

Return of Organization Exempt From Income Tax

2005

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

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

A For the 2005 calendar year, or tax year beginning 7/1/2005, and ending 6/30/2006

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return
 Amended return
 Application pending

C Name of organization: SARAH'S CIRCLE
 Number and street (or P O box if mail is not delivered to street address) Room/suite
P.O. BOX 408061
 City or town State or country ZIP + 4
CHICAGO IL 60640

D Employer identification number: 36-3043662

E Telephone number: _____

F Accounting method: Cash Accrual
 Other (specify) _____

G Website: _____

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 chooses to file a return, be sure to file a complete return. Some states require a complete return.

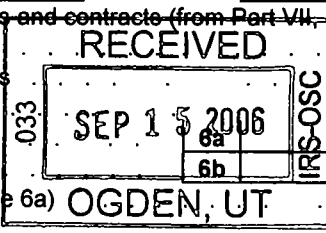
L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 502,917

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 N/A
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 Sch B (Form 990, 990-EZ, or 990-PF)

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

1 Contributions, gifts, grants, and similar amounts received:			
a Direct public support	1a	391,754	
b Indirect public support	1b	0	
c Government contributions (grants)	1c	71,505	
d Total (add lines 1a through 1c) (cash \$ <u>351,127</u> noncash \$ <u>112,132</u>)	1d		463,259
2 Program service revenue including government fees and contracts (from Part VII, line 93)	2		0
3 Membership dues and assessments	3		0
4 Interest on savings and temporary cash investments	4		998
5 Dividends and interest from securities	5		111
6a Gross rents	6a		
b Less: rental expenses	6b		
c Net rental income or (loss) (subtract line 6b from line 6a)	6c		0
7 Other investment income (describe _____)	7		0
8a Gross amount from sales of assets other than inventory	(A) Securities	(B) Other	
b Less: cost or other basis and sales expenses	0 8a	0	
c Gain or (loss) (attach schedule)	0 8b	0	
d Net gain or (loss) (combine line 8c, columns (A) and (B))	0 8c	0	
8d			0
9 Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>			
a Gross revenue (not including \$ <u>0</u> of contributions reported on line 1a)	9a	38,391	
b Less: direct expenses other than fundraising expenses	9b	0	
c Net income or (loss) from special events (subtract line 9b from line 9a)	9c		38,391
10a Gross sales of inventory, less returns and allowances	10a	0	
b Less: cost of goods sold	10b	0	
c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c		0
11 Other revenue (from Part VII, line 103)	11		158
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		502,917
13 Program services (from line 44, column (B))	13		427,692
14 Management and general (from line 44, column (C))	14		65,431
15 Fundraising (from line 44, column (D))	15		77,200
16 Payments to affiliates (attach schedule)	16		0
17 Total expenses (add lines 16 and 44, column (A))	17		570,323
18 Excess or (deficit) for the year (subtract line 17 from line 12)	18		-67,406
19 Net assets or fund balances at beginning of year (from line 73, column (A))	19		329,648
20 Other changes in net assets or fund balances (attach explanation)	20		0
21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21		262,242



SEP 27 2006
 CANNED
 Net Assets

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ 0 noncash \$ 0.) If this amount includes foreign grants, check here <input type="checkbox"/>	0	0		
23	Specific assistance to individuals (attach schedule)	0	0		
24	Benefits paid to or for members (attach schedule)	0			
25	Compensation of officers, directors, etc.	58,175	43,550	6,450	8,175
26	Other salaries and wages	158,026	119,678	19,292	19,056
27	Pension plan contributions	0			
28	Other employee benefits	16,211	14,276	1,108	827
29	Payroll taxes	22,756	17,695	2,511	2,550
30	Professional fundraising fees	0			
31	Accounting fees	0			
32	Legal fees	0			
33	Supplies	6,771	1,521	3,180	2,070
34	Telephone	3,355	1,512	1,791	52
35	Postage and shipping	6,718	212	1,511	4,995
36	Occupancy	64,023	56,901	3,161	3,961
37	Equipment rental and maintenance	3,215	2,893	161	161
38	Printing and publications	14,051	0	760	13,291
39	Travel	373	37	323	13
40	Conferences, conventions, and meetings	968	478	450	40
41	Interest	0			
42	Depreciation, depletion, etc. (attach schedule)	21,931	19,738	1,097	1,096
43	Other expenses not covered above (itemize):				
a	See attached statement	193,750	149,201	23,636	20,913
b		0	0	0	0
c		0	0	0	0
d		0	0	0	0
e		0	0	0	0
f		0	0	0	0
g		0	0	0	0
44	Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	570,323	427,692	65,431	77,200

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 \$ 0, (ii) the amount allocated to Program services \$ _____, (iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See 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.

<p>What is the organization's primary exempt purpose? ► See attached</p> <p>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.)</p>	<p>Program Service Expenses (Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts, but optional for others.)</p>
<p>a See attached description of program services</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>	
<p>b</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>	
<p>c</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>	
<p>d</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>	
<p>e Other program services (attach schedule)</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>	
<p>f Total of Program Service Expenses (should equal line 44, column (B), Program services) ►</p>	0

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	66,293	45	43,269
	46 Savings and temporary cash investments	75,883	46	76,403
	47 a Accounts receivable	47a 0		
	b Less: allowance for doubtful accounts	47b 0	0 47c	0
	48 a Pledges receivable	48a 0		
	b Less: allowance for doubtful accounts	48b 0	0 48c	0
	49 Grants receivable	64,010	49	26,653
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)	0	50	0
	51 a Other notes and loans receivable (attach schedule)	51a 0		
	b Less: allowance for doubtful accounts	51b 0	0 51c	0
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges	14,368	53	17,234
	54 Investments—securities (attach schedule)	<input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV 4,559	54	4,850
	55 a Investments—land, buildings, and equipment basis	55a 0		
	b Less: accumulated depreciation (attach schedule)	55b 0	0 55c	0
56 Investments—other (attach schedule)	0	56	0	
57 a Land, buildings, and equipment: basis	57a 268,984			
b Less: accumulated depreciation (attach schedule)	57b 170,860	120,057 57c	98,124	
58 Other assets (describe)	0	58	0	
59 Total assets (must equal line 74). Add lines 45 through 58	345,170	59	266,533	
Liabilities	60 Accounts payable and accrued expenses	15,522	60	4,291
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)	0	63	0
	64 a Tax-exempt bond liabilities (attach schedule)	0	64a	0
	b Mortgages and other notes payable (attach schedule)	0	64b	0
	65 Other liabilities (describe)	0	65	0
66 Total liabilities. Add lines 60 through 65	15,522	66	4,291	
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	62,559	67	47,808
	68 Temporarily restricted	267,089	68	214,434
	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)	329,648	73	262,242
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	345,170	74	266,533

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

a	Total revenue, gains, and other support per audited financial statements		a	502,917
b	Amounts included on line a but not on Part I, line 12.			
1	Net unrealized gains on investments	b1		
2	Donated services and use of facilities	b2		
3	Recoveries of prior year grants	b3		
4	Other (specify) _____	b4	0	
	Add lines b1 through b4		b	0
c	Subtract line b from line a		c	502,917
d	Amounts included on Part I, line 12, but not on line a:			
1	Investment expenses not included on Part I, line 6b	d1		
2	Other (specify) _____	d2	0	
	Add lines d1 and d2		d	0
e	Total revenue (Part I, line 12) Add lines c and d		e	502,917

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

a	Total expenses and losses per audited financial statements		a	570,323
b	Amounts included on line a but not on Part I, line 17.			
1	Donated services and use of facilities	b1		
2	Prior year adjustments reported on Part I, line 20	b2		
3	Losses reported on Part I, line 20	b3		
4	Other (specify) _____	b4	0	
	Add lines b1 through b4		b	0
c	Subtract line b from line a		c	570,323
d	Amounts included on Part I, line 17, but not on line a:			
1	Investment expenses not included on Part I, line 6b	d1		
2	Other (specify) _____	d2	0	
	Add lines d1 and d2		d	0
e	Total expenses (Part I, line 17) Add lines c and d		e	570,323

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the 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 & deferred compensation plans	(E) Expense account and other allowances
Name See Detail Attache Str City ST ZIP	Title Hr/WK	0	0	0
Name Str City ST ZIP	Title Hr/WK			
Name Str City ST ZIP	Title Hr/WK			
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Name Str City ST ZIP	Title Hr/WK			

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)

Table with 3 columns: Question, Yes, No. Rows include 75a (11), 75b (X), 75c (X), and 75d (X).

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column See the instructions)

Table with 5 columns: (A) Name and address, (B) Loans and Advances, (C) Compensation, (D) Contributions to employee benefit plans & deferred compensation plans, (E) Expense account and other allowances. Includes rows for Name NONE and multiple blank rows.

Part VI Other Information (See the instructions.)

Table with 3 columns: Question, Yes, No. Rows include 76, 77, 78a, 78b, 79, 80a, 80b, 81a, and 81b.

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	N/A	
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?	N/A	
85 a	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		X
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.		
c	Dues, assessments, and similar amounts from members	85c N/A	
d	Section 162(e) lobbying and political expenditures	85d N/A	
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e N/A	
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f N/A	
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A
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	N/A
86 a	501(c)(7) orgs. Enter a Initiation fees and capital contributions included on line 12.	86a	
b	Gross receipts, included on line 12, for public use of club facilities	86b	
87 a	501(c)(12) orgs. Enter a Gross income from members or shareholders	87a	
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <input type="checkbox"/> ; section 4912 <input type="checkbox"/> ; section 4955 <input type="checkbox"/>		
b	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 <input type="checkbox"/>		0
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization <input type="checkbox"/>		0
90 a	List the states with which a copy of this return is filed <input type="checkbox"/> IL		
b	Number of employees employed in the pay period that includes March 12, 2005 (See instructions.)	90b	6
91 a	The books are in care of <input type="checkbox"/> Name CYNTHIA BIRKETT Telephone no. <input type="checkbox"/> (773) 728-1014 Located at <input type="checkbox"/> 4750 N. SHERIDAN RD City ST ZIP + 4 <input type="checkbox"/> 60640		
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 <input type="checkbox"/> See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts	91b	X
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 <input type="checkbox"/>	91c	X
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 <input type="checkbox"/>	92	N/A

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) Exclusion 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	998	
96 Dividends and interest from securities			514	111	
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a Unrealized gain					158
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0		1,109	158
105 Total (add line 104, columns (B), (D), and (E))					1,267

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).
103	Miscellaneous revenue used for program 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	%		0	0
	%		0	0
	%		0	0
	%		0	0

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

Signature of officer: Gail K. Russell Date: 9/11/06

Type or print name and title: GAIL RUSSELL Exec. Director

Paid Preparer's Use Only

Preparer's signature: M. A. J. Date: 9/1/2006 Check if self-employed:

Firm's name (or yours if self-employed), address, and ZIP + 4: MIRZA BAIG & COMPANY EIN: 36-4211016

333 N MICHIGAN AVE. CHICAGO, IL 60601 Phone no: (312) 236-2077

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

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

OMB No 1545-0047

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

SARAH'S CIRCLE

Employer identification number

36-3043662

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		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
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
		0
		0
		0
		0
		0
		0
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		0
		0
		0
		0
		0
		0
Total number of other contractors receiving over \$50,000 for other services ▶		0

For Paperwork Reduction Act Notice, see the Instructions for Form 990 and Form 990-EZ.

Schedule A (Form 990 or 990-EZ) 2005

(HTA)

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 ► \$ <u>0</u> (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	1	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?	2a	X
b Lending of money or other extension of credit?	2b	X
c Furnishing of goods, services, or facilities?	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	X
e Transfer of any part of its income or assets?	2e	X
3 a Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments)	3a	
b Do you have a section 403(b) annuity plan for your employees?	3b	X
c During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?	3c	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?	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 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 ► _____ City _____ ST _____ Country _____
- 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.)
- 11 a 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)
- 11 b 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)	505,031	442,241	428,033	428,836	1,804,141
16 Membership fees received					0
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				12,256	12,256
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	742	784	2,742	5,768	10,036
19 Net income from unrelated business activities not included in line 18					0
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
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					0
22 Other income Attach a schedule Do not include gain or (loss) from sale of capital assets	0	1,241	1,325	34	2,600
23 Total of lines 15 through 22	505,773	444,266	432,100	446,894	1,829,033
24 Line 23 minus line 17	505,773	444,266	432,100	434,638	1,816,777
25 Enter 1% of line 23	5,058	4,443	4,321	4,469	
26 Organizations described on lines 10 or 11:					
a Enter 2% of amount in column (e), line 24					26a 36,336
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
c Total support for section 509(a)(1) test Enter line 24, column (e)					26c 1,816,777
d Add Amounts from column (e) for lines	18 10,036	19 0			26d 12,636
22 2,600	26b 0			26e 1,804,141	
e Public support (line 26c minus line 26d total)					26f 99.30%
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					
27 Organizations described on line 12:					
a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person " Do not file this list with your return. Enter the sum of such amounts for each year					
(2004) _____ (2003) _____ (2002) _____ (2001) _____					
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) _____ (2003) _____ (2002) _____ (2001) _____					
c Add Amounts from column (e) for lines	15 0	16 0			27c 0
17 0	20 0	21 0			27d 0
d Add Line 27a total	0	and line 27b total			27e 0
e Public support (line 27c total minus line 27d total)					27f 0
f Total support for section 509(a)(2) test Enter amount from line 23, column (e)					27g 0.00%
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27h 0.00%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					
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.)
(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?		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
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) ----- -----		
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?		
b	Admissions policies?		
c	Employment of faculty or administrative staff?		
d	Scholarships or other financial assistance?		
e	Educational policies?		
f	Use of facilities?		
g	Athletic programs?		
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement.) ----- ----- -----		
34 a	Does the organization receive any financial aid or assistance from a governmental agency?		
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		
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		

Line 1 (990) - Public Support and Contributions

	Cash		Non Cash
Line 1a - Direct public support			
1 Contributions	279,622	1	112,132
2 Membership dues and assessments (contributions from the public)		2	
3 Commercial co-venture		3	
4 Special events contributions (Line 9 - Special Events)	0	4	
5 _____		5	
6 _____		6	
7 _____		7	
8 _____		8	
9 _____		9	
10 Total	279,622	10	112,132
Line 1b - Indirect public support			
Line 1c - Government contributions (grants)	71,505		

Line 9 (990) - Special events and activities

	Event A	Event B	Event C	All others	Totals
1 Special event name	fundraisig				
1a Number of special events	1				
2 Gross receipts	38,391				2 38,391
3 Less contributions					3 0
4 Gross revenue	38,391	0	0	0	4 38,391
5 Less direct expenses					5 0
6 Net income or (loss)	38,391	0	0	0	6 38,391

Line 43 (990) - Other Deductions

193,750

149,201

23,636

20,913

Description		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
1	Utilities	9,685	8,717	484	484
2	Food Supplies	14,965	14,965	0	0
3	Client Assistance	5,301	5,301	0	0
4	Insurance	7,595	6,835	380	380
5	Volunteers Appreciation	698	698	0	0
6	Professional fees	30,203	10,650	12,344	7,209
7	Bank charges	280	0	280	0
8	Equipment less than 500	5,355	827	4,528	0
9	Procurement	50	50	0	0
10	Registration	7,220	0	0	7,220
11	Payroll processing	266	239	14	13
12	In-kind expenses	112,132	100,919	5,606	5,607
13		0			
14		0			
15		0			
16		0			
17		0			
18		0			
19		0			
20		0			

Line 54 (990) - Investments - Securities

Check one box below to indicate how securities are reported:

Cost

End of year market value (FMV)

Securities at end of year		Number of shares/ face value	Value at time of donation	Beginning balance book value FMV	Ending balance book value FMV
1	MUTUAL FUNDS			4,559	4,850
2				0	0
3				0	0
4				0	0
5				0	0
6				0	0
7				0	0
8				0	0
9				0	0
10				0	0
11				0	0
12				0	0
13				0	0
14				0	0
15				0	0
16				0	0
17				0	0
18				0	0
19				0	0
20				0	0

Line 57 (990) - Land, buildings, and equipment

Land (net of any amortization)		Land (net of any amortization)			
		Beginning		End	
1	1				
2	2				
3	3				
4	4				
5	5				
6	6		0		0

Buildings and equipment		Buildings and equipment		Accumulated depreciation	
		Beginning	End	Beginning	End
7	7	53,256	53,255	41,064	48,614
8	8	215,729	215,729	107,864	122,246
9	9				
10	10				
11	11				
12	12				
13	13				
14	14				
15	15				
16	16				
17	17	268,985	268,984	148,928	170,860
18	18			120,057	98,124
19	19			120,057	98,124

Category or Item		Cost/Other Basis	Accumulated Depreciation	Book Value
2	2			
3	3			
4	4			
5	5			
6	6			
7	7			
8	8			
9	9			
10	10			
11	11	0	0	0

Line 22 (Sch A (990/990-EZ)) - Other Income

Description	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
1		1,241	1,325	34	2,600
2					0
3					0
4					0
5					0
6					0
7					0
8					0
9					0
10					0
Total of Other Income	0	1,241	1,325	34	2,600

SARAH'S CIRCLE
For the year ended June 30, 2006
36-3043662

FORM 990, PART V - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

Name and Address	Title and Average hours per week devoted to Position	Compensation	Contributions to Employee benefit Plans	Expense account and other allowances
Troy Christensen PO Box 408061 Chicago, IL 60640	Co-President 2.5 hours	0	0	0
Megan Sampson PO Box 408061 Chicago, IL 60640	Co-President & Chair Finance & Fundraising 2.5 hours	0	0	0
Troy Christensen PO Box 408061 Chicago, IL 60640	Treasurer 2.5 hours	0	0	0
Louis Staruber PO Box 408061 Chicago, IL 60640	Secretary 2.5 hours	0	0	0
Afri Alelani Atiba PO Box 408061 Chicago, IL 60640	Chair, Program, Personnel & Facilities 2.5 hours	0	0	0
Marie Smith PO Box 408061 Chicago, IL 60640	Chair: Communications 2.5 hours	0	0	0
Christopher E. Jhonson PO Box 408061 Chicago, IL 60640	Director 2.5 hours	0	0	0
Paul Vogel PO Box 408061 Chicago, IL 60640	Director 2.5 hours	0	0	0
Coleen E. Burrus PO Box 408061 Chicago, IL 60640	Director 2.5 hours	0	0	0
Judy Krueger PO Box 408061 Chicago, IL 60640	Director 2.5 hours	0	0	0
Mandy J. Zaransky PO Box 408061 Chicago, IL 60640	Director 2.5 hours	0	0	0
Gail Russell PO Box 408061 Chicago, IL 60640	 40 hours	\$ 58,175	0	0

FOR THE YEAR ENDED JUNE 30, 2006
36 - 3043662

Form 990, Part III Organizations Primary Purpose

To provide a drop-in for homeless, transient, and low-income women. Also to provide meals and social services.

Form 990, Description of program services one

Drop-in center offering a welcoming, supportive, non-intrusive safe refuge for women who are homeless, transient and of low income services include: Case Management and Advocacy, Social activities, counseling referrals, on-site services from outside providers, support groups, four hot meals per week, snacks, showers and bathroom facilities, personal hygiene items, laundry, clothing, mailing, address, telephone, lockers and computer lab. In FY ended 6/30/2006 343 individual women were served.