

Return of Organization Exempt from Income Tax

2004

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

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2004 calendar year, or tax year beginning 4/01, 2004, **and ending** 3/31, 2005

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.

COMBINED TRAINING EQUESTRIAN TEAM ALLIANCE, LTD.
P.O. BOX 620010
WOODSIDE, CA 94062

D Employer Identification Number
94-2417423

E Telephone number

F Accounting method: Cash Accrual
 Other (specify) _____

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

H and I are not applicable to section 527 organizations

H (a) Is this a group return for affiliates? Yes No

H (b) If 'Yes,' enter number of affiliates: _____

H (c) Are all affiliates included? Yes No
(If 'No,' attach a list. See instructions.)

H (d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Group Exemption Number _____

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

G Web site: N/A

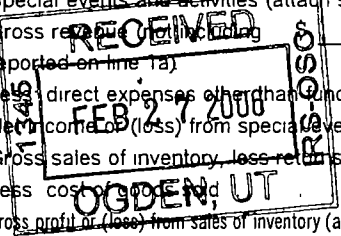
J Organization type (check only one) 501(c) 3 (insert no.) 4947(a)(1) or 527

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.

L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12: 1,091,951.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Instructions)

REVENUE	1 Contributions, gifts, grants, and similar amounts received.				
	a Direct public support	1a	440,643.		
	b Indirect public support	1b			
	c Government contributions (grants)	1c			
	d Total (add lines 1a through 1c) (cash \$ 434,523. noncash \$ 6,120.)	1d		440,643.	
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2		469,971.	
	3 Membership dues and assessments	3		175,333.	
	4 Interest on savings and temporary cash investments	4		57.	
	5 Dividends and interest from securities	5			
	6a Gross rents	6a			
b Less: rental expenses	6b				
c Net rental income or (loss) (subtract line 6b from line 6a)	6c				
7 Other investment income (describe _____)	7				
8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		
	5,947.	8a			
	6,120.	8b			
	-173.	8c			
d Net gain or (loss) (combine line 8c, columns (A) and (B))	8d			-173.	
9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>					
a Gross receipts (including reported on line 1a) _____ of contributions	9a				
b Less: direct expenses other than fundraising expenses	9b				
c Net income or (loss) from special events (subtract line 9b from line 9a)	9c				
10a Gross sales of inventory, less returns and allowances	10a				
b Less cost of goods sold	10b				
c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c				
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			1,085,831.	
EXPENSES	13 Program services (from line 44, column (B))	13		792,492.	
	14 Management and general (from line 44, column (C))	14		27,900.	
	15 Fundraising (from line 44, column (D))	15		93,315.	
	16 Payments to affiliates (attach schedule)	16			
	17 Total expenses (add lines 16 and 44, column (A))	17			913,707.
NET ASSETS	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18		172,124.	
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19		685,072.	
	20 Other changes in net assets or fund balances (attach explanation)	20			
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21			857,196.



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Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (att sch) (cash \$ _____ non-cash \$ _____)	22			
23	Specific assistance to individuals (att sch)	23			
24	Benefits paid to or for members (att sch)	24			
25	Compensation of officers, directors, etc	25			
26	Other salaries and wages	26	260,466.	260,466.	
27	Pension plan contributions	27			
28	Other employee benefits	28			
29	Payroll taxes	29	25,137.	25,137.	
30	Professional fundraising fees	30	91,424.		91,424.
31	Accounting fees	31	23,846.	23,846.	
32	Legal fees	32			
33	Supplies	33	6,553.	4,915.	1,638.
34	Telephone	34	4,549.	4,549.	
35	Postage and shipping	35	1,995.	1,496.	499.
36	Occupancy	36			
37	Equipment rental and maintenance	37	5,744.	4,435.	1,309.
38	Printing and publications	38			
39	Travel	39			
40	Conferences, conventions, and meetings	40			
41	Interest	41	3,309.	3,309.	
42	Depreciation, depletion, etc (attach schedule)	42	62,442.	62,442.	
43	Other expenses not covered above (itemize)				
a	SEE STATEMENT 2	43a	428,242.	425,743.	608.
b	-----	43b			
c	-----	43c			
d	-----	43d			
e	-----	43e			
44	Total functional expenses (add lines 22 - 43) Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44	913,707.	792,492.	27,900.

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? <input type="checkbox"/> SEE STATEMENT 3	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, but optional for others)
a THE ORGANIZATION PROVIDES EQUESTRIAN CLINICS (355 PEOPLE), HORSE TRAILS (695 PEOPLE), HORSE SHOWS (1460 PEOPLE), AND GENERAL PUBLIC USE OF HORSE PARK (1125 PEOPLE). (Grants and allocations \$ _____)	792,492.
b ----- (Grants and allocations \$ _____)	
c ----- (Grants and allocations \$ _____)	
d ----- (Grants and allocations \$ _____)	
e Other program services (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	792,492.

Part IV Balance Sheets (See Instructions)

		(A) Beginning of year		(B) End of year
ASSETS	45 Cash — non-interest-bearing	34,538.	45	6,303.
	46 Savings and temporary cash investments		46	
	47 a Accounts receivable	47 a 53.		
	b Less: allowance for doubtful accounts	47 b	300.	47 c 53.
	48 a Pledges receivable	48 a		
	b Less: allowance for doubtful accounts	48 b		48 c
	49 Grants receivable			49
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)			50
	51 a Other notes & loans receivable (attach sch)	51 a		
	b Less. allowance for doubtful accounts	51 b		51 c
	52 Inventories for sale or use			52 2,402.
	53 Prepaid expenses and deferred charges			53
	54 Investments — securities (attach schedule).	<input type="checkbox"/> Cost <input type="checkbox"/> FMV		54
	55 a Investments — land, buildings, & equipment basis	55 a		
	b Less. accumulated depreciation (attach schedule)	55 b		55 c
	56 Investments — other (attach schedule)			56
	57 a Land, buildings, and equipment basis	57 a 1,155,021.		
	b Less accumulated depreciation (attach schedule) STATEMENT 4	57 b 252,031.	737,298.	57 c 902,990.
	58 Other assets (describe ► SEE STATEMENT 5)		6,081.	58 9,517.
59 Total assets (add lines 45 through 58) (must equal line 74)		778,217.	59 921,265.	
LIABILITIES	60 Accounts payable and accrued expenses	41,153.	60	29,508.
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64 a Tax-exempt bond liabilities (attach schedule)		64 a	
	b Mortgages and other notes payable (attach schedule)		64 b	
	65 Other liabilities (describe ► SEE STATEMENT 6)		51,992.	65 34,561.
66 Total liabilities (add lines 60 through 65)		93,145.	66 64,069.	
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted		67	
	68 Temporarily restricted		68	
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input checked="" 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		685,072.	72 857,196.
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)		685,072.	73 857,196.	
74 Total liabilities and net assets/fund balances (add lines 66 and 73)		778,217.	74 921,265.	

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.

BAA

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See instructions.)

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

a	Total revenue, gains, and other support per audited financial statements	a	N/A
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):		
	----- \$		
	Add amounts on lines (1) through (4)	b	
c	Line a minus line b	c	
d	Amounts included on line 12, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify):		
	----- \$		
	Add amounts on lines (1) and (2)	d	
e	Total revenue per line 12, Form 990 (line c plus line d)	e	

a	Total expenses and losses per audited financial statements	a	N/A
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):		
	----- \$		
	Add amounts on lines (1) through (4)	b	
c	Line a minus line b	c	
d	Amounts included on line 17, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify):		
	----- \$		
	Add amounts on lines (1) and (2)	d	
e	Total expenses per line 17, Form 990 (line c plus line d)	e	

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

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
SEE STATEMENT 7		0.	0.	0.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? Yes No
 If 'Yes,' attach schedule -- see instructions

Part VI Other Information (See instructions)		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes.		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
78b	b If 'Yes,' has it filed a tax return on Form 990-T for this year?	N/A	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement		X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc, to any other exempt or nonexempt organization?		X
	b If 'Yes,' enter the name of the organization <u>N/A</u> and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81a	Enter direct and indirect political expenditures. See line 81 instructions	81a	0.
81b	b Did the organization file Form 1120-POL for this year?		X
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X
	b If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82b	N/A
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
	b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	N/A
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	85a	N/A
	b Did the organization make only in-house lobbying expenditures of \$2,000 or less? If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	85b	N/A
	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
85g	g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		N/A
85h	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
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		X
89a	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	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.
90a	List the states with which a copy of this return is filed <u>CALIFORNIA</u>		
	b Number of employees employed in the pay period that includes March 12, 2004 (See instructions.)	90b	9
91	The books are in care of <u>PENNY GALLO</u> Telephone number <u>650-833-2064</u> Located at <u>400 HAMILTON AVENUE, PALO ALTO CALIF</u> ZIP + 4 <u>94301-1833</u>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year <u>92</u>		N/A

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

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a ARENA POLO CLUB ACTIV					7,075.
b HORSE TRAILS					320,079.
c OTHER PROGRAMS					802.
d TRAINING & GROUNDS US					142,015.
e					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					175,333.
95 Interest on savings & temporary cash invmnts					57.
96 Dividends & interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					-173.
101 Net income or (loss) from special events					
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))					645,188.
105 Total (add line 104, columns (B), (D), and (E))					645,188.

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 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)
N/A	

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See 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 instructions.)

- a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions)

Please Sign Here

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

Signature of officer: *Michael G. Fishman* Date: *2/15/06*

Type or print name and title: **MICHAEL G. FISHMAN, TREAS.**

Paid Preparer's Use Only

Preparer's signature: *James E. Butera* Date: *2-13-06* Check if self employed: Preparer's SSN or PTIN (See General Instruction W): *N/A*

Firm's name (or yours if self-employed), address, and ZIP + 4: **MCCAHAN, HELFRICK, THIERCOF & BUTERA**
1655 WILLOW ST.
SAN JOSE, CA 95125

EIN: *N/A* Phone no: *(408) 266-4755*

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 Section 4947(a)(1) Nonexempt Charitable Trust

2004

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 **COMBINED TRAINING EQUESTRIAN TEAM
ALLIANCE, LTD.**

Employer identification number
94-2417423

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See 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 and deferred compensation	(e) Expense account and other allowances
ALLEN BEHR ----- 350 SHARON PARK DR MENLO PARK CA	EXECUTIVE DIREC 40	51,923.	0.	0.
ANDRES SERRANO ----- 1242 MANCANO WAY SUNNYVALE CA 94089	FOREMAN 40	64,243.	0.	0.

Total number of other employees paid over \$50,000 ▶	0			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See 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
DEL MAR EVENTING INC ----- P.O. BOX 2511 DEL MAR, CA 92014	IMPROVEMENTS	80,864.
TRACY BYARS ----- 974-C LA MESA TERRACE SUNNYVALE, CA 94086	FUNDRAISING	61,973.

Total number of others receiving over \$50,000 for professional services ▶	0	

Part III Statements About Activities (See 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 **▶** \$ N/A

(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

3a 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

4a Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?

4a X

b Do you provide credit counseling, debt management, credit repair, or debt negotiation services?

4b X

Part IV Reason for Non-Private Foundation Status (See 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)(v). (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 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 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) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	439,233.	207,286.	103,798.	522,453.	1,272,770.
16 Membership fees received	108,134.	144,115.	117,263.	93,505.	463,017.
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	316,982.	738,483.	550,387.	484,512.	2,090,364.
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	642.	476.	624.	4,793.	6,535.
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	864,991.	1,090,360.	772,072.	1,105,263.	3,832,686.
24 Line 23 minus line 17	548,009.	351,877.	221,685.	620,751.	1,742,322.
25 Enter 1% of line 23	8,650.	10,904.	7,721.	11,053.	
26 Organizations described on lines 10 or 11:	a Enter 2% of amount in column (e), line 24 N/A				26a
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 2000 through 2003 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b
c Total support for section 509(a)(1) test. Enter line 24, column (e)					26c
d Add Amounts from column (e) for lines	18 _____	19 _____			26d
	22 _____	26b _____			26e
e Public support (line 26c minus line 26d total)					26e
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f %
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					
(2003) _____	28,000.	(2002) _____	81,000.	(2001) _____	0.
(2000) _____					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 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					
(2003) _____	126,743.	(2002) _____	155,166.	(2001) _____	215,631.
(2000) _____					8,947.
c Add. Amounts from column (e) for lines	15 _____	16 _____			27c
	17 _____	20 _____	21 _____		
d Add. Line 27a total	109,000.	and line 27b total	506,487.		
e Public support (line 27c total minus line 27d total)					27e
f Total support for section 509(a)(2) test. Enter amount from line 23, column (e)	27f 3,832,686.				27g
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					83.77 %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h 0.17 %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2000 through 2003, 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 instructions.)
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

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

CLIENT C1761-1

COMBINED TRAINING EQUESTRIAN TEAM
ALLIANCE, LTD.

94-2417423

2/11/06

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FORM 990/990-PF

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS PCT.	CUR 179 BONUS	SPECIAL DEPR ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAGE /BASIS REDUCT.	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.	
AUTO / TRANSPORT EQUIPMENT																	
6	1983 NOMAD TRAVEL TRAILER	11/01/98		4,950							4,950	4,950	S/L	5		0	
9	CIRCLE J HORSE TRAILER	11/30/99		3,200							3,200	2,775	S/L	5		425	
19	FLATBED UTILITY TRAILER	7/31/00		3,750							3,750	1,965	S/L	7		536	
22	1996 INTL WATER TRUCK	10/31/00		41,079							41,079	20,049	S/L	7		5,868	
30	1976 PETERBUILT TRUCK	5/20/01		18,001							18,001	7,287	S/L	7		2,572	
39	GMC 1975 TRUCK	4/30/02		4,800							4,800	1,315	S/L	7		686	
TOTAL AUTO / TRANSPORT EQUIP																	
				75,780	0	0	0	0	0	0	75,780	38,341					10,087
FURNITURE AND FIXTURES																	
44	OFFICE FURNITURE	1/31/03		3,188							3,188	744	S/L	5		638	
60	OFFICE EQUIPMENT	11/29/04		4,818							4,818		S/L	5		321	
TOTAL FURNITURE AND FIXTURE																	
				8,006	0	0	0	0	0	0	8,006	744					959
IMPROVEMENTS																	
2	STALLS	2/24/97		5,000							5,000	2,533	S/L	39		128	
7	MODULAR OFFICE BUILDING	1/31/99		13,352							13,352	9,853	S/L	7		1,907	
8	MODULAR SHOW OFFICE	5/01/99		8,098							8,098	5,690	S/L	7		1,157	
26	POLO ARENA RENOVATION	3/31/01		230,190							230,190	17,706	S/L	39		5,902	
27	STALLS/BARNS	3/31/01		115,026							115,026	8,847	S/L	39		2,949	
28	POLO ARENA RENOVATION	4/16/01		2,966							2,966	222	S/L	39		76	
29	STALLS/BARNS	4/20/01		58,737							58,737	4,393	S/L	39		1,506	
33	SHANAHAN POLO DECK	3/28/02		5,067							5,067	260	S/L	39		130	

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COMBINED TRAINING EQUESTRIAN TEAM
ALLIANCE, LTD.

94-2417423

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NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC BAL DEPR.	SALVAGE /BASIS REDUCT.	DEPR BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
34	BAY ARENA	3/18/02		5,037							5,037	258	S/L	39		129
37	BAY ARENA	4/09/02		4,441							4,441	228	S/L	39		114
45	ARENA LEVELING PROJECT	4/16/02		10,000							10,000	491	S/L	39		256
46	PASTURE/BOARDING IMPROVE	9/04/02		14,600							14,600	592	S/L	39		374
47	PRESERVATION PROJECT	3/27/03		86,249							86,249	2,212	S/L	39		2,212
48	PRESERVATION PROJECT	3/31/04		67,557							67,557		S/L	39		1,732
49	TARPOLIN ROOF	4/10/03		2,101							2,101	140	S/L	15		140
59	PRESERVATION PROJECT	3/11/05		159,856							159,856		S/L	39		342
TOTAL IMPROVEMENTS				788,277	0	0	0	0	0	0	788,277	53,425				19,054
MACHINERY AND EQUIPMENT																
1	WATER SYSTEM	6/30/97		17,143							17,143	16,531	S/L	7		612
3	PA SYSTEM	8/12/96		2,640							2,640	2,640	S/L	7		0
4	PA SYSTEM	5/26/97		1,304							1,304	1,273	S/L	7		31
5	COMMUNICATION SYSTEM	9/30/98		10,964							10,964	8,615	S/L	7		1,566
10	DRESSAGE ARENA/JUMPING EQ	2/29/00		1,000							1,000	584	S/L	7		143
11	CASE LOADER - PRIME EQUIP	3/17/00		4,000							4,000	2,284	S/L	7		571
12	CASE LOADER MDL #480F-LL	3/31/00		18,732							18,732	10,704	S/L	7		2,676
13	HORSE SHOW - ELECTRICAL	3/31/00		3,310							3,310	1,892	S/L	7		473
14	HORSE SHOW - ELECTRICAL	4/30/00		9,217							9,217	5,158	S/L	7		1,317
15	HORSE SHOW - ELECTRICAL	5/24/00		2,930							2,930	1,606	S/L	7		419
16	HORSE SHOW - ELECTRICAL	6/30/00		5,934							5,934	3,180	S/L	7		848
17	HORSE SHOW ELECTRICAL	7/31/00		607							607	319	S/L	7		87
18	BERM IRRIGATION	7/31/00		4,380							4,380	2,295	S/L	7		626
20	ELECTRICAL SYSTEM	8/31/00		4,500							4,500	2,304	S/L	7		643
21	BARN ROOF TARPS	8/31/00		3,300							3,300	1,183	S/L	10		330

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94-2417423

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NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS PCT.	CUR 179 BONUS	SPECIAL DEPR ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC BAL DEPR.	SALVAG /BASIS REDUCT.	DEPR BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.			
23	FORKLIFT	12/29/00		8,119							8,119	3,770	S/L	7		1,160			
24	COLEMAN GENERATOR	2/28/01		11,340							11,340	4,995	S/L	7		1,620			
25	COLEMAN GENERATOR	3/17/01		538							538	231	S/L	7		77			
31	KUBOTA TRACTOR M9000DT	5/21/01		32,696							32,696	13,234	S/L	7		4,671			
32	CROSS COUNTRY JUMPS	7/31/01		9,300							9,300	1,653	S/L	15		620			
35	PORTABLE STALLS	3/28/02		6,200							6,200	826	S/L	15		413			
36	MUSTANG 2050 SKID LOADER	3/26/02		25,487							25,487	7,282	S/L	7		3,641			
38	WOODS BATWIND MOWER	4/16/02	4/02/04	8,063							8,063	2,208	S/L	7		0			
40	BERKELEY PUMP AND PRS TNK	5/17/02		3,523							3,523	922	S/L	7		503			
41	40 PORTABLE STALLS	5/30/02		14,000							14,000	1,711	S/L	15		933			
42	PIPE PANELS	6/10/02		5,729							5,729	700	S/L	15		382			
43	TWO ATVS	6/26/02		3,250							3,250	812	S/L	7		464			
50	FLAIL MOWER	7/15/03		3,500							3,500	375	S/L	7		500			
51	FLAIL SHREDDER	4/02/04		9,740							9,740		S/L	7		1,391			
52	POWER HARROW COSTS	4/02/04		10,552							10,552		S/L	7		1,507			
53	MASSEY FERGUSON TRACTOR	4/15/04		19,786							19,786		S/L	7		2,827			
54	HISER DRAG MASTER	8/17/04		10,685							10,685		S/L	7		890			
55	SARLO MOWER	6/14/04		1,000							1,000		S/L	7		119			
56	TRACTOR LASER GRADER	1/06/05		6,810							6,810		S/L	7		243			
57	SINGLE SLOPE LASER	3/09/05		3,242							3,242		S/L	7		39			
58	MASSEY FERGUSON TRACTOR	3/30/05		7,500							7,500		S/L	7		0			
TOTAL MACHINERY AND EQUIPME											291,021	0	0	0	0	291,021	99,287		32,342
TOTAL DEPRECIATION											1,163,084	0	0	0	0	1,163,084	191,797		62,442

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COMBINED TRAINING EQUESTRIAN TEAM
ALLIANCE, LTD.

94-2417423

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NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	CUR 179 BUS PCT. BONUS	SPECIAL DEPR ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAGE /BASIS REDUCT.	DEPR BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
	GRAND TOTAL DEPRECIATION			0	0	0	0	0	1,163,084	191,797				62,442
	DEPRECIATION ASSETS SOLD			0	0	0	0	0	8,063	2,208				0
	DEPR REMAINING ASSETS			0	0	0	0	0	1,155,021	189,589				62,442

STATEMENT 1
 FORM 990, PART I, LINE 8
 NET GAIN (LOSS) FROM NONINVENTORY SALES

PUBLICLY TRADED SECURITIES

GROSS SALES PRICE: 5,947.
 COST OR OTHER BASIS: 6,120.

TOTAL GAIN (LOSS) PUBLICLY TRADED SECURITIES \$ -173.

DESCRIPTION: WOODS BATWIND MOWER
 DATE ACQUIRED: 4/16/2002
 HOW ACQUIRED:
 DATE SOLD: 4/02/2004
 TO WHOM SOLD:
 GROSS SALES PRICE: 0.
 COST OR OTHER BASIS: 8,063.
 DEPRECIATION: 2,208.

GAIN (LOSS) 0.

TOTAL NET GAIN (LOSS) FROM NONINVENTORY SALES \$ -173.

STATEMENT 2
 FORM 990, PART II, LINE 43
 OTHER EXPENSES

	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT & GENERAL	(D) FUNDRAISING
BANK FEES	9,786.	9,786.		
BEDDING	56,606.	56,606.		
CONSULTING FEES	1,214.	303.	608.	303.
GROUNDS MAINTENANCE	102,298.	102,298.		
INSURANCE	39,770.	39,770.		
LICENSES & PERMITS	1,026.	1,026.		
MARKETING/ADV	6,352.	4,764.		1,588.
MISCELLANEOUS	4,298.	4,298.		
NON CAPITAL EQUIPMENT	1,599.	1,599.		
NOTE CARDS	471.	471.		
OUTSIDE SERVICES	5,382.	5,382.		
PAYROLL SERVICE	1,448.	1,448.		
REIMBURSEMENTS	10,433.	10,433.		
RENT	61,201.	61,201.		
REPAIRS & MAINTENANCE	14,043.	14,043.		
UTILITIES	17,745.	17,745.		
WHISKEY HILL HORSE TRIALS	94,570.	94,570.		
TOTAL	\$ <u>428,242.</u>	\$ <u>425,743.</u>	\$ <u>608.</u>	\$ <u>1,891.</u>

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STATEMENT 3
FORM 990, PART III
ORGANIZATION'S PRIMARY EXEMPT PURPOSE

THE SPECIFIC AND PRIMARY PURPOSES ARE TO OPERATE AND CONDUCT AN EQUESTRIAN EDUCATIONAL PROGRAM OF ACTIVITIES IN ORDER TO PROMOTE A BETTER PUBLIC KNOWLEDGE OF HORSEMANSHIP AND THE VARIED ARTS AND SCIENCE'S OF COMBINED TRAINING, TO ENCOURAGE FAIR AND FRIENDLY EQUESTRIAN TEAM COMPETITION WITHIN THE UNITED STATES, TO DEVELOP A BETTER UNDERSTANDING OF AND SYMPATHY FOR THE HORSE BY ITS RIDERS, AND BY THESE AND OTHER MEANS, TO HELP DEVELOP THE DRESSAGE, ENDURANCE, AND JUMPING CAPABILITIES OF PRE OLYMPIC LEVEL RIDERS AND HORSES, AND TO TAKE ANY AND ALL ACTION WHICH MAY BE CONSIDERED APPROPRIATE TO ACCOMPLISH THE FOREGOING PURPOSES.

STATEMENT 4
FORM 990, PART IV, LINE 57
LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE
AUTOMOBILES / TRANSPORTATION EQUIPMENT	\$ 75,780.	\$ 48,428.	\$ 27,352.
FURNITURE AND FIXTURES	8,006.	1,703.	6,303.
MACHINERY AND EQUIPMENT	282,958.	129,421.	153,537.
IMPROVEMENTS	788,277.	72,479.	715,798.
TOTAL	<u>\$ 1,155,021.</u>	<u>\$ 252,031.</u>	<u>\$ 902,990.</u>

STATEMENT 5
FORM 990, PART IV, LINE 58
OTHER ASSETS

EMPLOYEE ADVANCE	\$ 2,800.
PREPAID PAYROLL	1,973.
REFUNDABLE DEPOSITS	1,181.
ROUNDING	1.
STATE FUND WORKERS COMP DEPOSIT	3,562.
TOTAL	<u>\$ 9,517.</u>

STATEMENT 6
FORM 990, PART IV, LINE 65
OTHER LIABILITIES

ACCRUED PAYROLL	\$ 1,157.
ACCRUED VACATION PAYABLE	5,181.
LEASE PAYABLE	28,223.
TOTAL	<u>\$ 34,561.</u>

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STATEMENT 7
FORM 990, PART V
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
GINNY KINKEAD 13987 PIKE ROAD SARATOGA, CA 95070	VICE PRESIDENT 5	\$ 0.	\$ 0.	\$ 0.
A CARL HOFFMAN JR 331 MAIN STREET HALF MOON BAY, CA 94019	DIRECTOR 5		0.	0.
HOLLY NASH 415 REMILLARD DRIVE HILLSBOROUGH, CA 94010	SECRETARY 5		0.	0.
PENNY GALLO 525 RINGWOOD ROAD MENLO PARK, CA 94025	TREASURER 5		0.	0.
MALCOM MACNAUGHTON 395 MIRAMONTES WOODSIDE, CA 94062	DIRECTOR 5		0.	0.
BONNIE CRATER 172 WAYSIDE RD PORTOLA VALLEY, CA 94028	DIRECTOR 5		0.	0.
MIKE FLEISHMAN 48 BIG TREE RD WOODSIDE, CA 94062	DIRECTOR 5		0.	0.
PETER GRIFFIN 3573 TRIPP RD WOODSIDE, CA 94062	DIRECTOR 5		0.	0.
JAN HEPPER 640 WOODSIDE DRIVE WOODSIDE, CA 94062	DIRECTOR 5		0.	0.
ALAN MANNE 834 ESPLANADA WAY STANFORD, CA 94305	DIRECTOR 5		0.	0.
TOM SHANAHAN 100 MANZANITA WAY WOODSIDE, CA 94062	DIRECTOR 5		0.	0.
GAYLE STRICKLAND 610 MANZANITA WAY WOODSIDE, CA 94062	DIRECTOR 5		0.	0.

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STATEMENT 7 (CONTINUED)
FORM 990, PART V
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
PAT WARREN 303 WHISKEY HILL RD WOODSIDE, CA 94062	DIRECTOR 5	\$ 0.	\$ 0.	\$ 0.
JOHN STRAZZANTI 1201 CALIFORNIA #1602 SAN FRANCISCO, CA 94109	DIRECTOR 5		0.	0.
JOAN TREWHITT 8 OAKHILL DRIVE WOODSIDE, CA 94062	DIRECTOR 5		0.	0.
TOTAL		\$ 0.	\$ 0.	\$ 0.

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FEDERAL SUPPLEMENTAL INFORMATION

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COMBINED TRAINING EQUESTRIAN TEAM
ALLIANCE, LTD.

94-2417423

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TAXPAYER CONDUCTED A LIKE-KIND EXCHANGE DURING THE TAX YEAR WITH JOHN DEERE CREDIT.
SEE ATTACHED SCHEDULE FOR DETAILS.

COMBINED TRAINING EQUESTRIAN TEAM ALLIANCE, LTD

TAX ID #94-2417423

EXCHANGE OF PROPERTY - JOHN DEERE CREDIT

DATE OF EXCHANGE: 4/2/04

PROPERTY CONVEYED: WOODS BATWIND MOWER

PROPERTY RECEIVED: KUHN FLAIL MOWER & POWER HARROW

SUMMARY OF EXCHANGE	DEBIT	CREDIT
PROPERTY RECEIVED:		
FAIR MARKET VALUE OF PROPERTY	15,602	
NEW LOANS		12,582
MORTGAGES ASSUMED		0
CASH AND BOOT RECEIVED	0	
EXCHANGE EXPENSES	100	
RENTAL EXPENSES	0	
PROPERTY CONVEYED:		
FAIR MARKET VALUE OF PROPERTY		1,265
LOAN PAID OFF	0	
LOAN ASSUMED	0	
CASH AND BOOT GIVEN		1,855
TOTALS	15,702	15,702

BASIS OF PROPERTY CONVEYED (ASSET #38)

ORIGINAL COST	8,063
LESS: ACCUMULATED DEPRECIATION	2,208
ADJUSTED BASIS	5,855

COMPUTATION OF REALIZED GAIN:

MARKET VALUE OF PROPERTY RECEIVED	15,602	
CASH AND BOOT RECEIVED	100	
LOAN ASSUMED ON PROPERTY GIVEN	0	
TOTAL CONSIDERATION RECEIVED		15,702
ADJUSTED BASIS OF PROPERTY GIVEN	5,855	
CASH AND BOOT CONVEYED	14,437	
LOAN ASSUMED-PROPERTY RECEIVED	0	
EXCHANGE EXPENSES	100	
TOTAL CONSIDERATION CONVEYED		20,392
GAIN REALIZED ON EXCHANGE		(4,690)

COMPUTATION OF RECOGNIZED GAIN			
CASH AND BOOT RECEIVED	100		
CASH AND BOOT CONVEYED	14,437		
EXCHANGE EXPENSES	100		
NET CASH RECEIVED (CONVEYED)		(14,437)	
LOAN ASSUMED ON PROPERTY GIVEN	0		
LOAN ASSUMED-PROPERTY RECEIVED	0		
NET LOAN RELIEF		0	
GAIN RECOGNIZED ON EXCHANGE			0

COMPUTATION OF BASIS OF NEW PROPERTY			
ADJUSTED BASIS OF PROPERTY CONVEYED		5,855	
CASH AND BOOT CONVEYED		14,437	
MORTGAGE ASSUMED ON PROPERTY RECEIVED		0	
			20,292
CASH AND BOOT RECEIVED		100	
MORTGAGE ON PROPERTY CONVEYED		0	
			100
			20,192
GAIN RECOGNIZED ON EXCHANGE			0
EXCHANGE EXPENSES			100
BASIS OF NEW PROPERTY			20,292

ALLOCATION OF TAX BASIS OF PROPERTY RECEIVED:

		%	BASIS
KUHN FLAIL SHREDDER (ASSET #51)		48	9,740
KUHN POWER HARROW (ASSET #52)		52	10,552
TOTALS		100	20,292

THE ASSET CONVEYED IN THE LIKE-KIND EXCHANGE (ASSET #38 WOODS BAT MOWER) IS LISTED AS SOLD ON THE DEPRECIATION SCHEDULE. THE LOSS REALIZED FROM THE EXCHANGE OF THIS ASSET IS NOT RECOGNIZED ON THE TAX RETURN.