647 00	0 00	S/L	3 0
9	Comuter w/scanner	8/05/92	1,064 00	0 00	0 00	1,064 00	0 00	1,064 00	0 00	S/L	5 0
10	HP III laser printer	4/10/92	1,791 00	0 00	0 00	1,791 00	0 00	1,791 00	0 00	S/L	5 0
11	HP III laser printer	4/10/92	1,791 00	0 00	0 00	1,791 00	0 00	1,791 00	0 00	S/L	5 0
12	HP III laser printer	5/29/92	1,595 00	0 00	0 00	1,595 00	0 00	1,595 00	0 00	S/L	5 0
13	486/2 66MH computer	11/01/94	1,689 50	0 00	0 00	1,689 50	0 00	1 689 50	0 00	S/L	3 0
14	7 486 computers	2/24/95	11,553 11	0 00	0 00	11,553 11	0 00	11,553 11	0 00	S/L	3 0
15	Pentium computer	7/14/95	1,842 40	0 00	0 00	1,842 40	0 00	1,842 40	0 00	S/L	3 0
16	Computer equipment for home page	10/01/96	18,774 00	0 00	0 00	18,774 00	0 00	18,774 00	0 00	S/L	3 0
17	Compaq server and HP laser printer	1/15/97	6,671 00	0 00	0 00	6,671 00	0 00	6,671 00	0 00	S/L	3 0
18	Computer equipment	5/07/97	980 00	0 00	0 00	980 00	0 00	980 00	0 00	S/L	3 0
19	6 Computer	4/15/97	6,890 00	0 00	0 00	6,890 00	0 00	6,890 00	0 00	S/L	3 0
20	Computer system installation	12/22/97	4,614 00	0 00	0 00	4,614 00	0 00	4,614 00	0 00	S/L	3 0
21	Computer equipment	12/31/97	1,800 00	0 00	0 00	1,800 00	0 00	1,800 00	0 00	S/L	3 0
22	2 Computers w/printer	12/03/97	6,531 00	0 00	0 00	6,531 00	0 00	6,531 00	0 00	S/L	3 0
23	Dell Poweredge 2400 file server	12/02/99	5,057 00	0 00	0 00	3,511 81	1,545 19	5,057 00	0 00	S/L	3 0
24	Sony 4/8 GB tape backup for server	11/26/99	544 09	0 00	0 00	392 95	151 14	544 09	0 00	S/L	3 0
25	30 Office 2000 and 2 Windows NT	12/02/99	24,508 00	0 00	0 00	17,019 44	7,488 56	24,508 00	0 00	S/L	3 0
70	24 Dell Desktops	2/19/02	29,206 80	0 00c	0 00	0 00	4,867 80	4,867 80	24,339 00	S/L	5 0
71	Dell Poweredge 2500 Server	2/19/02	4,298 00	0 00c	0 00	0 00	716 33	716 33	3 581 67	S/L	5 0
72	Dell switch, powerchute, & backup	2/19/02	2,575 00	0 00c	0 00	0 00	429 17	429 17	2,145 83	S/L	5 0
73	Black box Materials	5/08/02	864 39	0 00c	0 00	0 00	115 25	115 25	749 14	S/L	5 0
75	Computer Upgrades	3/21/02	10,837 49	0 00c	0 00	0 00	1,625 62	1 625 62	9,211 87	S/L	5 0
	Computer hardware & softw		147,123 78	0 00c	0 00	90,157 21	16,939 06	107 096 27	40,027 51		
Group: Furniture and office equi											
26	MIP	5/01/92	2,360 00	0 00	0 00	2,360 00	0 00	2,360 00	0 00	S/L	5 0
27	Fire safe	4/13/92	1,100 00	0 00	0 00	1,100 00	0 00	1,100 00	0 00	S/L	5 0
28	Fax machine	4/25/95	1,099 00	0 00	0 00	1,099 00	0 00	1,099 00	0 00	S/L	3 0
29	Reeder printer and related equipmer	9/24/97	7,710 00	0 00	0 00	7,710 00	0 00	7,710 00	0 00	S/L	3 0
30	Prints, Turtle Creek Gallery	4/17/97	1,200 00	0 00	0 00	1,140 00	60 00	1,200 00	0 00	S/L	5 0
31	Desk chairs	3/06/98	6 050 00	0 00	0 00	3,313 11	864 29	4,177 40	1,872 60	S/L	7 0
32	Chairs (Greenwood)	3/03/98	1,433 00	0 00	0 00	784 73	204 71	989 44	443 56	S/L	7 0
33	Tables (Grenwood)	4/24/98	898 00	0 00	0 00	481 08	128 29	609 37	288 63	S/L	7 0
34	File system	1/01/80	7,257 34	0 00	0 00	7,257 34	0 00	7,257 34	0 00	S/L	10 0

Book Asset Detail 1/01/02 - 12/31/02

FYE. 12/31/2002

Asset	*	Property Description	Date In Service	Book Cost	Book Sec 179 Exp	c	Book Sal Value	Book Prior Deprec	Book Current Depreciation	Book End Depreciation	Book Net Book Value	Book Method	Book Period
Group: Furniture and office equi (continued)													
35		File, power	8/20/90	3,000 00	0 00		0 00	3,000 00	0 00	3,000 00	0 00	S/L	7 0
36		Workstation, file system	11/02/90	1,000 00	0 00		0 00	1,000 00	0 00	1,000 00	0 00	S/L	7 0
37		Minolta reader/printer, file system	9/29/94	1,800 00	0 00		0 00	1,800 00	0 00	1 800 00	0 00	S/L	3 0
38		25 Stacking chairs	4/02/99	5,134 00	0 00		0 00	2 016 93	733 43	2,750 36	2,383 64	S/L	7 0
39		Conference room table top & base	4/02/99	701 00	0 00		0 00	275 39	100 14	375 53	325 47	S/L	7 0
40		18 High back swivel chairs	4/02/99	2,988 00	0 00		0 00	1,173 86	426 86	1,600 72	1,387 28	S/L	7 0
41		7 Task chairs	4/02/99	1,925 00	0 00		0 00	756 25	275 00	1,031 25	893 75	S/L	7 0
42		50 Individual guest chairs	5/26/99	14,650 00	0 00		0 00	5,580 96	2,092 86	7,673 82	6,976 18	S/L	7 0
43		Samsung DCS telephone system	5/04/99	19 310 00	0 00		0 00	5,149 33	1,931 00	7,080 33	12,229 67	S/L	10 0
44		10 desks and workstations	5/01/99	17,050 00	0 00		0 00	6,495 23	2,435 71	8,930 94	8,119 06	S/L	7 0
45		3 GE refrigerators	5/26/99	1 283 00	0 00		0 00	342 13	128 30	470 43	812 57	S/L	10 0
46		GE refrigerator	5/26/99	281 00	0 00		0 00	74 93	28 10	103 03	177 97	S/L	10 0
47		GE washer	5/26/99	308 00	0 00		0 00	82 13	30 80	112 93	195 07	S/L	10 0
48		GE dryer	5/26/99	273 00	0 00		0 00	72 80	27 30	100 10	172 90	S/L	10 0
49		GE microwave oven	5/26/99	275 00	0 00		0 00	104 77	39 29	144 06	130 94	S/L	7 0
50		GE microwave oven	5/26/99	115 00	0 00		0 00	43 81	16 43	60 24	54 76	S/L	7 0
51		GE dishwasher	5/26/99	190 00	0 00		0 00	50 67	19 00	69 67	120 33	S/L	10 0
52		2 Brandywine area throw rugs	5/13/99	356 00	0 00		0 00	94 93	35 60	130 53	225 47	S/L	10 0
53		2 8' Fiscus trees	5/13/99	398 00	0 00		0 00	106 13	39 80	145 93	252 07	S/L	10 0
54		4 palladium arm chairs	5/13/99	1 252 00	0 00		0 00	333 87	125 20	459 07	792 93	S/L	10 0
55		4 palladium arm chairs	5/13/99	1 252 00	0 00		0 00	333 87	125 20	459 07	792 93	S/L	10 0
56		2 monogram tray tables	5/13/99	742 00	0 00		0 00	197 87	74 20	272 07	469 93	S/L	10 0
57		Monogram elegre	5/13/99	1,072 00	0 00		0 00	285 87	107 20	393 07	678 93	S/L	10 0
58		Monogram armoire	5/13/99	1,895 00	0 00		0 00	505 33	189 50	694 83	1,200 17	S/L	10 0
59		3 Claiborne sofas w/throw pillows	5/13/99	4 644 00	0 00		0 00	1,238 40	464 40	1,702 80	2,941 20	S/L	10 0
60		4 Claborne chairs	5/13/99	2,016 00	0 00		0 00	537 60	201 60	739 20	1,276 80	S/L	10 0
61		2 Claiborne chairs	5/13/99	1,008 00	0 00		0 00	268 80	100 80	369 60	638 40	S/L	10 0
62		2 Claiborne chairs	5/13/99	1,120 00	0 00		0 00	298 67	112 00	410 67	709 33	S/L	10 0
		Furniture and office equi		115,145 34	0 00	c	0 00	57,465 79	11,117 01	68,582 80	46 562 54		
Group: Land													
63		Land - 3110 N Fitzhugh	12/01/78	115,310 00	0 00		0 00	0 00	0 00	0 00	115,310 00	Land	0 0
64		Land - 3120 N Fitzhugh	12/01/80	88,790 00	0 00		0 00	0 00	0 00	0 00	88,790 00	Land	0 0
65		Land - 4204 Cole	12/01/78	204,230 00	0 00		0 00	0 00	0 00	0 00	204,230 00	Land	0 0
66		Land - 4209 McKinney	12/01/78	58,000 00	0 00		0 00	0 00	0 00	0 00	58,000 00	Land	0 0
67		Land - 4209 McKinney	12/01/80	69,580 00	0 00		0 00	0 00	0 00	0 00	69,580 00	Land	0 0
68		Land - 4213 McKinney	12/01/80	85,500 00	0 00		0 00	0 00	0 00	0 00	85,500 00	Land	0 0
69		Land - 4214 Cole	12/01/78	150,000 00	0 00		0 00	0 00	0 00	0 00	150,000 00	Land	0 0
			Land	771,410 00	0 00	c	0 00	0 00	0 00	0 00	771,410 00		
Group UBIT - 4209 McKinney													
7		Tenant finish out allowance	12/07/00	77,511 70	0 00		0 00	2 799 03	2 583 72	5,382 75	72,128 95	S/L	30 0
		UBIT - 4209 McKinney		77,511 70	0 00	c	0 00	2,799 03	2 583 72	5 382 75	72 128 95		

Book Asset Detail 1/01/02 - 12/31/02

Asset	*	Property Description	Date In Service	Book Cost	Book Sec 179 Exp	c	Book Sal Value	Book Prior Deprec	Book Current Depreciation	Book End Depreciation	Book Net Book Value	Book Method	Book Period
			Grand Total	3 442 551 67	0 00	c	0 00	368,577 57	111 402 34	479,979 91	2,962,571 76		