

Return of Organization Exempt From Income Tax

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 07/01, 2005, and ending 06/30/2006

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

C Name of organization RAINBOWS FOR ALL GOD'S CHILDREN, INC. (D/B/A RAINBOWS)
Number and street (or P.O. box if mail is not delivered to street address) Room/suite
2100 GOLF ROAD SUITE #370
City or town, state or country, and ZIP + 4
ROLLING MEADOWS, IL 60008

D Employer identification number 36-3262836
E Telephone number (847) 952-1770
F Accounting method: Cash [], Accrual [X], Other (specify) []

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

H and I are not applicable to section 527 organizations
H(a) Is this a group return for affiliates? Yes [], No [X]
H(b) If "Yes," enter number of affiliates
H(c) Are all affiliates included? Yes [], No []
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes [], No [X]

G Website: N/A

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

K Check here [] if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization chooses to file a return, be sure to file a complete return. Some states require a complete return.

I Group Exemption Number

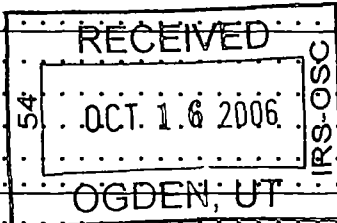
M Check [] if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF)

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 1,547,412.

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

Table with 21 rows and 4 columns: Description, Sub-description, Amount, Total. Includes sections for Revenue (lines 1-12), Expenses (lines 13-17), and Net Assets (lines 18-21). Total revenue is 1,283,532 and total expenses is 1,226,716.

Revenue RECORDED OCT 30 2006



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 \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc.	51,869.	49,276.	2,593.	
26	Other salaries and wages	419,890.	327,165.	65,501.	27,224.
27	Pension plan contributions				
28	Other employee benefits				
29	Payroll taxes	43,408.	35,146.	6,202.	2,060.
30	Professional fundraising fees				
31	Accounting fees				
32	Legal fees	5,889.	5,889.		
33	Supplies	68,767.	61,890.	6,877.	
34	Telephone	16,302.	14,672.	1,630.	
35	Postage and shipping	12,392.	12,392.		
36	Occupancy	131,908.	116,079.	15,829.	
37	Equipment rental and maintenance	4,131.	2,065.	2,066.	
38	Printing and publications				
39	Travel	2,344.	2,344.		
40	Conferences, conventions, and meetings	21,287.	21,287.		
41	Interest	16,575.		16,575.	
42	Depreciation, depletion, etc. (attach schedule)	6,150.	5,535.	615.	
43	Other expenses not covered above (itemize).				
a	STMT 2	425,804.	392,972.	30,249.	2,583.
b					
c					
d					
e					
f					
g					
44	Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15).	1,226,716.	1,046,712.	148,137.	31,867.

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 IV Balance Sheets (See the instructions.)

Notet <i>Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.</i>		(A) Beginning of year		(B) End of year
Assets	45 Cash - non-interest-bearing	68,682.	45	186,722.
	46 Savings and temporary cash investments		46	
	47a Accounts receivable	42,471.		
	b Less: allowance for doubtful accounts		18,502.	42,471.
	48a Pledges receivable	25,000.		
	b Less: allowance for doubtful accounts		22,500.	25,000.
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a Other notes and loans receivable (attach schedule)			
	b Less: allowance for doubtful accounts			51c
	52 Inventories for sale or use	159,931.	52	144,055.
	53 Prepaid expenses and deferred charges	7,292.	53	6,817.
	54 Investments - securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54	
	55a Investments - land, buildings, and equipment: basis			
	b Less: accumulated depreciation (attach schedule)			55c
56 Investments - other (attach schedule)		56		
57a Land, buildings, and equipment: basis, STMT 5	107,272.			
b Less: accumulated depreciation (attach schedule)	90,314.	13,921.	16,958.	
58 Other assets (describe <input type="checkbox"/> STMT 6)	84,737.	58	78,965.	
59 Total assets (must equal line 74). Add lines 45 through 58	375,565.	59	500,988.	
Liabilities	60 Accounts payable and accrued expenses	144,195.	60	195,379.
	61 Grants payable		61	
	62 Deferred revenue	8,000.	62	19,700.
	63 Loans from officers, directors, trustees, and key employees (attach schedule) STMT 7	45,164.	63	53,364.
	64a Tax-exempt bond liabilities (attach schedule)		64a	
	b Mortgages and other notes payable (attach schedule)		64b	
	65 Other liabilities (describe <input type="checkbox"/> STMT 8)	99,312.	65	96,835.
66 Total liabilities. Add lines 60 through 65	296,671.	66	365,278.	
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	-35,182.	67	-4,554.
	68 Temporarily restricted	114,076.	68	140,264.
	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)	78,894.	73	135,710.
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	375,565.	74	500,988.

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

- 75a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings 16
b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships?
c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to this organization through common supervision or common control?
d Does the organization have a written conflict of interest policy?

Table with 2 columns: Yes, No. Rows 75b, 75c, 75d with 'X' marks in the No column.

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. Row 1 shows dashes in all columns.

Part VI Other Information (See the instructions.)

- 76 Did the organization engage in any activity not previously reported to the IRS?
77 Were any changes made in the organizing or governing documents but not reported to the IRS?
78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?
78b If "Yes," has it filed a tax return on Form 990-T for this year?
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year?
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?
80b If "Yes," enter the name of the organization
81a Enter direct and indirect political expenditures (See line 81 instructions).
81b Did the organization file Form 1120-POL for this year?

Table with 2 columns: Yes, No. Rows 76, 77, 78a, 78b, 79, 80a, 81b with 'X' marks in the No column.

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.)		
82 b	29,754,454.		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83 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
84 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. Were substantially all dues nondeductible by members?	N/A	
85 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	N/A	
85 c	Dues, assessments, and similar amounts from members	N/A	
85 d	Section 162(e) lobbying and political expenditures	N/A	
85 e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	N/A	
85 f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	N/A	
85 g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	N/A	
85 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 a	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12	N/A	
86 b	Gross receipts, included on line 12, for public use of club facilities	N/A	
87 a	501(c)(12) orgs. Enter: a Gross income from members or shareholders	N/A	
87 b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	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	N/A	
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 N/A, section 4912 N/A; section 4955 N/A		
89 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		X
	c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958	N/A	
	d Enter: Amount of tax on line 89c, above, reimbursed by the organization	N/A	
90 a	List the states with which a copy of this return is filed IL		
90 b	Number of employees employed in the pay period that includes March 12, 2005 (See instructions.)	19	
91 a	The books are in care of SUZY YEHL MARTA Telephone no 847-952-1770 Located at 2100 GOLF ROAD #370 ROLLING MEADOWS, IL ZIP + 4 60008		
91 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 AUSTRALIA See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts	X	
91 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 AUSTRALIA	X	
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		

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 VOLUNTEER REGISTER					
b DIRECTOR TRAINING					19,123.
c VOLUNTEER					
d FACILITATOR TRAIN					44,849.
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	1,952.	
96 Dividends and 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 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	235,225.	
102 Gross profit or (loss) from sales of inventory					327,150.
103 Other revenue: a					
b ROYALTIES			15	12,976.	
c OTHER INCOME			01	9,095.	
d					
e					
104 Subtotal (add columns (B), (D), and (E))				259,248.	391,122.
105 Total (add line 104, columns (B), (D), and (E))					650,370.

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).
13	STMT 13

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
	%			
	%			
	%			
	%			

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).

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: *Suzanne A. Matthews* Date: 1/11/06
 Type or print name and title: Suzanne A. Matthews

Paid Preparer's Use Only

Preparer's signature: *Suzanne A. Matthews* Date: 01/05/2006
 Check if self-employed: Preparer's SSN or PTIN (See Gen. Inst. W): P00079652
 Firm's name (or yours if self-employed): OSTROW REISIN BERK & ABRAMS, LTD.
 address, and ZIP + 4: 455 N CITYFRONT PLAZA DR, STE 2600 CHICAGO, IL 60611-5555
 EIN: 36-2938874
 Phone no: 312-670-7444

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)		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)? STMT. 15	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
c	During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?	3c	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 pages 3 through 6 of the instructions.)

The organization is not a private foundation because it is: (Please check only ONE applicable box)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state ▶ _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the Support Schedule in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)
- 12 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2) (Also complete the Support Schedule in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). 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.

Table with 6 columns: Calendar year (or fiscal year beginning in), (a) 2004, (b) 2003, (c) 2002, (d) 2001, (e) Total. Rows include: 15 Gifts, grants, and contributions received; 16 Membership fees received; 17 Gross receipts from admissions, merchandise sold or services performed; 18 Gross income from interest, dividends; 19 Net income from unrelated business activities; 20 Tax revenues levied; 21 Value of services or facilities furnished; 22 Other income; 23 Total of lines 15 through 22; 24 Line 23 minus line 17; 25 Enter 1% of line 23.

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 NOT APPLICABLE; b Prepare a list for your records to show the name of and amount contributed by each person; c Total support for section 509(a)(1) test; d Add: Amounts from column (e) for lines: 18, 19, 22, 26b; e Public support (line 26c minus line 26d total); 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 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:

(2004) _____ (2003) _____ (2002) _____ (2001) _____

c Add Amounts from column (e) for lines: 15 1,644,483. 16 _____ 17 2,732,398. 20 _____ 21 _____; d Add. Line 27a total _____ and line 27b total _____; e Public support (line 27c total minus line 27d total); f Total support for section 509(a)(2) test Enter amount from line 23, column (e); g Public support percentage (line 27e (numerator) divided by line 27f (denominator)); 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.) NOT APPLICABLE
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

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

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions.)

(To be completed ONLY by an eligible organization that filed Form 5768) NOT APPLICABLE

Check a if the organization belongs to an affiliated group. Check b if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures

(The term "expenditures" means amounts paid or incurred.)

Table with 4 columns: Line number, Description, (a) Affiliated group totals, (b) To be completed for ALL electing organizations. Rows include Total lobbying expenditures, Total exempt purpose expenditures, and Lobbying nontaxable amount.

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.)

See the instructions for lines 45 through 50 on page 11 of the instructions)

Table titled 'Lobbying Expenditures During 4-Year Averaging Period' with columns for Calendar year (2005, 2004, 2003, 2002) and Total. Rows include Lobbying nontaxable amount, Lobbying ceiling amount, Total lobbying expenditures, and Grassroots lobbying expenditures.

Part VI-B Lobbying Activity by Nonelecting Public Charities

NOT APPLICABLE

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

Table with 4 columns: Question, Yes, No, Amount. Rows list various lobbying activities such as Volunteers, Paid staff, Media advertisements, Mailings, Publications, Grants, Direct contact, and Rallies.

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

FORM 990, PART I - SPECIAL FUNDRAISING EVENTS AND ACTIVITIES

DESCRIPTION	GROSS REVENUE	DIRECT EXPENSES	NET INCOME
GOLF OUTING	260,815.	86,335.	174,480.
APPEAL LETTERS	30,563.	2,234.	28,329.
ILLINOIS OTHER	7,945.	2,786.	5,159.
NEW JERSEY MARATHON	700.		700.
GEORGIA ORNAMENT SALE	697.		697.
NEW JERSEY OTHER	1,844.		1,844.
MARYLAND OTHER	33,092.	10,606.	22,486.
5K RUN	1,199.		1,199.
GEORGIA OTHER	331.		331.
TOTALS	337,186.	101,961.	235,225.

FORM 990, PART II - OTHER EXPENSES

DESCRIPTION	TOTAL	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING
INSURANCE	62,058.	50,110.	9,548.	2,400.
STAFF MEETING EXPENSE	5,644.	5,644.		
PROGRAM REVISIONS	554.	554.		
SITE DEVELOPMENT	128,797.	128,797.		
ADVERTISING AND PROMOTION	8,908.	8,908.		
AUTOMOBILE EXPENSE	7,060.	7,060.		
PROFESSIONAL FEES	143,202.	133,931.	9,271.	
REPAIRS AND MAINTENANCE	8,141.	7,327.	814.	
UTILITIES	12,674.	8,492.	4,182.	
MISCELLANEOUS	19,901.	14,926.	4,975.	
FACILITATOR TRAINING	26,122.	26,122.		
DUES AND SUBSCRIPTIONS	2,202.	1,101.	1,101.	
CONSULTING FEES	183.			183.
BAD DEBTS	358.		358.	
TOTALS	425,804.	392,972.	30,249.	2,583.

FORM 990, PART III - ORGANIZATION'S PRIMARY EXEMPT PURPOSE
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RAINBOWS OFFERS TRAINING AND CURRICULA TO ESTABLISH COMMUNITY-BASED PEER SUPPORT GROUPS IN SCHOOLS, FAITH COMMUNITIES, HOSPITALS, AND SOCIAL SERVICE AGENCIES. THESE SUPPORT GROUPS PROVIDE CHILDREN AND TEENS WHO ARE GRIEVING AN OPPORTUNITY TO RESOLVE THEIR FEELINGS IN AN ACCEPTING ENVIRONMENT FACILITATED BY A VOLUNTEER TRAINED BY RAINBOWS.

LAND, BUILDINGS, EQUIPMENT NOT HELD FOR INVESTMENT

ACCUMULATED DEPRECIATION DETAIL

FIXED ASSET DETAIL

ASSET DESCRIPTION	METHOD/ CLASS	FIXED ASSET DETAIL			ACCUMULATED DEPRECIATION DETAIL				
		BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE	BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE
FURN & FIXT-6/97	SL	13,012.			13,012.	13,012.			13,012.
FURN & FIXT - NJ	SL	4,044.			4,044.	4,044.			4,044.
FURN & FIXT.-PRE96F	SL	16,335.			16,335.	16,335.			16,335.
FURN & FIXT.-NJ	SL	6,272.			6,272.	6,272.			6,272.
FURN & FIXTURES-NJF	M7	1,335.			1,335.	1,136.	60.		1,196.
FURN & FIXTURES-GAF	SL	1,070.			1,070.	1,069.			1,069.
EQUIPMENT - GA	SL	6,429.			6,429.	6,429.			6,429.
FURNITURE DEPOSIT	SL	466.			466.	281.	47.		328.
F/F HQ 1999	SL	973.			973.	566.	97.		663.
F/F HQ 2000	SL	1,080.			1,080.	576.	108.		684.
F/F GA 2001	SL	1,325.			1,325.	664.	133.		797.
SOFTWARE NJ 2001	SL	5,000.			5,000.	5,000.			5,000.
F/F HQ 2001	SL	1,175.			1,175.	491.	118.		609.
SOFTWARE HQ 2001	SL	10,495.			10,495.	10,495.			10,495.
F/F NJ 2001	SL	1,225.			1,225.	523.	123.		646.
F/F HQ 2001	SL	2,250.			2,250.	1,016.	225.		1,241.
F/F NJ 2001	SL	1,120.			1,120.	485.	112.		597.
PHONE SYSTEM LEASEP	SL	4,570.			4,570.	1,219.	914.		2,133.

LAND, BUILDINGS, EQUIPMENT NOT HELD FOR INVESTMENT

FIXED ASSET DETAIL ACCUMULATED DEPRECIATION DETAIL

ASSET DESCRIPTION	METHOD/ CLASS	BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE	BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE
CANON COPIER	SL	930.			930.	232.	186.		418.
COMPUTERS	SL	6,000.			6,000.	2,666.	2,000.		4,666.
COMPUTER (NJ)	SL	1,062.			1,062.	1,062.			1,062.
COMPUTER (NJ)	SL	1,161.			1,161.	1,161.			1,161.
LAPTOP (NJ)	SL	2,000.			2,000.	2,000.			2,000.
SBT PRO SERIES UP	SL	2,855.			2,855.	2,855.			2,855.
BOOKCASES	SL	1,192.			1,192.	1,120.	72.		1,192.
COMPUTER (IL)	SL	3,020.			3,020.	3,020.			3,020.
MODULAR WORK CTR	SL	319.			319.	297.	22.		319.
COMPUTER - DONATEDC	SL	1,369.			1,369.	137.	274.		411.
TOTALS		98,084.			98,084.	84,163.			88,654.

FORM 990, PART IV - OTHER ASSETS

DESCRIPTION

ENDING
BOOK VALUE

SECURITY DEPOSITS

12,419.

PLEDGES RECEIVABLE, LONG-TERM

66,546.

TOTALS

78,965.

FORM 990, PART IV - LOANS FROM OFFICERS, DIRECTORS, ETC

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LENDER: SUZY MARTA, FOUNDER
 ORIGINAL AMOUNT: 35,164.
 DATE OF NOTE: VAR
 REPAYMENT TERMS: ON DEMAND
 PURPOSE OF LOAN: FOR GENERAL OPERATING PURPOSES

BEGINNING BALANCE DUE	45,164.
ENDING BALANCE DUE	53,364.

TOTAL BEGINNING LOANS FROM OFFICERS, DIRECTORS, ETC.	45,164.
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TOTAL ENDING LOANS FROM OFFICERS, DIRECTORS, ETC.	53,364.
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FORM 990, PART IV - OTHER LIABILITIES

DESCRIPTION	ENDING BOOK VALUE
NOTES PAYABLE, BANK	94,657.
LEASE OBLIGATION, CURRENT	1,195.
LEASE OBLIGATION	983.
TOTALS	96,835.

FORM 990, PART IV-A - OTHER REVENUE ON BOOKS BUT NOT ON RETURN

DESCRIPTION	AMOUNT
COST OF GOODS SOLD	161,919.
TOTAL	161,919.

FORM 990, PART IV-B - OTHER EXPENSES ON BOOKS BUT NOT ON RETURN

DESCRIPTION

AMOUNT

COST OF GOODS SOLD

161,919.

TOTAL

161,919.

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
SUZY YEHL MARTA ALL OFFICERS, DIRECTORS AND KEY EMPLOYEES CAN BE REACHED AT THE ADDRESS OF THE ORGANIZATION	FOUNDER 40	51,870.		
JAMES GEISE	CHAIRPERSON 1			
KENN ASHLEY	DIRECTOR 1			
MARTIN MARTA	DIRECTOR 1			
JOSEPH GURRERI	DIRECTOR 1			
KIMBERLY METCALFE	DIRECTOR 1			
JOHN BLACKBURN	DIRECTOR 1			
CHAD COE	DIRECTOR 1			
CHUCK CONE	TREASURER 1			
MARK JOHNSON	SECRETARY 1			
LINDA SARAN	VICE-CHAIR 1			
MARY KAY THILL	DIRECTOR 1			
EVANS COTTMAN	DIRECTOR 1			
NICOLE LEV	DIRECTOR 1			

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS

EXPENSE .ACCT AND OTHER ALLOWANCES

COMPENSATION

TITLE AND TIME DEVOTED TO POSITION

NAME AND ADDRESS

DAN MASTROPIERI

DIRECTOR

1

MICHAEL STERN

DIRECTOR

1

GRAND TOTALS

51,870.

FORM 990, PART VIII - ACCOMPLISHMENT OF EXEMPT PURPOSES

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LINE NO. ---	EXPLANATION OF HOW EACH ACTIVITY FOR WHICH INCOME IS REPORTED IN COLUMN (E) OF PART VII CONTRIBUTED IMPORTANTLY TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES -----
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102	SALES OF CHILDREN'S PROGRAM MATERIALS: THE BOOKS, PERSONAL JOURNALS, ACTIVITIES AND MANUALS THROUGH WHICH THE CHILDREN ARE ABLE TO ARTICULATE THEIR GRIEF IN A NON-THREATENING, INVITING MANNER.
93AC	RAINBOWS MANDATES THAT EVERY VOLUNTEER MUST BE TRAINED IN RAINBOWS METHODOLOGY AND PHILOSOPHY TO ENSURE THEY ARE PREPARED THOROUGHLY AND TO PREVENT BURNOUT

SCHEDULE A, PART I - COMPENSATION OF THE FIVE HIGHEST PAID EMPLOYEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION
TAMMY LABAR 2100 GOLF ROAD, SUITE 370 ROLLING MEADOWS, IL 60008	CHAPTER DIRECTOR FULL-TIME	52,000.
SUZY MARTA 2100 GOLF ROAD, SUITE 370 ROLLING MEADOWS, IL 60008	PRESIDENT FULL TIME	51,870.
TOTAL COMPENSATION		103,870.

SCHEDULE A, PART III - EXPLANATION FOR LINE 2D

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SEE FORM 990, PART V.