

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 \$ <u>15,764.</u> noncash \$ <u>0.</u>) If this amount includes foreign grants, check here <input type="checkbox"/>	22 15,764.	15,764.	Statement 6	
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25 Compensation of officers, directors, etc. **	25 89,632.	0.	89,632.	0.
26 Other salaries and wages	26 435,392.	423,805.	11,587.	
27 Pension plan contributions	27			
28 Other employee benefits	28 15,738.	11,780.	3,958.	
29 Payroll taxes	29 40,164.	35,746.	4,418.	
30 Professional fundraising fees	30			
31 Accounting fees	31 7,605.		7,605.	
32 Legal fees	32			
33 Supplies	33 23,199.	23,057.	142.	
34 Telephone	34			
35 Postage and shipping	35 7,596.		2,657.	4,939.
36 Occupancy	36			
37 Equipment rental and maintenance	37 24,436.	24,436.		
38 Printing and publications	38 4,617.		4,169.	448.
39 Travel	39 14,952.	14,952.		
40 Conferences, conventions, and meetings	40			
41 Interest	41 26,552.	24,524.	2,028.	
42 Depreciation, depletion, etc. (attach schedule)	42 39,632.	38,786.	846.	
43 Other expenses not covered above (itemize):				
a _____	43a			
b _____	43b			
c _____	43c			
d _____	43d			
e _____	43e			
f _____	43f			
g See Statement 4	43g 267,347.	217,177.	39,059.	11,111.
44 Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44 1,012,626.	830,027.	166,101.	16,498.

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 \$ N/A ; (ii) the amount allocated to Program services \$ N/A ;

(iii) the amount allocated to Management and general \$ N/A ; and (iv) the amount allocated to Fundraising \$ N/A

** See Statement 5

Part III Statement of Program Service Accomplishments (See the instructions.)

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.

What is the organization's primary exempt purpose? ▶ Christian drug and/or alcohol rehabilitation program	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	
a <u>Teen Challenge is a Christian drug and/or alcohol rehabilitation program for adults, regardless of race or ability to pay. Teen Challenge is a live-in center with facilities for 30 students, and employs an educational model.</u>	
(Grants and allocations \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	830,027.
b	
(Grants and allocations \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
c	
(Grants and allocations \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
d	
(Grants and allocations \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
e Other program services (attach schedule)	
(Grants and allocations \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶	830,027.

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
Assets	45 Cash - non-interest-bearing	96,483.	45	
	46 Savings and temporary cash investments		46	
	47 a Accounts receivable	47a		
	b Less: allowance for doubtful accounts	47b	47c	
	48 a Pledges receivable	48a		
	b Less: allowance for doubtful accounts	48b	48c	
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees		50	
	51 a Other notes and loans receivable	51a		
	b Less: allowance for doubtful accounts	51b	51c	
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges		53	
	54 Investments - securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54	
	55 a Investments - land, buildings, and equipment: basis	55a		
	b Less: accumulated depreciation	55b	55c	
56 Investments - other	See Statement 7	172.	56	10,461.
57 a Land, buildings, and equipment: basis	57a	2,189,623.		
b Less: accumulated depreciation Stmt 8	57b	412,270.	57c	1,777,353.
58 Other assets (describe ▶ _____)			58	
59 Total assets (must equal line 74). Add lines 45 through 58		802,282.	59	1,787,814.
Liabilities	60 Accounts payable and accrued expenses	7,344.	60	5,060.
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees		63	
	64 a Tax-exempt bond liabilities		64a	
	b Mortgages and other notes payable Stmt 9	134,998.	64b	709,068.
	65 Other liabilities (describe ▶ See Statement 10)		65	10,768.
66 Total liabilities. Add lines 60 through 65		142,342.	66	724,896.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted	659,940.	67	1,062,918.
	68 Temporarily restricted		68	
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
73 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)		659,940.	73	1,062,918.
74 Total liabilities and net assets/fund balances. Add lines 66 and 73		802,282.	74	1,787,814.

Part VI Other Information (continued)		Yes	No
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?		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 <u>N/A</u>		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
	84b <u>N/A</u>		
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		
	85a <u>N/A</u>		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
	85b <u>N/A</u>		
c	Dues, assessments, and similar amounts from members		
	85c <u>N/A</u>		
d	Section 162(e) lobbying and political expenditures		
	85d <u>N/A</u>		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
	85e <u>N/A</u>		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		
	85f <u>N/A</u>		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		
	85g <u>N/A</u>		
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?		
	85h <u>N/A</u>		
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12		
	86a <u>N/A</u>		
b	Gross receipts, included on line 12, for public use of club facilities		
	86b <u>N/A</u>		
87	501(c)(12) organizations. Enter: a Gross income from members or shareholders		
	87a <u>N/A</u>		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)		
	87b <u>N/A</u>		
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>0.</u> ; section 4912 <u>0.</u> ; section 4955 <u>0.</u>		
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		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ <u>0.</u>		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶ <u>0.</u>		
90 a	List the states with which a copy of this return is filed ▶ <u>None</u>		
b	Number of employees employed in the pay period that includes March 12, 2005 90b <u>32</u>		
91 a	The books are in care of ▶ <u>Roy Follis</u> Telephone no. ▶ <u>210-624-2075</u> Located at ▶ <u>3850 SW Loop 1604 #1, San Antonio, TX</u> ZIP + 4 ▶ <u>78264</u>		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country ▶ <u>N/A</u> See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.	Yes	No
	91b <u>X</u>		
c	At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country ▶ <u>N/A</u>		X
	91c <u>X</u>		
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 ▶ <u>92</u> <u>N/A</u>		

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

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue:					
a _____					
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			14	3.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property			15	2,263.	
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events			01	1,021,068.	
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0.		1,023,334.	0.
105 Total (add line 104, columns (B), (D), and (E))					1,023,334.

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 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 the instructions.)

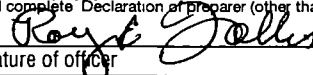
(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			


Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See 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).

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here:  Date: Oct 9, 2007 Executive Director

Paid Preparer's Use Only: Preparer's signature:  Date: 10/03/06 Check if self-employed: Preparer's SSN or PTIN: _____

Firm's name (or yours if self-employed), address, and ZIP + 4: **JIM OLIVER & ASSOCIATES P.C. & CPAs**
17300 Henderson Pass, Suite 240
San Antonio, Texas 78232

EIN: _____ Phone no.: **210-344-0205**

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

OMB No 1545-0047

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

2005

Department of the Treasury
Internal Revenue Service

Supplementary Information-(See separate instructions.)

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

Name of the organization **Teen Challenge of South Texas** Employer identification number **74 1816616**

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-A 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 II-B Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		
Total number of other contractors receiving over \$50,000 for other 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.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		X
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a	Sale, exchange, or leasing of property?		X
b	Lending of money or other extension of credit?		X
c	Furnishing of goods, services, or facilities?		X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? See Statement 12	X	
e	Transfer of any part of its income or assets?		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.)		X
b	Do you have a section 403(b) annuity plan for your employees?		X
c	During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?		X
4 a	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X
b	Do you provide credit counseling, debt management, credit repair, or debt negotiation services?		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) sections 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). Check the box that describes the type of supporting organization: Type 1 Type 2 Type 3

Provide the following information about the supported organizations. (See page 6 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.)

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) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	188,973.	252,358.	276,404.	270,821.	988,556.
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	669,633.	493,347.	483,080.	375,485.	2,021,545.
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	5,925.	26,334.	9,382.	2,265.	43,906.
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					
23 Total of lines 15 through 22	864,531.	772,039.	768,866.	648,571.	3,054,007.
24 Line 23 minus line 17	194,898.	278,692.	285,786.	273,086.	1,032,462.
25 Enter 1% of line 23	8,645.	7,720.	7,689.	6,486.	

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24

26a	N/A
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 2001 through 2004 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts	26b N/A
c Total support for section 509(a)(1) test: Enter line 24, column (e)	26c N/A
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____	26d N/A
e Public support (line 26c minus line 26d total)	26e N/A
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))	26f N/A %

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:

(2004)	4,744.	(2003)	8,337.	(2002)	0.	(2001)	0.	
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 11b, 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:	(2004)	0.	(2003)	0.	(2002)	0.	(2001)	0.
c Add: Amounts from column (e) for lines: 15 988,556. 16 _____ 17 2,021,545. 20 _____ 21 _____	27c	3,010,101.						
d Add: Line 27a total 13,081. and line 27b total 0.	27d	13,081.						
e Public support (line 27c total minus line 27d total)	27e	2,997,020.						
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)	27f	3,054,007.						
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))	27g	98.1340%						
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))	27h	1.4377%						

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See page 7 of the instructions.)

N/A

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.) _____ _____ _____		
32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.) _____ _____	32d	
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.) _____ _____	33h	
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.	34b	
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Power of Attorney and Declaration of Representative

For IRS Use Only

Received by

Name _____

Telephone _____

Function _____

Date / /

▶ Type or print. ▶ See the separate instructions.

Part I Power of Attorney

Caution: Form 2848 will not be honored for any purpose other than representation before the IRS.

1 Taxpayer information. Taxpayer(s) must sign and date this form on page 2, line 9.

Taxpayer name(s) and address

Teen Challenge of South Texas
3850 S Loop 1604 W, Lot 1
San Antonio, TX 78264-3431

Social security number(s)

Daytime telephone number
210-624-2075

Employer identification
number

74-1816616

Plan number (if applicable)

hereby appoint(s) the following representative(s) as attorney(s)-in-fact:

2 Representative(s) must sign and date this form on page 2, Part II.

Name and address

James R. Oliver, Jr. CPA
Jim Oliver & Associates, P.C.
17300 Henderson Pass, Suite 240
San Antonio, TX 78232

CAF No. 7800-91345R

Telephone No. 210-344-0205

Fax No. 210-344-4362

Check if new: Address Telephone No. Fax No.

Name and address

Kathleen K. Dennis CPA
Jim Oliver & Associates, P.C.
17300 Henderson Pass, Suite 240
San Antonio, TX 78232

CAF No. 2606-23919R

Telephone No. 210-344-0205

Fax No. 210-344-4362

Check if new: Address Telephone No. Fax No.

Name and address

Ana M. Ball CPA
Jim Oliver & Associates, P.C.
17300 Henderson Pass, Suite 240
San Antonio, TX 78232

CAF No. 0200-72531R

Telephone No. 210-344-0205

Fax No. 210-344-4362

Check if new: Address Telephone No. Fax No.

to represent the taxpayer(s) before the Internal Revenue Service for the following tax matters:

3 Tax Matters

Type of Tax (Income, Employment, Excise, etc.) or Civil Penalty (see the instructions for line 3)	Tax Form Number (1040, 941, 720, etc.)	Year(s) or Period(s) (see the instructions for line 3)
Exempt Organization	Form 990	12-31-01 12-31-02
Exempt Organization	Form 990	12-31-03 12-31-04
Exempt Organization	Form 990	12-31-05 12-31-06

4 Specific use not recorded on Centralized Authorization File (CAF). If the power of attorney is for a specific use not recorded on CAF, check this box. See the instructions for Line 4. **Specific uses not recorded on CAF.**

5 Acts authorized. The representatives are authorized to receive and inspect confidential tax information and to perform any and all acts that I (we) can perform with respect to the tax matters described on line 3, for example, the authority to sign any agreements, consents, or other documents. The authority does not include the power to receive refund checks (see line 6 below), the power to substitute another representative, the power to sign certain returns, or the power to execute a request for disclosure of tax returns or return information to a third party. See the line 5 instructions for more information.

Exceptions. An unenrolled return preparer cannot sign any document for a taxpayer and may only represent taxpayers in limited situations. See **Unenrolled Return Preparer** on page 2 of the instructions. An enrolled actuary may only represent taxpayers to the extent provided in section 10.3(d) of Circular 230. See the line 5 instructions for restrictions on tax matters partners.

List any specific additions or deletions to the acts otherwise authorized in this power of attorney: _____

6 Receipt of refund checks. If you want to authorize a representative named on line 2 to receive, **BUT NOT TO ENDORSE OR CASH**, refund checks, initial here _____ and list the name of that representative below.

Name of representative to receive refund check(s) ▶


- 7 Notices and communications.** Original notices and other written communications will be sent to you and a copy to the first representative listed on line 2.
- a** If you also want the second representative listed to receive a copy of notices and communications, check this box
- b** If you do not want any notices or communications sent to your representative(s), check this box

8 Retention/revocation of prior power(s) of attorney. The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same tax matters and years or periods covered by this document. If you **do not** want to revoke a prior power of attorney, check here

YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.

9 Signature of taxpayer(s). If a tax matter concerns a joint return, **both** husband and wife must sign if joint representation is requested, otherwise, see the instructions. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the authority to execute this form on behalf of the taxpayer.

▶ IF NOT SIGNED AND DATED, THIS POWER OF ATTORNEY WILL BE RETURNED.

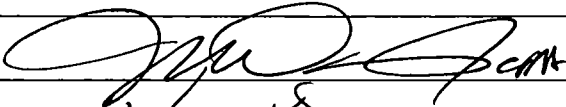
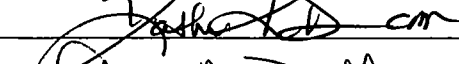
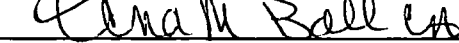
 Signature		Oct 6, 2006 Date	Executive Director Title (if applicable)
ROY E. FOLLES Print Name	[] PIN Number	Teen Challenge of South Texas Print name of taxpayer from line 1 if other than individual	

Part II Declaration of Representative

Caution: Students with a special order to represent taxpayers in Qualified Low Income Taxpayer Clinics or the Student Tax Clinic Program, see the instructions for Part II.

- Under penalties of perjury, I declare that:
- I am not currently under suspension or disbarment from practice before the Internal Revenue Service;
 - I am aware of regulations contained in Treasury Department Circular No. 230 (31 CFR, Part 10), as amended, concerning the practice of attorneys, certified public accountants, enrolled agents, enrolled actuaries, and others;
 - I am authorized to represent the taxpayer(s) identified in Part I for the tax matter(s) specified there; and
 - I am one of the following:
 - a** Attorney — a member in good standing of the bar of the highest court of the jurisdiction shown below.
 - b** Certified Public Accountant — duly qualified to practice as a certified public accountant in the jurisdiction shown below.
 - c** Enrolled Agent — enrolled as an agent under the requirements of Treasury Department Circular No. 230.
 - d** Officer — a bona fide officer of the taxpayer's organization.
 - e** Full-Time Employee — a full-time employee of the taxpayer.
 - f** Family Member — a member of the taxpayer's immediate family (i.e., spouse, parent, child, brother, or sister).
 - g** Enrolled Actuary — enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Service is limited by section 10.3(d) of Treasury Department Circular No. 230).
 - h** Unenrolled Return Preparer — the authority to practice before the Internal Revenue Service is limited by Treasury Department Circular No. 230, section 10.7(c)(1)(viii). You must have prepared the return in question and the return must be under examination by the IRS. See **Unenrolled Return Preparer** on page 2 of the instructions.

▶ IF THIS DECLARATION OF REPRESENTATIVE IS NOT SIGNED AND DATED, THE POWER OF ATTORNEY WILL BE RETURNED. See the Part II instructions.

Designation — Insert above letter (a–h)	Jurisdiction (state) or identification	Signature	Date
B	Texas		10-5-06
B	Texas		10-5-06
B	Texas		10-5-06

2005 DEPRECIATION AND AMORTIZATION REPORT
Form 990 Page 2

990

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
	Buildings											
4	Building Improv-1990	070190SL		40.0016		1,888.			1,888.	684.		47.
5	Building Improv-1990	070191SL		20.0016		10,031.			10,031.	6,772.		502.
6	Building 1987	070187SL		40.0016		3,630.			3,630.	1,589.		91.
7	Building 1988	070188SL		40.0016		103,439.			103,439.	42,669.		2,586.
8	Building 1990	070190SL		40.0016		2,255.			2,255.	817.		56.
9	Building 1989	070189SL		40.0016		281.			281.	109.		7.
10	Building 1986	010186SL		40.0016		74,176.			74,176.	35,233.		1,854.
31	Building additions	070192SL		40.0016		28,898.			28,898.	9,391.		722.
35	Building additions	010193SL		40.0016		5,161.			5,161.	1,548.		129.
40	Building additions	070194SL		40.0016		4,700.			4,700.	1,294.		118.
44	Building additions	070195SL		40.0016		76,900.			76,900.	19,226.		1,923.
48	Building additions	070197SL		20.0016		<838.>			<838.>			0.
51	Buildling Additions	070198SL		40.0016		214,549.			214,549.	37,547.		5,364.
54	Buildling Additions	070199SL		40.0016		63,500.			63,500.	9,526.		1,588.
55	Building additions	070101SL		40.0016		<3,192.>			<3,192.>			0.
56	Building additions	070101SL		40.0016		82,708.			82,708.	8,271.		2,068.
76	Factory addition	120604SL		40.0016		13,505.			13,505.	28.		338.

* ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

(D) - Asset disposed

2005 DEPRECIATION AND AMORTIZATION REPORT Form 990 Page 2 990

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
78	28'x60' Building	102105SL		40.00	16	6,500.			6,500.			27.
79	Women's Center add-on	052605SL		40.00	16	111,691.			111,691.			1,629.
80	Multi-purpose Building	122705SL		40.00	16	189,162.			189,162.			0.
81	Factory addition	092905SL		40.00	16	39,538.			39,538.			247.
83	New Chapel	062105SL		40.00	16	11,433.			11,433.			143.
9006	Houston Improvements * 990 Page 2 Total Buildings	110805SL		40.00	16	3,470. 1,043,385.		0.	3,470. 1,043,385.	174,704.	0.	19,453.
	Furniture & Fixtures											
14	Building Furn 1986	070186SL		10.00	16	43.			43.	43.		0.
15	Building Furn 1988	070188SL		10.00	16	512.			512.	512.		0.
16	Building Furn 1990	070190SL		10.00	16	2,166.			2,166.	2,166.		0.
17	Building Furn 1991	070191SL		10.00	16	4,400.			4,400.	4,400.		0.
18	Building Furn 1989	070189SL		10.00	16	244.			244.	244.		0.
19	Building Furn 1989	070189SL		5.00	16	300.			300.	300.		0.
20	Building Furn 1990	070190SL		5.00	16	313.			313.	313.		0.
21	Office furniture	070186SL		5.00	16	124.			124.	124.		0.
22	Office furniture 89	070189SL		5.00	16	1,899.			1,899.	1,899.		0.
23	Office furniture 90	070190SL		5.00	16	5,697.			5,697.	5,697.		0.

528102 01-06-06 (D) - Asset disposed * ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
24	Office furniture 91	070191SL	SL	5.00	16	1,871.			1,871.	1,871.		0.
25	School Furniture 89	070189SL	SL	5.00	16	330.			330.	330.		0.
26	School Furniture 91	070191SL	SL	5.00	16	250.			250.	250.		0.
33	Furniture	070192SL	SL	5.00	16	2,218.			2,218.	2,218.		0.
36	Furniture	010193SL	SL	5.00	16	6,451.			6,451.	6,451.		0.
41	Furniture	070194SL	SL	5.00	16	8,596.			8,596.	8,596.		0.
45	Furniture	070195SL	SL	10.00	16	21,200.			21,200.	21,200.		0.
47	Furniture	070196SL	SL	10.00	16	3,095.			3,095.	2,787.		308.
49	Furniture	070197SL	SL	10.00	16	7,269.			7,269.	5,089.		727.
52	Furniture	070198SL	SL	10.00	16	13,867.			13,867.	9,708.		1,387.
60	Furniture & Fixtures	070102SL	SL	10.00	16	850.			850.	255.		85.
92	Washer and Dryer	081805SL	SL	7.00	16	777.			777.			37.
	* 990 Page 2 Total Furniture & Fixtures Machinery & Equipment					82,472.		0.	82,472.	74,453.	0.	2,544.
57	Maintenance Equipment	070102SL	SL	10.00	16	8,245.			8,245.	2,475.		825.
59	Equipment	070102SL	SL	10.00	16	996.			996.	300.		100.
62	Tractor	041204SL	SL	7.00	16	20,500.			20,500.	2,196.		2,929.
63	Shredder	051204SL	SL	7.00	16	595.			595.	57.		85.

528102 01-08-06 (D) - Asset disposed * ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

2005 DEPRECIATION AND AMORTIZATION REPORT Form 990 Page 2 990

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
64	Computer-Acctg Dept	052504SL		5.00	16	1,207.			1,207.	141.		241.
65	Computer-Johnson	063004SL		5.00	16	915.			915.	92.		183.
66	Printing Equip	070904SL		7.00	16	2,000.			2,000.	143.		286.
67	Copy Machine	072804SL		5.00	16	599.			599.	50.		120.
68	Silk Screen Machine	102204SL		7.00	16	500.			500.	12.		71.
69	Gas golf cart	102504SL		7.00	16	2,220.			2,220.	53.		317.
702	Chainsaws & 6HP Log	110804SL		7.00	16	1,356.			1,356.	32.		194.
71	Backhoe	111004SL		7.00	16	2,500.			2,500.	60.		357.
72	Dump Truck	111704SL		7.00	16	1,800.			1,800.	21.		257.
73	Saw	120804SL		7.00	16	510.			510.	6.		73.
74	HP Computer-Dir. office	122104SL		5.00	16	909.			909.			182.
85	Lawn Mower	051005SL		10.00	16	1,599.			1,599.			107.
86	Computer-Development dept	022205SL		5.00	16	561.			561.			94.
87	Forklift	070105SL		7.00	16	3,500.			3,500.			250.
88	Computer-Bro. Follis	091305SL		5.00	16	1,457.			1,457.			97.
89	Air Compressor	092705SL		7.00	16	739.			739.			26.
90	Computer-Claude Johnson	032505SL		5.00	16	747.			747.			112.
91	Telephone system	031105SL		7.00	16	3,813.			3,813.			454.

528102, 01-06-06 (D) - Asset disposed * ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

2005 DEPRECIATION AND AMORTIZATION REPORT Form 990 Page 2 990

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
* 990	Page 2 Total Machinery & Equipment Transportation Equipment					57,268.		0.	57,268.	5,638.	0.	7,360.
1	Auto	070190	SL	4.00	16	675.			675.	675.		0.
2	Van	070189	SL	4.00	16	12,500.			12,500.	12,500.		0.
3	Van	070191	SL	4.00	16	5,000.			5,000.	5,000.		0.
34	Vehicles	070192	SL	4.00	16	20,107.			20,107.	20,107.		0.
37	Vehicles	070193	SL	4.00	16	800.			800.	800.		0.
42	Vehicles	070194	SL	4.00	16	20,501.			20,501.	20,501.		0.
50	Vehicles	070197	SL	4.00	16	4,000.			4,000.	4,000.		0.
53	Vehicles	070198	SL	4.00	16	3,999.			3,999.	3,999.		0.
61	Vehicles	070102	SL	5.00	16	12,485.			12,485.	4,994.		2,497.
75	2003 Ford Van	083104	SL	5.00	16	19,979.			19,979.	1,332.		3,996.
94	Ford, 44 Passenger											
93	School Bus	012905	SL	5.00	16	9,150.			9,150.			1,678.
9004	1992 Champion Bus	040505	SL	5.00	16	3,000.			3,000.			450.
9005	1999 Chevy Lumina	091605	SL	5.00	16	5,000.			5,000.			250.
* 990	Page 2 Total Transportation Equipme					117,196.		0.	117,196.	73,908.	0.	8,871.
	Land											
30	Land		L			20,200.			20,200.			0.

528102 01-06-06 (D) - Asset disposed * ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

2005 DEPRECIATION AND AMORTIZATION REPORT Form 990 Page 2 990

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
39	Land	070194L				104,953.			104,953.			0.
46	Land	070195L				<4,125.>			<4,125.>			0.
77	Sheldon Road Property (Houston)	123005L				707,144.			707,144.			0.
	* 990 Page 2 Total					828,172.		0.	828,172.	0.	0.	0.
	Water & Septic System											
	Other											
27	Septic System	070189SL		15.00	16	4,962.			4,962.	4,962.		0.
28	Septic System	070187SL		15.00	16	325.			325.	336.		0.
29	Water Systems	070189SL		15.00	16	16,036.			16,036.	16,036.		0.
38	Water Septic	070193SL		15.00	16	410.			410.	327.		27.
58	Water Systems	070102SL		15.00	16	5,099.			5,099.	1,020.		340.
84	Multi-purpose Building	051005SL		15.00	16	12,077.			12,077.			537.
	* 990 Page 2 Total					38,909.		0.	38,909.	22,681.	0.	904.
	Other					38,909.		0.	38,909.	22,681.	0.	904.
	* 990 Page 2 Total -					38,909.		0.	38,909.	22,681.	0.	904.
	Water & Septic System											
	Mobile Home											
	Other											
11	Building 1987	070187SL		15.00	16	978.			978.	1,011.		0.
12	Building 1988	070188SL		15.00	16	12,703.			12,703.	12,703.		0.

528102 01-06-06 (D) - Asset disposed * ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

2005 DEPRECIATION AND AMORTIZATION REPORT

Form 990 Page 2

990

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
13	Mobile Home	070186SL		15.00	16	1,040.			1,040.	1,040.		0.
32	Mobile Home	070192SL		15.00	16	7,500.			7,500.	6,500.		500.
	* 990 Page 2 Total Other					22,221.		0.	22,221.	21,254.	0.	500.
	* 990 Page 2 Total - Mobile Home					22,221.		0.	22,221.	21,254.	0.	500.
	* Grand Total 990 Page 2 Depr					2,189,623.		0.	2,189,623.	372,638.	0.	39,632.

Form 990	Rental Income	Statement	1
Kind and Location of Property	Activity Number	Gross Rental Income	
Cattle lease, San Antonio, TX	1	2,225.	
Sabine Royalty Trust	2	43.	
Total to Form 990, Part I, line 6a		2,268.	

Form 990	Rental Expenses	Statement	2
Description	Activity Number	Amount	Total
Severance tax and admin expenses		5.	
- SubTotal -	2		5.
Total to Form 990, Part I, line 6b			5.

Form 990	Special Events and Activities	Statement	3		
Description of Event	Gross Receipts	Contribut. Included	Gross Revenue	Direct Expenses	Net Income
Parades	4,453.		4,453.	1,000.	3,453.
Entry Fee	61,474.		61,474.		61,474.
Work Revenue	513,776.		513,776.	7,750.	506,026.
Garage Sale & Other Receipts	12,013.		12,013.	9,948.	2,065.
Pancake Dinner	102,680.		102,680.	4,504.	98,176.
Banquet	76,372.		76,372.	7,585.	68,787.
Crafts	221,513.		221,513.	44,174.	177,339.
Choir	126,201.		126,201.	23,663.	102,538.
Golf Tournament	6,855.		6,855.	5,645.	1,210.
To Fm 990, Part I, line 9	1125337.		1125337.	104269.	1021068.

Form 990

Other Expenses

Statement

4

Description	(A) Total	(B) Program Services	(C) Management and General	(D) Fundraising
Insurance	21,503.	21,503.		
Dues & Subscriptions	4,278.	1,147.	3,131.	
Licenses & Permits	2,102.	2,102.		
Public Relations	11,111.			11,111.
Outreach Ministry	50.	50.		
Utilities	90,269.	81,242.	9,027.	
Bank Charges	2,063.		2,063.	
Flowers	3,294.	3,294.		
Office	14,771.	976.	13,795.	
Property Taxes	101.		101.	
Other administrative expense	395.		395.	
Other program expenses	75,098.	75,098.		
Housing	23,471.	23,471.		
Penalties	3,755.		3,755.	
Payroll processing	4,594.		4,594.	
Education expense	5,500.	3,302.	2,198.	
Other professional fees	4,992.	4,992.		
Total to Fm 990, ln 43	267,347.	217,177.	39,059.	11,111.

Form 990	Other Investments	Statement	7
Description	Valuation Method	Amount	
Deposits	Cost	172.	
Prepaid Insurance	Cost	10,285.	
Due from Sabine Royalty Trust	Cost	4.	
Total to Form 990, Part IV, line 56, Column B			10,461.

Form 990	Depreciation of Assets Not Held for Investment	Statement	8
Description	Cost or Other Basis	Accumulated Depreciation	Book Value
Auto	675.	675.	0.
Van	12,500.	12,500.	0.
Van	5,000.	5,000.	0.
Building Improv-1990	1,888.	731.	1,157.
Building Improv-1990	10,031.	7,274.	2,757.
Building 1987	3,630.	1,680.	1,950.
Building 1988	103,439.	45,255.	58,184.
Building 1990	2,255.	873.	1,382.
Building 1989	281.	116.	165.
Building 1986	74,176.	37,087.	37,089.
Building 1987	978.	1,011.	<33.>
Building 1988	12,703.	12,703.	0.
Mobile Home	1,040.	1,040.	0.
Building Furn 1986	43.	43.	0.
Building Furn 1988	512.	512.	0.
Building Furn 1990	2,166.	2,166.	0.
Building Furn 1991	4,400.	4,400.	0.
Building Furn 1989	244.	244.	0.
Building Furn 1989	300.	300.	0.
Building Furn 1990	313.	313.	0.
Office furniture	124.	124.	0.
Office furniture 89	1,899.	1,899.	0.
Office furniture 90	5,697.	5,697.	0.
Office furniture 91	1,871.	1,871.	0.
School Furniture 89	330.	330.	0.
School Furniture 91	250.	250.	0.
Septic System	4,962.	4,962.	0.
Septic System	325.	336.	<11.>
Water Systems	16,036.	16,036.	0.
Land	20,200.	0.	20,200.
Building additions	28,898.	10,113.	18,785.
Mobile Home	7,500.	7,000.	500.

Furniture	2,218.	2,218.	0.
Vehicles	20,107.	20,107.	0.
Building additions	5,161.	1,677.	3,484.
Furniture	6,451.	6,451.	0.
Vehicles	800.	800.	0.
Water Septic	410.	354.	56.
Land	104,953.	0.	104,953.
Building additions	4,700.	1,412.	3,288.
Furniture	8,596.	8,596.	0.
Vehicles	20,501.	20,501.	0.
Building additions	76,900.	21,149.	55,751.
Furniture	21,200.	21,200.	0.
Land	<4,125.>	0.	<4,125.>
Furniture	3,095.	3,095.	0.
Building additions	<838.>	0.	<838.>
Furniture	7,269.	5,816.	1,453.
Vehicles	4,000.	4,000.	0.
Buidling Additions	214,549.	42,911.	171,638.
Furniture	13,867.	11,095.	2,772.
Vehicles	3,999.	3,999.	0.
Buidling Additions	63,500.	11,114.	52,386.
Building additions	<3,192.>	0.	<3,192.>
Building additions	82,708.	10,339.	72,369.
Maintenance Equipment	8,245.	3,300.	4,945.
Water Systems	5,099.	1,360.	3,739.
Equipment	996.	400.	596.
Furniture & Fixtures	850.	340.	510.
Vehicles	12,485.	7,491.	4,994.
Tractor	20,500.	5,125.	15,375.
Shredder	595.	142.	453.
Computer-Acctg Dept	1,207.	382.	825.
Computer-Johnson	915.	275.	640.
Printing Equip	2,000.	429.	1,571.
Copy Machine	599.	170.	429.
Silk Screen Machine	500.	83.	417.
Gas golf cart	2,220.	370.	1,850.
2 Chainsaws & 6HP Log	1,356.	226.	1,130.
Backhoe	2,500.	417.	2,083.
Dump Truck	1,800.	278.	1,522.
Saw	510.	79.	431.
HP Computer-Dir. office	909.	182.	727.
2003 Ford Van	19,979.	5,328.	14,651.
Factory addition	13,505.	366.	13,139.
Sheldon Road Property (Houston)	707,144.	0.	707,144.
28'x60' Building	6,500.	27.	6,473.
Women's Center add-on	111,691.	1,629.	110,062.
Multi-purpose Building	189,162.	0.	189,162.
Factory addition	39,538.	247.	39,291.
New Chapel	11,433.	143.	11,290.
Multi-purpose Building Septic system	12,077.	537.	11,540.
Lawn Mower	1,599.	107.	1,492.

Computer-Development dept	561.	94.	467.
Forklift	3,500.	250.	3,250.
Computer-Bro. Follis	1,457.	97.	1,360.
Air Compressor	739.	26.	713.
Computer-Claude Johnson	747.	112.	635.
Telephone system	3,813.	454.	3,359.
Washer and Dryer	777.	37.	740.
94 Ford, 44 Passenger School Bus	9,150.	1,678.	7,472.
1992 Champion Bus	3,000.	450.	2,550.
1999 Chevy Lumina	5,000.	250.	4,750.
Houston Improvements	3,470.	14.	3,456.
Total to Form 990, Part IV, ln 57	2,189,623.	412,270.	1,777,353.

Form 990	Mortgages Payable	Statement	9
<u>Description</u>		<u>Balance Due</u>	
Bank of America		344,068.	
Father Follis		15,000.	
Service Realty Inc		350,000.	
Total included on Form 990, Part IV, line 64b, Column B		709,068.	

Form 990	Other Liabilities	Statement	10
<u>Description</u>		<u>Amount</u>	
Payroll liabilities		6,795.	
Bank overdraft		3,973.	
Total to Form 990, Part IV, line 65, Column B		10,768.	

Schedule A	Explanation of Transactions Part III, Line 2d	Statement 12
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See Part V, Form 990

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

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

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

Part II Additional (not automatic) 3-Month Extension of Time - Must file Original and One Copy.		
Type or print.	Name of Exempt Organization Teen Challenge of South Texas	Employer Identification number 74-1816616
File by the extended due date for filing the return See instructions	Number, street, and room or suite no. If a P.O. box, see instructions. 3850 S Loop 1604 W, Lot 1	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. San Antonio, TX 78264-3431	

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

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

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

The books are in the care of **Roy Follis**

Telephone No: **210-624-2075** FAX No. _____

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

4 I request an additional 3-month extension of time until **November 15, 2006.**

5 For calendar year **2005**, or other tax year beginning _____ and ending _____.

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

7 State in detail why you need the extension
We have not received all the necessary information to prepare a complete and accurate return.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions \$ _____

b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 \$ _____

c **Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ _____ **N/A**

Signature and Verification

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

Signature [Signature] Title CAH Date 8/16/06

Notice to Applicant - To Be Completed by the IRS

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

Director _____ By: _____ Date _____

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

Type or print	Name JIM OLIVER & ASSOCIATES P.C. & CPAs
	Number and street (include suite, room, or apt. no.) or a P.O. box number 17300 Henderson Pass, Suite 240
	City or town, province or state, and country (including postal or ZIP code) San Antonio, Texas 78232

EXTENSION APPROVED

SEP 08 2006

FIELD DIRECTOR,
SUBMISSION PROCESSING, CGDEN