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

2003

Open to Public Inspection

A For the 2003 calendar year, or tax year 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) — Room/suite
4209 MCKINNEY AVENUE

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 ☐ 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

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

G Website: ▶N/A

J Organization type (check only one) ▶ ☒ 501(c) (3) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527

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

I Group Exemption Number ▶

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 1,736,909.

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

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

Revenue	1	Contributions, gifts, grants, and similar amounts received.			
	a	Direct public support	1a	190,219.	
	b	Indirect public support	1b	514,180.	
	c	Government contributions (grants)	1c		
	d	**Total** (add lines 1a through 1c) (cash $ 649,513. noncash $ 54,886.)			1d 704,399.
	2	Program service revenue including government fees and contracts (from Part VII, line 93)			2 527,668.
	3	Membership dues and assessments			3
	4	Interest on savings and temporary cash investments			4
	5	Dividends and interest from securities			5 115,723.
	6 a	Gross rents SEE STATEMENT 1	6a	92,732.	
	b	Less rental expenses SEE STATEMENT 2	6b	93,429.	
	c	Net rental income or (loss) (subtract line 6b from line 6a)			6c -697.
	7	Other investment income (describe ▶ MINERAL INCOME, NET)			7 113,554.
	8 a	Gross amount from sales of assets other than inventory — (A) Securities	8a	(B) Other	
	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). If any amount is from gaming, check here ▶ ☐			
	a	Gross revenue (not including $ 0. of contributions reported on line 1a)	9a	114,050.	
	b	Less. direct expenses other than fundraising expenses	9b	49,858.	
	c	Net income or (loss) from special events (subtract line 9b from line 9a) SEE STATEMENT 3			9c 64,192.
	10 a	Gross sales of inventory, less returns and allowances	10a	68,783.	
	b	Less. cost of goods sold STATEMENT 5	10b	81,520.	
	c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a) STMT 4			10c -12,737.
	11	Other revenue (from Part VII, line 103)			11
	12	**Total revenue** (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)			12 1,512,102.
Expenses	13	Program services (from line 44, column (B))			13 1,082,849.
	14	Management and general (from line 44, column (C))			14 234,395.
	15	Fundraising (from line 44, column (D))			15 103,346.
	16	Payments to affiliates (attach schedule)			16
	17	**Total expenses** (add lines 16 and 44, column (A))			17 1,420,590.
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)			18 91,512.
	19	Net assets or fund balances at beginning of year (from line 73, column (A))			19 2,899,056.
	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 2,990,568.

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	63,957.	63,957.	STATEMENT 12	
24 Benefits paid to or for members (attach schedule)	24				
25 Compensation of officers, directors, etc.	25	122,437.	75,927.	42,184.	4,326.
26 Other salaries and wages	26	699,004.	559,400.	97,477.	42,127.
27 Pension plan contributions	27	23,121.	20,499.	1,167.	1,455.
28 Other employee benefits	28	59,866.	44,020.	11,942.	3,904.
29 Payroll taxes	29	65,406.	54,631.	7,168.	3,607.
30 Professional fundraising fees	30				
31 Accounting fees	31	6,000.		6,000.	
32 Legal fees	32				
33 Supplies	33				
34 Telephone	34	26,397.	19,093.	5,242.	2,062.
35 Postage and shipping	35	9,140.	4,112.	1,310.	3,718.
36 Occupancy	36	67,778.	46,030.	15,605.	6,143.
37 Equipment rental and maintenance	37				
38 Printing and publications	38	13,412.	190.	171.	13,051.
39 Travel	39	7,361.	6,717.	333.	311.
40 Conferences, conventions, and meetings	40	6,446.	2,445.	3,754.	247.
41 Interest	41	14,935.	10,632.	2,531.	1,772.
42 Depreciation, depletion, etc. (attach schedule)	42	61,404.	43,712.	10,407.	7,285.
43 Other expenses not covered above (itemize)					
a _____	43a				
b _____	43b				
c _____	43c				
d _____	43d				
e SEE STATEMENT 6	43e	173,926.	131,484.	29,104.	13,338.
44 Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	44	1,420,590.	1,082,849.	234,395.	103,346.

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 7

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 8 (Grants and allocations $)		397,259.
b SEE STATEMENT 9 (Grants and allocations $)		146,612.
c SEE STATEMENT 10 (Grants and allocations $)		82,169.
d SEE STATEMENT 11 (Grants and allocations $)		71,408.
e Other program services (attach schedule) STATEMENT 13 (Grants and allocations $)		385,401.
f **Total of Program Service Expenses** (should equal line 44, column (B), Program services) ▶		1,082,849.

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			8,294.	45	54,692.
	46 Savings and temporary cash investments			82,323.	46	144,306.
	47 a Accounts receivable	47a	165,391.			
	b Less: allowance for doubtful accounts	47b		57,377.	47c	165,391.
	48 a Pledges receivable	48a	103,997.			
	b Less. allowance for doubtful accounts	48b		137,113.	48c	103,997.
	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			16,880.	52	22,010.
	53 Prepaid expenses and deferred charges			29,269.	53	32,428.
	54 Investments - securities STMT 14 ▶ ☐ Cost ☒ FMV			37,284.	54	37,756.
	55 a Investments - land, buildings, and equipment basis	55a				
	b Less accumulated depreciation	55b			55c	
	56 Investments - other SEE STATEMENT 15			339,999.	56	454,000.
	57 a Land, buildings, and equipment. basis	57a	3,457,502.			
	b Less: accumulated depreciation	57b	584,233.	2,962,572.	57c	2,873,269.
	58 Other assets (describe ▶ INTANGIBLE ASSETS)			3,231.	58	3,230.
	59 **Total assets** (add lines 45 through 58) (must equal line 74)			3,674,342.	59	3,891,079.
Liabilities	60 Accounts payable and accrued expenses			38,062.	60	30,338.
	61 Grants payable				61	
	62 Deferred revenue			80,068.	62	222,930.
	63 Loans from officers, directors, trustees, and key employees				63	
	64 a Tax-exempt bond liabilities				64a	
	b Mortgages and other notes payable			567,605.	64b	557,173.
	65 Other liabilities (describe ▶ SEE STATEMENT 16)			89,551.	65	90,070.
	66 **Total liabilities** (add lines 60 through 65)			775,286.	66	900,511.
Net Assets or Fund Balances	**Organizations that follow SFAS 117, check here** ▶ ☒ and complete lines 67 through 69 and lines 73 and 74					
	67 Unrestricted			2,729,898.	67	2,851,255.
	68 Temporarily restricted			131,874.	68	101,557.
	69 Permanently restricted			37,284.	69	37,756.
	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)			2,899,056.	73	2,990,568.
	74 **Total liabilities and net assets / fund balances** (add lines 66 and 73)			3,674,342.	74	3,891,079.

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

a Total revenue, gains, and other support per audited financial statements ▶	a	1,736,909.
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 17 $ 224,807.		
Add amounts on lines (1) through (4) ▶	b	224,807.
c Line a minus line b ▶	c	1,512,102.
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	0.
e Total revenue per line 12, Form 990 (line c plus line d) ▶	e	1,512,102.

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

a Total expenses and losses per audited financial statements ▶	a	1,645,397.
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 18 $ 224,807.		
Add amounts on lines (1) through (4) ▶	b	224,807.
c Line a minus line b ▶	c	1,420,590.
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	1,420,590.

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		122,437.	4,375.	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, 2003 90b 31			
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 33 of the instructions.)

Note: *Enter gross amounts unless otherwise indicated.*	Unrelated business income		Excluded by section 512, 513, or 514		(E)
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	Related or exempt function income
93 Program service revenue:					
a ADOPTION, COUNSELING					527,668.
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			14	115,723.	
97 Net rental income or (loss) from real estate:					
a debt-financed property	531120	-697.			
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income			15	113,554.	
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events			01	64,192.	
102 Gross profit or (loss) from sales of inventory			05	-12,737.	
103 Other revenue:					
a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		-697.		280,732.	527,668.
105 **Total** (add line 104, columns (B), (D), and (E))				▶	807,703.

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 34 of the instructions)

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
	SEE STATEMENT 20

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 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 34 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).*

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

7/2/04 ▶ ALAN ADLER, CFO

ate 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

2003

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 a	Do you make grants for scholarships, fellowships, student loans, etc ? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)	3a		X
b	Do you have a section 403(b) annuity plan for your employees?	3b		X
4	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?	4		X

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 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 6 of the instructions)

Schedule A (Form 990 or 990-EZ) 2003

323111
12-05-03

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) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants See line 28.)	805,099.	815,732.	1,080,514.	1,311,077.	4,012,422.
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	461,181.	373,582.	494,991.	410,540.	1,740,294.
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	1,463.	3,749.	7,560.	39,584.	52,356.
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	74,767.	77,677.	SEE STATEMENT 21 73,272.	37,843.	263,559.
23 Total of lines 15 through 22	1,342,510.	1,270,740.	1,656,337.	1,799,044.	6,068,631.
24 Line 23 minus line 17	881,329.	897,158.	1,161,346.	1,388,504.	4,328,337.
25 Enter 1% of line 23	13,425.	12,707.	16,563.	17,990.	

26 **Organizations described on lines 10 or 11:** a Enter 2% of amount in column (e), line 24	▶	26a	86,567.
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 1999 through 2002 exceeded the amount shown in line 26a. **Do not file this list with your return.** Enter the total of all these excess amounts	▶	26b	709,002.
c Total support for section 509(a)(1) test: Enter line 24, column (e)	▶	26c	4,328,337.
d Add Amounts from column (e) for lines: 18 52,356. 19 ____ 22 263,559. 26b 709,002.	▶	26d	1,024,917.
e Public support (line 26c minus line 26d total)	▶	26e	3,303,420.
f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))**	▶	26f	76.3208%

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

(2002) (2001) (2000) (1999)

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

(2002) (2001) (2000) (1999)

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 1999 through 2002, 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 -			
If the amount on line 40 is - / The lobbying nontaxable amount is -			
Not over $500,000 — 20% of the amount on line 40			
Over $500,000 but not over $1,000,000 — $100,000 plus 15% of the excess over $500,000			
Over $1,000,000 but not over $1,500,000 — $175,000 plus 10% of the excess over $1,000,000	41		
Over $1,500,000 but not over $17,000,000 — $225,000 plus 5% of the excess over $1,500,000			
Over $17,000,000 — $1,000,000			
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44		
Caution: *If there is an amount on either line 43 or line 44, you must file Form 4720.*			

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 11 of the instructions)

	Lobbying Expenditures During 4-Year Averaging Period				N/A
Calendar year (or fiscal year beginning in) ▶	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(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 12 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 ☒ No

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

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

FORM 990 RENTAL INCOME STATEMENT 1

KIND AND LOCATION OF PROPERTY	ACTIVITY NUMBER	GROSS RENTAL INCOME
OFFICE SPACE	1	92,732.
TOTAL TO FORM 990, PART I, LINE 6A		92,732.

FORM 990 RENTAL EXPENSES STATEMENT 2

DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
RENTAL EXPENSES		93,429.	
- SUBTOTAL -	1		93,429.
TOTAL TO FORM 990, PART I, LINE 6B			93,429.

FORM 990 SPECIAL EVENTS AND ACTIVITIES STATEMENT 3

DESCRIPTION OF EVENT	GROSS RECEIPTS	CONTRIBUT. INCLUDED	GROSS REVENUE	DIRECT EXPENSES	NET INCOME
ANNUAL GOLF TOURNAMENT	40,749.		40,749.	8,057.	32,692.
TROLLEY FOR TOYS	25,000.		25,000.	700.	24,300.
MOTHERS DAY	23,731.		23,731.	5,527.	18,204.
OTHER FUNDRAISING EVENTS	24,570.		24,570.	35,574.	-11,004.
TO FM 990, PART I, LINE 9	114,050.		114,050.	49,858.	64,192.

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

INCOME		
1. GROSS RECEIPTS	68,783	
2. RETURNS AND ALLOWANCES		
3. LINE 1 LESS LINE 2		68,783
4. COST OF GOODS SOLD (LINE 13)	81,520	
5. GROSS PROFIT (LINE 3 LESS LINE 4)		-12,737
COST OF GOODS SOLD		
6. INVENTORY AT BEGINNING OF YEAR	16,880	
7. MERCHANDISE PURCHASED	54,886	
8. COST OF LABOR		
9. MATERIALS AND SUPPLIES		
10. OTHER COSTS	31,764	
11. ADD LINES 6 THROUGH 10		103,530
12. INVENTORY AT END OF YEAR	22,010	
13. COST OF GOODS SOLD (LINE 11 LESS LINE 12)		81,520

FORM 990 COST OF GOODS SOLD - OTHER COSTS STATEMENT 5

DESCRIPTION	AMOUNT
OTHER RETAIL STORE EXPENSES	31,764.
TOTAL INCLUDED ON FORM 990, PART I, LINE 10B	31,764.

FORM 990 OTHER EXPENSES STATEMENT 6

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
ADVERTISING	16,856.	7,940.	0.	8,916.
BAD DEBT EXPENSE	351.	351.	0.	0.
BANK FEES	11,619.	997.	10,576.	46.
LIABILITY INSURANCE	24,631.	19,350.	2,810.	2,471.
MISCELLANEOUS	11,732.	5,053.	6,345.	334.
SUBSCRIPTIONS AND PUBLICATIONS	1,745.	1,445.	300.	0.
TRUSTEE FEES	4,288.	0.	4,288.	0.
OFFICE EXPENSES	10,903.	7,547.	2,818.	538.
CLIENT SERVICES-LEGAL	40,063.	39,832.	231.	0.
CLIENT SERVICES-MISCELLANEOS	379.	197.	102.	80.
CLIENT SERVICES-PROFESSIONA SVCS	38,811.	36,276.	1,582.	953.
CLIENT SERVICES-TRAVEL/LODGNG	11,948.	11,896.	52.	0.
FUNDRAISING	600.	600.	0.	0.
TOTAL TO FM 990, LN 43	173,926.	131,484.	29,104.	13,338.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 7
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 8

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 2003, HOPE COTTAGE SERVED 335 PREGNANCY-RELATED CLIENTS THROUGH 1157 SERVICE HOURS.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE A		397,259.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 9

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 2003, HOPE COTTAGE WORKED WITH 253 DOMESTIC ADOPTION CLIENTS USING 1372 SERVICE HOURS. THIS WORK CULMINATED IN THE PLACEMENT OF 14 CHILDREN.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE B		146,612.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 10

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 2003, HOPE COTTAGE WORKED WITH 891 CLIENTS PROVIDING 1469 SERVICE HOURS WHILE PLACING 10 CHILDREN.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE C		82,169.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 11

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 2003, SERVICES WERE PROVIDED TO 307 CLIENTS USING 1567 SERVICE HOURS.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE D		71,408.

FORM 990 SPECIFIC ASSISTANCE TO INDIVIDUALS STATEMENT 12

DESCRIPTION	AMOUNT
0	
ADOPTION ASSISTANCE	20,855.
OTHER FINANCIAL ASSISTANCE	12,073.
FOOD, SHELTER AND CLOTHING FOR INDIGENTS, ETC.	7,968.
MEDICAL, DENTAL AND HOSPITAL EXPENSES PROVIDED	23,061.
TOTAL TO FORM 990, PART II, LINE 23	63,957.

FORM 990 OTHER PROGRAM SERVICES STATEMENT 13

DESCRIPTION	GRANTS AND ALLOCATIONS	EXPENSES
POST ADOPTION SUPPORT SERVICES		87,843.
GIVING LIFE A SECOND CHANGE PROGRAM		60,241.
INTERNATIONAL ADOPTION SERVICES		237,317.
TOTAL TO FORM 990, PART III, LINE E		385,401.

FORM 990 NON-GOVERNMENT SECURITIES STATEMENT 14

SECURITY DESCRIPTION	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	OTHER SECURITIES	TOTAL NON-GOV'T SECURITIES
MONEY MARKET FUNDS	37,756.				37,756.
INVESTMENT IN MUTUAL FUNDS	0.				
TO 990, LN 54 COL B	37,756.				37,756.

FORM 990 OTHER INVESTMENTS STATEMENT 15

DESCRIPTION	VALUATION METHOD	AMOUNT
INVESTMENTS IN MINERAL INTEREST	MARKET VALUE	454,000.
TOTAL TO FORM 990, PART IV, LINE 56, COLUMN B		454,000.

FORM 990 OTHER LIABILITIES STATEMENT 16

DESCRIPTION	AMOUNT
ACCRUED LIABILITIES	73,101.
CURRENT MATURITIES OF LONG-TERM DEBT	11,619.
TENANT SECURITY DEPOSITS	5,350.
TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B	90,070.

FORM 990 OTHER REVENUE NOT INCLUDED ON FORM 990 STATEMENT 17

DESCRIPTION	AMOUNT
COST OF MERCHANDISE SOLD	81,520.
RENTAL EXPENSES	93,429.
DIRECT FUNDRAISING EXPENSES	49,858.
TOTAL TO FORM 990, PART IV-A	224,807.

FORM 990 OTHER EXPENSES NOT INCLUDED ON FORM 990 STATEMENT 18

DESCRIPTION	AMOUNT
COST OF MERCHANDISE SOLD	81,520.
RENTAL EXPENSES	93,429.
DIRECT FUNDRAISING EXPENSES	49,858.
TOTAL TO FORM 990, PART IV-B	224,807.

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	86,520.	4,375.	0.
ALAN ADLER 4209 MCKINNEY AVENUE DALLAS, TX 75205	CFO 40	35,917.	0.	0.
PHILLIP ALLBRITTEN 4209 MCKINNEY AVENUE DALLAS, TX 75205	BOARD PRESIDENT ELECT 1	0.	0.	0.
NANCY HUGGINS 4209 MCKINNEY AVENUE DALLAS, TX 75205	BOARD PRESIDENT 1	0.	0.	0.
JANET HENDERSON 4209 MCKINNEY AVENUE DALLAS, TX 75205	BOARD VICE PRESIDENT 1	0.	0.	0.
RONALD J ZERA 4209 MCKINNEY AVENUE DALLAS, TX 75205	BOARD VICE PRESIDENT 1	0.	0.	0.
DR. CATALINA E GARCIA 4209 MCKINNEY AVENUE DALLAS, TX 75205	BOARD VICE PRESIDENT 1	0.	0.	0.

ROSSER C. NEWTON 4209 MCKINNEY AVENUE DALLAS, TX 75205	TREASURER 1	0.	0.	0.
BILL O' DWYER 4209 MCKINNEY AVENUE DALLAS, TX 75205	SECRETARY 1	0.	0.	0.
CAREN W KLINE 4209 MCKINNEY AVENUE DALLAS, TX 75205	EX-OFFICIO 1	0.	0.	0.
JAMES A ELLIOTT 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
RICHARD W. ADKISSON 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
ROBERT F. AGNICH 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
M. SCOTT BENNETT 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
KRISTI FRANCIS 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
JANEY CAMACHO CARPENTER 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
GRACE LEAF 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
S ADAM TREVINO 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
DAN H. EASLEY 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
GEORGE W. FREEMAN 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.
ERICA LARSON SARTAIN 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
MOLLY STEELE 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
STEVE LUCE 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
JANICE V. SHARRY 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
KATHI L. DEVLIN PAGE 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
PAT PAPE 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
DON RUSSELL 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
LINDY POTTINGER 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
NADINE RIGGS 4209 MCKINNEY AVENUE DALLAS, TX 75205	DIRECTOR 1	0.	0.	0.
TOTALS INCLUDED ON FORM 990, PART V		122,437.	4,375.	0.

FORM 990 PART VIII - RELATIONSHIP OF ACTIVITIES TO ACCOMPLISHMENT OF EXEMPT PURPOSES STATEMENT 20

LINE	EXPLANATION OF RELATIONSHIP OF ACTIVITIES
93A	FEES ARE CHARGED TO STUDY PROSPECTIVE PARENTS AND COUNSEL THEM ABOUT THE RAMIFICATIONS OF ADOPTION; TO ARRANGE MEETINGS WITH BIRTH PARENTS AND TO LEGALLY TRANSFER PARENTAL RIGHTS. EDUCATION FEES ARE CHARGED FROM PROSPECTIVE ADOPTIVE PARENTS. COUNSELING SESSIONS ARE PROVIDED A FEE FOR PARENTS WITH ADOPTIVE ISSUES. POST-ADOPT FEES ARE CHARGED

FOR WORKSHOPS, SUPPORT GROUPS, AND PREPARATION OF BACKGROUND HISTORIES FEES ARE ALSO CHARGED FOR PROFESSIONAL EDUCATION, ADOPTION COURSES, AND TRAINING

SCHEDULE A OTHER INCOME STATEMENT 21

DESCRIPTION	2002 AMOUNT	2001 AMOUNT	2000 AMOUNT	1999 AMOUNT
SALE OF INVENTORY	74,767.	77,677.	73,272.	37,843.
TOTAL TO SCHEDULE A, LINE 22	74,767.	77,677.	73,272.	37,843.

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

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No. 1545-1709

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

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

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

Note: Form 990-T corporations *requesting an automatic 6-month extension - check this box and complete Part I only* ▶ [ ]

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Type or print	Name of Exempt Organization	Employer Identification number
File by the due date for filing your return See Instructions.	HOPE COTTAGE INC	75-0800652
	Number, street, and room or suite no. If a P.O. box, see instructions. 4209 MCKINNEY AVENUE	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. DALLAS, TX 75205	

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

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

- If the organization does **not** have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a **Group Return,** enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the **whole** group, check this box ▶ [ ]. If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-month, for **990-T corporation**) extension of time until AUGUST 16, 2004 .
to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ [X] calendar year 2003 or
▶ [ ] tax year beginning _____, and ending _____.

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

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions . . . . . $

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit . . . . . $

c **Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions . . . . . $ N/A

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ▶ James A. Burnside Title ▶ CPA Date ▶ 5/6/04

LHA **For Paperwork Reduction Act Notice, see Instruction** Form **8868** (12-2000)

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05-01-03