Form **990** Department of the Treasury Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No. 1545-0047 **2004** Open to Public Inspection

A For the 2004 calendar year, or tax year beginning JUL 1, 2004 and ending JUN 30, 2005

B Check if applicable: ☐ Address change ☐ Name change ☐ Initial return ☐ Final return [X] Amended return ☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization: MAGDALENE, INC.

Number and street (or P.O. box if mail is not delivered to street address): P.O. BOX 6330-B Room/suite

City or town, state or country, and ZIP + 4: NASHVILLE, TN 37235

D Employer identification number: 58-2050089

E Telephone number: 615-646-5266

F Accounting method: ☐ Cash [X] 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 [X] No

H(b) If "Yes," enter number of affiliates ▶

H(c) Are all affiliates included? N/A ☐ Yes ☐ No (If "No," attach a list.)

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

G Website: ▶WWW.MAGDALENEHOUSE.COM

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 received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

I Group Exemption Number ▶

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 ▶ 695,450.

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

Revenue	1	Contributions, gifts, grants, and similar amounts received:				
	a	Direct public support	1a	551,929.		
	b	Indirect public support	1b			
	c	Government contributions (grants)	1c			
	d	Total (add lines 1a through 1c) (cash $ 551,929. noncash $)			1d	551,929.
	2	Program service revenue including government fees and contracts (from Part VII, line 93)			2	23,000.
	3	Membership dues and assessments			3	
	4	Interest on savings and temporary cash investments			4	1,354.
	5	Dividends and interest from securities			5	
	6 a	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	
	8 a	Gross amount from sales of assets other than inventory — (A) Securities: ; (B) Other:	8a			
	b	Less: cost or other basis and sales expenses — (A): ; (B):	8b			
	c	Gain or (loss) (attach schedule) — (A): ; (B):	8c			
	d	Net gain or (loss) (combine line 8c, columns (A) and (B))			8d	
	9	Special events and activities (attach schedule). If any amount is from gaming, check here ▶ ☐				
	a	Gross revenue (not including $ 5,801. of contributions reported on line 1a)	9a			
	b	Less: direct expenses other than fundraising expenses	9b			
	c	Net income or (loss) from special events (subtract line 9b from line 9a) SEE STATEMENT 1			9c	
	10 a	Gross sales of inventory, less returns and allowances	10a	119,167.		
	b	Less: cost of goods sold STATEMENT 3	10b	118,929.		
	c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a) STMT 2			10c	238.
	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	576,521.
Expenses	13	Program services (from line 44, column (B))			13	476,230.
	14	Management and general (from line 44, column (C))			14	41,380.
	15	Fundraising (from line 44, column (D))			15	52,870.
	16	Payments to affiliates (attach schedule)			16	
	17	Total expenses (add lines 16 and 44, column (A))			17	570,480.
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)			18	6,041.
	19	Net assets or fund balances at beginning of year (from line 73, column (A))			19	1,127,636.
	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	1,133,677.

COPY

Part II Statement of Functional Expenses

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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) (cash $ ______ noncash $ ______)	22				
23 Specific assistance to individuals (attach schedule)	23				
24 Benefits paid to or for members (attach schedule)	24				
25 Compensation of officers, directors, etc.	25	0.	0.	0.	0.
26 Other salaries and wages	26	189,733.	161,273.	18,973.	9,487.
27 Pension plan contributions	27				
28 Other employee benefits	28	18,360.	13,458.	1,267.	3,635.
29 Payroll taxes	29	21,152.	17,980.	2,115.	1,057.
30 Professional fundraising fees	30				
31 Accounting fees	31	6,790.		6,490.	300.
32 Legal fees	32	3,120.	3,120.		
33 Supplies	33	16,637.	14,010.	1,314.	1,313.
34 Telephone	34	11,035.	9,380.	1,103.	552.
35 Postage and shipping	35	650.	650.		
36 Occupancy	36	10,200.	10,200.		
37 Equipment rental and maintenance	37				
38 Printing and publications	38	2,775.	1,690.	585.	500.
39 Travel	39	20.	20.		
40 Conferences, conventions, and meetings	40				
41 Interest	41	3,902.	3,902.		
42 Depreciation, depletion, etc. (attach schedule)	42	33,322.	33,322.		
43 Other expenses not covered above (itemize):					
a	43a				
b	43b				
c	43c				
d	43d				
e SEE STATEMENT 4	43e	252,784.	207,225.	9,533.	36,026.
44 Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15.	44	570,480.	476,230.	41,380.	52,870.

Joint Costs. Check ▶ ☐ if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ▶ ☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs $ ______ ; (ii) the amount allocated to Program services $ ______ ;
(iii) the amount allocated to Management and general $ ______ ; and (iv) the amount allocated to Fundraising $ ______

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? ▶ SEE STATEMENT 5

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a SEE STATEMENT 6 (Grants and allocations $)	472,430.
b SEE STATEMENT 7 (Grants and allocations $)	3,800.
c (Grants and allocations $)	
d (Grants and allocations $)	
e Other program services (attach schedule) (Grants and allocations $)	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶	476,230.

Part IV Balance Sheets

Note: *Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.*			(A) Beginning of year		(B) End of year
Assets					
45 Cash - non-interest-bearing			3,741.	45	21,303.
46 Savings and temporary cash investments			503,460.	46	149,628.
47 a Accounts receivable	47a	415.			
b Less: allowance for doubtful accounts	47b		3,828.	47c	415.
48 a Pledges receivable	48a	204,884.			
b Less: allowance for doubtful accounts	48b	10,000.	192,455.	48c	194,884.
49 Grants receivable			13,182.	49	13,609.
50 Receivables from officers, directors, trustees, and key employees				50	
51 a Other notes and loans receivable	51a				
b Less: allowance for doubtful accounts	51b			51c	
52 Inventories for sale or use			4,886.	52	3,178.
53 Prepaid expenses and deferred charges				53	
54 Investments - securities ▶ ☐ Cost ☐ FMV				54	
55 a Investments - land, buildings, and equipment: basis	55a				
b Less: accumulated depreciation	55b			55c	
56 Investments - other				56	
57 a Land, buildings, and equipment: basis	57a	919,735.			
b Less: accumulated depreciation STMT 8	57b	61,622.	455,283.	57c	858,113.
58 Other assets (describe ▶)				58	
59 Total assets (add lines 45 through 58) (must equal line 74)			1,176,835.	59	1,241,130.
Liabilities					
60 Accounts payable and accrued expenses			6,918.	60	7,453.
61 Grants payable				61	
62 Deferred revenue				62	
63 Loans from officers, directors, trustees, and key employees				63	
64 a Tax-exempt bond liabilities				64a	
b Mortgages and other notes payable			29,917.	64b	100,000.
65 Other liabilities (describe ▶ CONTRACT RETAINAGE PAYABLE)			12,364.	65	0.
66 Total liabilities (add lines 60 through 65)			49,199.	66	107,453.
Net Assets or Fund Balances					
Organizations that follow SFAS 117, check here ▶ [X] and complete lines 67 through 69 and lines 73 and 74.					
67 Unrestricted			639,392.	67	900,978.
68 Temporarily restricted			338,244.	68	82,699.
69 Permanently restricted			150,000.	69	150,000.
Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 70 through 74.					
70 Capital stock, trust principal, or current funds				70	
71 Paid-in or capital surplus, or land, building, and equipment fund				71	
72 Retained earnings, endowment, accumulated income, or other funds				72	
73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)			1,127,636.	73	1,133,677.
74 Total liabilities and net assets / fund balances (add lines 66 and 73)			1,176,835.	74	1,241,130.

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return

a	Total revenue, gains, and other support per audited financial statements	a	695,450.
b	Amounts included on line a but not on line 12, Form 990:		
(1)	Net unrealized gains on investments $		
(2)	Donated services and use of facilities $		
(3)	Recoveries of prior year grants $		
(4)	Other (specify): STMT 9 $ 118,929.		
	Add amounts on lines (1) through (4)	b	118,929.
c	Line a minus line b	c	576,521.
d	Amounts included on line 12, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 $		
(2)	Other (specify): $		
	Add amounts on lines (1) and (2)	d	0.
e	Total revenue per line 12, Form 990 (line c plus line d)	e	576,521.

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

a	Total expenses and losses per audited financial statements	a	689,409.
b	Amounts included on line a but not on line 17, Form 990:		
(1)	Donated services and use of facilities $		
(2)	Prior year adjustments reported on line 20, Form 990 $		
(3)	Losses reported on line 20, Form 990 $		
(4)	Other (specify): STMT 10 $ 118,929.		
	Add amounts on lines (1) through (4)	b	118,929.
c	Line a minus line b	c	570,480.
d	Amounts included on line 17, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 $		
(2)	Other (specify): $		
	Add amounts on lines (1) and (2)	d	0.
e	Total expenses per line 17, Form 990 (line c plus line d)	e	570,480.

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

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
SEE STATEMENT 11		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? If "Yes," attach schedule. ▶ [ ] Yes [X] No

Part VI Other Information

			Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.	77		X
78 a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	78a		X
b	If "Yes," has it filed a tax return on Form 990-T for this year? N/A	78b		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79		X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a		X
b	If "Yes," enter the name of the organization ▶ ______ and check whether it is ☐ exempt or ☐ nonexempt.			
81 a	Enter direct or indirect political expenditures. See line 81 instructions — 81a: 0.			
b	Did the organization file Form 1120-POL for this year?	81b		X
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	X	
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) — 82b			
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A	84b		
85	*501(c)(4), (5), or (6) organizations.* a Were substantially all dues nondeductible by members? N/A	85a		
b	Did the organization make only in-house lobbying expenditures of $2,000 or less? N/A	85b		
	If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c	Dues, assessments, and similar amounts from members — 85c: N/A			
d	Section 162(e) lobbying and political expenditures — 85d: N/A			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices — 85e: N/A			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) — 85f: N/A			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? N/A	85g		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? N/A	85h		
86	*501(c)(7) organizations.* Enter: a Initiation fees and capital contributions included on line 12 — 86a: N/A			
b	Gross receipts, included on line 12, for public use of club facilities — 86b: N/A			
87	*501(c)(12) organizations.* Enter: a Gross income from members or shareholders — 87a: N/A			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) — 87b: N/A			
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88		X
89 a	*501(c)(3) organizations.* Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ 0. ; section 4912 ▶ 0. ; section 4955 ▶ 0.			
b	*501(c)(3) and 501(c)(4) organizations.* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ 0.			
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶ 0.			

90 a List the states with which a copy of this return is filed ▶ NONE

b Number of employees employed in the pay period that includes March 12, 2004 — 90b: 21

91 The books are in care of ▶ TONI RODGERS, TREASURER Telephone no. ▶ 615-646-5266

Located at ▶ 329 BEECH BEND DRIVE, NASHVILLE, TN ZIP + 4 ▶ 37221

92 *Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of* Form 1041 - Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92: N/A

Part VII Analysis of Income-Producing Activities (See page 33 of the instructions.)

Note: Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(E)
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	Related or exempt function income
93 Program service revenue:					
a MEN'S REHABILITATION					23,000.
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		1,354.	14		
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					
102 Gross profit or (loss) from sales of inventory					238.
103 Other revenue:					
a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		1,354.		0.	23,238.
105 Total (add line 104, columns (B), (D), and (E)) ▶					24,592.

Note: *Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.*

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 34 of the instructions.)

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
	SEE STATEMENT 12

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of the instructions.)

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

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

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

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 — Date ▶ Type or print name and title.

Paid Preparer's Use Only

Preparer's signature ▶ M. Alan Smith, CPA	Date 3/6/06	Check if self-employed ▶ ☐	Preparer's SSN or PTIN P00360190
Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ LEWIS, SMITH, SMILEY & ASSOCIATES, P.C. P.O. BOX 128319 NASHVILLE, TN 37212		EIN ▶ 62-1289096	Phone no. ▶ (615)726-3190

COPY

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information-(See separate instructions.)

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

OMB No. 1545-0047

2004

Name of the organization: MAGDALENE, INC.

Employer identification number: 58 2050089

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than $50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over $50,000 ▶	0			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ▶	0	

Part III Statements About Activities (See page 2 of the instructions.)

			Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ $ ______ $ ______ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)	1		X
	Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? *(If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)*			
a	Sale, exchange, or leasing of property?	2a		X
b	Lending of money or other extension of credit?	2b		X
c	Furnishing of goods, services, or facilities?	2c		X
d	Payment of compensation (or payment or reimbursement of expenses if more than $1,000)?	2d		X
e	Transfer of any part of its income or assets?	2e		X
3 a	Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)	3a		X
b	Do you have a section 403(b) annuity plan for your employees?	3b		X
4 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 ▶ ______

10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the Support Schedule in Part IV-A.)

11a ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)

11b ☐ A community trust. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)

12 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the Support Schedule in Part IV-A.)

13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See page 5 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

14 ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See page 5 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) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	524,704.	1,121,518.	561,570.	155,134.	2,362,926.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	162,539.	198,212.	91,359.	55,814.	507,924.
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	4,897.	1,702.	435.	547.	7,581.
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	692,140.	1,321,432.	653,364.	211,495.	2,878,431.
24 Line 23 minus line 17	529,601.	1,123,220.	562,005.	155,681.	2,370,507.
25 Enter 1% of line 23	6,921.	13,214.	6,534.	2,115.	

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 ▶ 26a 47,410.

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 397,770.

c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶ 26c 2,370,507.

d Add: Amounts from column (e) for lines: 18 7,581. 19 ____ 22 ____ 26b 397,770. ▶ 26d 405,351.

e Public support (line 26c minus line 26d total) ▶ 26e 1,965,156.

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ 26f 82.9002 %

27 **Organizations described on line 12:** a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." **Do not file this list with your return.** Enter the sum of such amounts for each year: N/A

(2003) .... (2002) .... (2001) .... (2000) ....

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger** of (1) the amount on line 25 for the year or (2) $5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: N/A

(2003) .... (2002) .... (2001) .... (2000) ....

c Add: Amounts from column (e) for lines: 15 ____ 16 ____ 17 ____ 20 ____ 21 ____ ▶ 27c N/A

d Add: Line 27a total ____ and line 27b total ____ ▶ 27d N/A

e Public support (line 27c total minus line 27d total) ▶ 27e N/A

f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) ▶ 27f N/A

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ 27g N/A %

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶ 27h N/A %

28 **Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 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.

NONE

Part V **Private School Questionnaire** (See page 7 of the instructions.) N/A

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

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

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

N/A

(To be completed ONLY by an eligible organization that filed Form 5768)

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
		N/A	
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount. Enter the amount from the following table -			
If the amount on line 40 is - / The lobbying nontaxable amount is -			
Not over $500,000 ... 20% of the amount on line 40			
Over $500,000 but not over $1,000,000 ... $100,000 plus 15% of the excess over $500,000			
Over $1,000,000 but not over $1,500,000 ... $175,000 plus 10% of the excess over $1,000,000	41		
Over $1,500,000 but not over $17,000,000 ... $225,000 plus 5% of the excess over $1,500,000			
Over $17,000,000 ... $1,000,000			
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44		

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

4-Year Averaging Period Under Section 501(h)

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

N/A

	Lobbying Expenditures During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

Part VI-B Lobbying Activity by Nonelecting Public Charities

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

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h.)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h.)			0.

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

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 11 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

			Yes	No
a	Transfers from the reporting organization to a noncharitable exempt organization of:			
	(i) Cash	51a(i)		X
	(ii) Other assets	a(ii)		X
b	Other transactions:			
	(i) Sales or exchanges of assets with a noncharitable exempt organization	b(i)		X
	(ii) Purchases of assets from a noncharitable exempt organization	b(ii)		X
	(iii) Rental of facilities, equipment, or other assets	b(iii)		X
	(iv) Reimbursement arrangements	b(iv)		X
	(v) Loans or loan guarantees	b(v)		X
	(vi) Performance of services or membership or fundraising solicitations	b(vi)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c		X

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received: N/A

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

52 a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ▶ [ ] Yes [X] No

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

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

Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
	BUILDINGS											
4	BUILDINGS	112999	SL	39.00	16	31,989.			31,989.	3,758.		820.
54	LUMBER AND ROOFING - 721 LENA	101504	SL	15.00	16	50,571.			50,571.			2,529.
55	APPLIANCES - 721 LENA	101504	SL	7.00	16	7,311.			7,311.			783.
56	IMI CONCRETE - 721 LENA	101504	SL	15.00	16	3,172.			3,172.			159.
57	NASHVILLE SASH AND DOOR - EXTERIOR DOORS	101504	SL	15.00	16	18,964.			18,964.			948.
58	ISENHOUR DOOR - 721 LENA	101504	SL	15.00	16	6,467.			6,467.			323.
59	NORVELL AND WALLACE - SIDING AND TRIM - 721	101504	SL	15.00	16	15,861.			15,861.			793.
60	CRESCENT ELECTRIC FIXTURES - 721 LENA	101504	SL	7.00	16	6,224.			6,224.			667.
61	ROCK CITY CONSTRUCTION - 721 LENA	101504	SL	27.50	16	621,452.			621,452.			16,949.
62	GERDAU AMERISTEEL - 721 LENA	101504	SL	27.50	16	1,480.			1,480.			40.
63	REIMBURSED EXPENSES - KIM NORMAN - 721 LENA	101504	SL	15.00	16	7,963.			7,963.			398.
64	ADT - ALARM SYSTEM - 721 LENA	101504	SL	15.00	16	1,818.			1,818.			91.
65	LANDSCAPING - 721 LENA	101504	SL	15.00	16	9,254.			9,254.			463.
66	JOHNSON'S MASONRY - PRIVACY WALL - 721 LEN	101504	SL	27.50	16	4,639.			4,639.			127.
67	STEINHOUSE SUPPLY - 721 LENA	101504	SL	27.50	16	2,446.			2,446.			67.
	* 990 PAGE 2 TOTAL BUILDINGS					789,611.		0.	789,611.	3,758.	0.	25,157.
	* 990 PAGE 2 TOTAL -					789,611.		0.	789,611.	3,758.	0.	25,157.

(D) - Asset disposed

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

Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
	BUILDINGS											
10	LEASEHOLD IMP. PLUMBING & FIXTURES RE	090799	SL	39.00	16	1,265.			1,265.	155.		32.
11	LEASEHOLD IMP. INTERIOR STRUCTURAL RE	121699	SL	39.00	16	1,098.			1,098.	126.		28.
27	CARPET	062601	SL	5.00	16	391.			391.	234.		78.
30	GIBSON GAS	022002	SL	7.00	16	3,275.			3,275.	1,092.		468.
42	INTERIOR STRUCTURAL RENOVATIONS-ARTHUR	041803	SL	39.00	16	1,470.			1,470.	44.		38.
43	INTERIOR STRUCTURAL RENOVATIONS-PARK	041803	SL	39.00	16	458.			458.	14.		12.
44	EXTERIOR STRUCTURAL RENOVATIONS-ARTHUR	041803	SL	39.00	16	1,023.			1,023.	30.		26.
45	EXTERIOR STRUCTURAL RENOVATIONS-PARK	041803	SL	39.00	16	925.			925.	28.		24.
	* 990 PAGE 2 TOTAL BUILDINGS					9,905.		0.	9,905.	1,723.	0.	706.
	* 990 PAGE 2 TOTAL -					9,905.		0.	9,905.	1,723.	0.	706.
	BUILDINGS											
12	INTERIOR STRUCTURAL RENOVATIONS	051600	SL	39.00	16	1,883.			1,883.	196.		48.
13	EXTERIOR STRUCTURAL RENOVATIONS	030200	SL	39.00	16	7,543.			7,543.	836.		193.
14	ROOF	041000	SL	39.00	16	500.			500.	55.		13.
16	ALUMINUM SIDING	032200	SL	39.00	16	443.			443.	47.		11.
22	A/C COMPRESSOR	042401	SL	7.00	16	517.			517.	234.		74.
23	WATER HEATER	022001	SL	7.00	16	575.			575.	273.		82.

(D) - Asset disposed

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

Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
39	INTERIOR STRUCTURAL RENOVATIONS	041803	SL	39.00	16	4,384.			4,384.	131.		112.
40	EXTERIOR STRUCTURAL RENOVATIONS	041803	SL	39.00	16	280.			280.	8.		7.
41	FIRE ESCAPE	041803	SL	39.00	16	6,090.			6,090.	182.		156.
	* 990 PAGE 2 TOTAL BUILDINGS					22,215.		0.	22,215.	1,962.	0.	696.
	* 990 PAGE 2 TOTAL -					22,215.		0.	22,215.	1,962.	0.	696.
	MACHINERY & EQUIPMENT											
5	COMPUTER	082599	SL	5.00	16	725.			725.	701.		24.
17	COMPUTER	110100	SL	5.00	16	1,338.			1,338.	982.		268.
29	FAX/ZIP DRIVE	110200	SL	5.00	16	220.			220.	161.		44.
33	DELL COMPUTER	071001	SL	5.00	16	1,242.			1,242.	744.		248.
34	DELL COMPUTER	081001	SL	5.00	16	1,220.			1,220.	712.		244.
46	COMPUTER	040804	SL	5.00	16	699.			699.	35.		140.
49	DELL COMPUTER	082304	SL	5.00	16	3,523.			3,523.			587.
50	HP OFFICEJET PRINTER	120604	SL	5.00	16	343.			343.			40.
	* 990 PAGE 2 TOTAL MACHINERY & EQUIPMENT					9,310.		0.	9,310.	3,335.	0.	1,595.
	* 990 PAGE 2 TOTAL -					9,310.		0.	9,310.	3,335.	0.	1,595.
	MACHINERY & EQUIPMENT											
36	CREDIT CARD MACHINE	050102	SL	5.00	16	650			650.	282.		130.

(D) - Asset disposed * ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction

Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
	* 990 PAGE 2 TOTAL MACHINERY & EQUIPMENT					650.		0.	650.	282.	0.	130.
	* 990 PAGE 2 TOTAL -					650.		0.	650.	282.	0.	130.
	TRANSPORTATION EQUIPMENT											
18	CHEVY VAN	012401	SL	5.00	16	20,247.			20,247.	13,834.		4,049.
	* 990 PAGE 2 TOTAL TRANSPORTATION EQUIPME					20,247.		0.	20,247.	13,834.	0.	4,049.
	* 990 PAGE 2 TOTAL -					20,247.		0.	20,247.	13,834.	0.	4,049.
	FURNITURE & FIXTURES											
20	DESKS	010301	SL	7.00	16	760.			760.	381.		109.
21	OFFICE FURNITURE	051001	SL	7.00	16	750.			750.	339.		107.
28	DONATED FURNITURE	031501	SL	7.00	16	200.			200.	97.		29.
31	PORCH CHAIRS - 3	071001	SL	7.00	16	475.			475.	204.		68.
32	MISC	051202	SL	7.00	16	352.			352.	108.		50.
51	SEARS STOVE	082304	SL	7.00	16	410.			410.			49.
52	PIER ONE FURNITURE	111704	SL	7.00	16	1,782.			1,782.			149.
	* 990 PAGE 2 TOTAL FURNITURE & FIXTURES					4,729.		0.	4,729.	1,129.	0.	561.
	MACHINERY & EQUIPMENT											
1	VACUUM CLEANER	030198	SL	5.00	16	324.			324.	260.		0.
3	WASHER/DRYER	010198	SL	5.00	16	363.			363.	261.		0.

(D) - Asset disposed

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

FORM 990 PAGE 2 990

Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
6	TELEVISION	090199	SL	5.00	16	230.			230.	222.		8.
7	FAX MACHINE	120299	SL	5.00	16	249.			249.	229.		20.
9	REFRIGERATOR	041500	SL	5.00	16	625.			625.	531.		94.
15	GARBAGE DISPOSAL	052000	SL	10.00	16	150.			150.	61.		15.
19	REFRIGERATOR - SEARS	042501	SL	5.00	16	649.			649.	412.		130.
24	WEEDEATER	061301	SL	5.00	16	59.			59.	37.		12.
25	BLOWER	061301	SL	5.00	16	86.			86.	52.		17.
26	POLE PRUNER	061301	SL	5.00	16	40.			40.	25.		8.
35	WASHER	120301	SL	5.00	16	270.			270.	140.		54.
47	DRYER - ARTHUR	110603	SL	5.00	16	350.			350.	47.		70.
	* 990 PAGE 2 TOTAL MACHINERY & EQUIPMENT					3,395.		0.	3,395.	2,277.	0.	428.
	* 990 PAGE 2 TOTAL -					8,124.		0.	8,124.	3,406.	0.	989.
	LAND											
8	LAND	112999	L			19,000.			19,000.			0.
37	LAND - 723 LENA	120101	L			9,450.			9,450.			0.
38	LAND - 721 LENA	120101	L			11,250.			11,250.			0.
53	LAND	101504	L			19,973.			19,973.			0.
	* 990 PAGE 2 TOTAL LAND					59,673.		0.	59,673.	0.	0.	0.

(D) - Asset disposed

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

2004 DEPRECIATION AND AMORTIZATION REPORT

FORM 990 PAGE 2 990

Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
	* 990 PAGE 2 TOTAL -					59,673.		0.	59,673.	0.	0.	0.
	* GRAND TOTAL 990 PAGE 2 DEPR					919,735.		0.	919,735.	28,300.	0.	33,322.

(D) - Asset disposed

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

FORM 990 SPECIAL EVENTS AND ACTIVITIES STATEMENT 1

DESCRIPTION OF EVENT	GROSS RECEIPTS	CONTRIBUT. INCLUDED	GROSS REVENUE	DIRECT EXPENSES	NET INCOME
CO-SPONSER OF GOLF TOURNAMENT	5,801.	5,801.			0.
TO FM 990, PART I, LINE 9	5,801.	5,801.			0.

FORM 990 — INCOME AND COST OF GOODS SOLD INCLUDED ON PART I, LINE 10 — STATEMENT 2

INCOME

1. GROSS RECEIPTS	119,167	
2. RETURNS AND ALLOWANCES		
3. LINE 1 LESS LINE 2		119,167
4. COST OF GOODS SOLD (LINE 13)	118,929	
5. GROSS PROFIT (LINE 3 LESS LINE 4)		238

COST OF GOODS SOLD

6. INVENTORY AT BEGINNING OF YEAR	4,886	
7. MERCHANDISE PURCHASED		
8. COST OF LABOR	88,136	
9. MATERIALS AND SUPPLIES	25,061	
10. OTHER COSTS	4,024	
11. ADD LINES 6 THROUGH 10		122,107
12. INVENTORY AT END OF YEAR	3,178	
13. COST OF GOODS SOLD (LINE 11 LESS LINE 12)		118,929

FORM 990	COST OF GOODS SOLD - OTHER COSTS	STATEMENT 3

DESCRIPTION	AMOUNT
PRINTING	3,929.
DUES AND FEES	95.
TOTAL INCLUDED ON FORM 990, PART I, LINE 10B	4,024.

FORM 990	OTHER EXPENSES	STATEMENT 4

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
TRANSPORTATION	25,601.	25,601.		
STIPENDS - RESIDENTS	15,742.	15,742.		
MEDICAL	9,071.	9,071.		
CLOTHING	6,930.	6,930.		
UTILITIES	20,641.	20,641.		
EDUCATION, BOOKS, TRAINING	4,866.	4,866.		
INSURANCE	18,252.	18,252.		
ADMINISTRATIVE & OFFICE	3,711.		3,711.	
MEALS	7,111.	7,111.		
OTHER EXPENSES	9,784.	9,784.		
CONTRACT SERVICES	27,000.	5,000.		22,000.
REIMBURSED EXPENSES-S.A. CHAPEL	26,195.	23,575.	1,310.	1,310.
ADVERTISING & PROMOTIONS	3,864.	3,864.		
CREDIT CARD FEES	1,546.	1,546.		
PROPERTY TAXES	1,992.	1,992.		
JOHN SCHOOL - THERAPY SEMINARS	3,800.	3,800.		
IDA MATCHING	5,980.	5,980.		
FUND-RAISING EXP.	12,716.			12,716.
OUTREACH MINISTRY	34,512.	30,000.	4,512.	
REPAIRS AND MAINTENANCE	13,470.	13,470.		
TOTAL TO FM 990, LN 43	252,784.	207,225.	9,533.	36,026.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 5
PART III

EXPLANATION

MAGDALENE, INC. IS A NOT-FOR-PROFIT ORGANIZATION PROVIDING A RESIDENTIAL HOUSING AND RECOVERY PROGRAM FOR WOMEN IN MIDDLE TENNESSEE WITH A HISTORY OF PROSTITUTION. MAGDALENE, INC. OPERATES FOR THE FOLLOWING SPECIFIC PURPOSES:
- TO PROVIDE A LONG-TERM SAFE HAVEN DESIGNED TO ADDRESS THE NEEDS OF THE AND CHEMICAL DEPENDENCE.
- TO PROVIDE VOCATIONAL REHABILITATION AND EDUCATIONAL OPPORTUNITIES.
- TO PROVIDE ASSISTANCE AND SUPPORT WITH THE RESIDENTS' RECOVERY PROCESS, ENCOURAGING POSITIVE-SELF-IMAGE.
- TO MEET THE MEDICAL NEEDS OF THE RESIDENTS.
- TO PROVIDE REFERRALS TO OTHER AGENCIES AND PROGRAMS THAT CAN ASSIST THE RESIDENTS.
- TO RECOGNIZE AND MEET THE SPIRTUAL NEEDS OF THE RESIDENTS.
- TO PERFORM ALL OTHER LAWFUL RELATED BUSINESS AS ALLOWED BY TENNESSEE NOT-FOR-PROFIT CORPORATE STATUTES.
- TO PROVIDE EDUCATIONAL AND INFORMATIONAL ASSISTANCE TO THE RESIDENTS IN UNDERSTANDING AND COPING WITH THE ISSUES OF PROSTITUTION, DOMESTIC VIOLENCE, AND SAFETY WITH COMPASSION, DISCIPLINE, AND DIGNITY.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 6

DESCRIPTION OF PROGRAM SERVICE ONE

OUR MISSION IS TO PROVIDE SANCTUARY AND RECOVERY PROGRAMS,EG. THERAPUTIC EDUCATION,FOR WOMEN WITH A HISTORY OF PROSTITUTION WHO ARE SEEKING A HEALTHIER LIFESTYLE IN A SECURE AND COMPASSIONATE ENVIRONMENT. APPROX. 20-25 WOMEN PARTICIPATED IN THE PROGRAM DURING THE YEAR.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE A		472,430.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 7

DESCRIPTION OF PROGRAM SERVICE TWO

OUR SECONDARY MISSION IS TO PROVIDE AN EDUCATIONAL REHABILITATION PROGRAM FOR FIRST TIME OFFENDERS OF PROSTITUTE SOLICITATION, WORKING IN CONJUNCTION WITH THE LEGAL SYSTEM. APPROXIMATELY 90-100 MEN PARTICIPATED IN THE PROGRAM DURING THE YEAR.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE B		3,800.

FORM 990 DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 8

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
VACUUM CLEANER	324.	260.	64.
WASHER/DRYER	363.	261.	102.
BUILDINGS	31,989.	4,578.	27,411.
COMPUTER	725.	725.	0.
TELEVISION	230.	230.	0.
FAX MACHINE	249.	249.	0.
LAND	19,000.	0.	19,000.
REFRIGERATOR	625.	625.	0.
LEASEHOLD IMP. PLUMBING & FIXTURES REN	1,265.	187.	1,078.
LEASEHOLD IMP. INTERIOR STRUCTURAL REN	1,098.	154.	944.
INTERIOR STRUCTURAL RENOVATIONS	1,883.	244.	1,639.
EXTERIOR STRUCTURAL RENOVATIONS	7,543.	1,029.	6,514.
ROOF	500.	68.	432.
GARBAGE DISPOSAL	150.	76.	74.
ALUMINUM SIDING	443.	58.	385.
COMPUTER	1,338.	1,250.	88.
CHEVY VAN	20,247.	17,883.	2,364.
REFRIGERATOR - SEARS	649.	542.	107.
DESKS	760.	490.	270.
OFFICE FURNITURE	750.	446.	304.
A/C COMPRESSOR	517.	308.	209.
WATER HEATER	575.	355.	220.

WEEDEATER	59.	49.	10.
BLOWER	86.	69.	17.
POLE PRUNER	40.	33.	7.
CARPET	391.	312.	79.
DONATED FURNITURE	200.	126.	74.
FAX/ZIP DRIVE	220.	205.	15.
GIBSON GAS	3,275.	1,560.	1,715.
PORCH CHAIRS - 3	475.	272.	203.
MISC	352.	158.	194.
DELL COMPUTER	1,242.	992.	250.
DELL COMPUTER	1,220.	956.	264.
WASHER	270.	194.	76.
CREDIT CARD MACHINE	650.	412.	238.
LAND - 723 LENA	9,450.	0.	9,450.
LAND - 721 LENA	11,250.	0.	11,250.
INTERIOR STRUCTURAL RENOVATIONS	4,384.	243.	4,141.
EXTERIOR STRUCTURAL RENOVATIONS	280.	15.	265.
FIRE ESCAPE	6,090.	338.	5,752.
INTERIOR STRUCTURAL RENOVATIONS-ARTHUR	1,470.	82.	1,388.
INTERIOR STRUCTURAL RENOVATIONS-PARK	458.	26.	432.
EXTERIOR STRUCTURAL RENOVATIONS-ARTHUR	1,023.	56.	967.
EXTERIOR STRUCTURAL RENOVATIONS-PARK	925.	52.	873.
COMPUTER	699.	175.	524.
DRYER - ARTHUR	350.	117.	233.
DELL COMPUTER	3,523.	587.	2,936.
HP OFFICEJET PRINTER	343.	40.	303.
SEARS STOVE	410.	49.	361.
PIER ONE FURNITURE	1,782.	149.	1,633.
LAND	19,973.	0.	19,973.
LUMBER AND ROOFING - 721 LENA	50,571.	2,529.	48,042.
APPLIANCES - 721 LENA	7,311.	783.	6,528.
IMI CONCRETE - 721 LENA	3,172.	159.	3,013.
NASHVILLE SASH AND DOOR - EXTERIOR DOORS - 721 LENA	18,964.	948.	18,016.
ISENHOUR DOOR - 721 LENA	6,467.	323.	6,144.
NORVELL AND WALLACE - SIDING AND TRIM - 721 LENA	15,861.	793.	15,068.
CRESCENT ELECTRIC FIXTURES - 721 LENA	6,224.	667.	5,557.
ROCK CITY CONSTRUCTION - 721 LENA	621,452.	16,949.	604,503.
GERDAU AMERISTEEL - 721 LENA	1,480.	40.	1,440.
REIMBURSED EXPENSES - KIM NORMAN - 721 LENA	7,963.	398.	7,565.
ADT - ALARM SYSTEM - 721 LENA	1,818.	91.	1,727.
LANDSCAPING - 721 LENA	9,254.	463.	8,791.
JOHNSON'S MASONRY - PRIVACY WALL - 721 LENA	4,639.	127.	4,512.

STEINHOUSE SUPPLY - 721 LENA	2,446.	67.	2,379.
TOTAL TO FORM 990, PART IV, LN 57	919,735.	61,622.	858,113.

FORM 990 OTHER REVENUE NOT INCLUDED ON FORM 990 STATEMENT 9

DESCRIPTION	AMOUNT
THISTLE FARMS COST OF GOODS SOLD	118,929.
TOTAL TO FORM 990, PART IV-A	118,929.

FORM 990 OTHER EXPENSES NOT INCLUDED ON FORM 990 STATEMENT 10

DESCRIPTION	AMOUNT
THISTLE FARMS COST OF GOOD SOLD	118,929.
TOTAL TO FORM 990, PART IV-B	118,929.

FORM 990 PART V - LIST OF OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES STATEMENT 11

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
CARY RAYSON 1162 GATEWAY LANE NASHVILLE, TN 37220	BOARD CHAIR 8	0.	0.	0.
JODI BANKS 5608 S. STANFORD COURT NASHVILLE, TN 37215	SECRETARY 4	0.	0.	0.
TONI RODGERS 829 BEECH BEND DRIVE NASHVILLE, TN 37221	TREASURER 4	0.	0.	0.
REV. BECCA STEVENS 2902 OVERLOOK DR NASHVILLE, TN 37212	EXECUTIVE DIRECTOR 16	0.	0.	0.
BRENDA ELLIS 205 PEBBLE BROOK DRIVE NASHVILLE, TN 37221	2	0.	0.	0.
RICK HART 916 CHANCERY LANE NASHVILLE, TN 37205	2	0.	0.	0.
GILBERT SMITH 4401 CHICKERING LANE NASHVILLE, TN 37215	2	0.	0.	0.
CHARLIE STROBEL 1212 7TH AVENUE NORTH NASHVILLE, TN 37202	2	0.	0.	0.
J. RICHARD LODGE 315 DEADERICK STREET, SUITE 2700 NASHVILLE, TN 37238	GENERAL COUNSEL 2	0.	0.	0.
SANDY STAHL P.O. BOX 1508, ST. B NASHVILLE, TN 37235	2	0.	0.	0.
JOANNE CATO 15 INVERARAY NASHVILLE, TN 37215	2	0.	0.	0.

TORI TAFF 2809 HILLSIDE DRIVE NASHVILLE, TN 37212	2	0.	0.	0.
ROD SPANN 708 SUGARMILL TRAIL NASHVILLE, TN 37211	2	0.	0.	0.
MANDY CAWOOD 2804 TYNE BLVD NASHVILLE, TN 37215	2	0.	0.	0.
LISA FROEB 4114 SKYLINE DR NASHVILLE, TN 37215	2	0.	0.	0.
SIGOURNEY CHEEK 4404 HONEYWOOD AVE NASHVILLE, TN 37205	2	0.	0.	0.
CARLANA HARWELL 1215 CARL SEYFERT MEMORIAL DR BREWNTOOD, TN 37027	2	0.	0.	0.
TOTALS INCLUDED ON FORM 990, PART V		0.	0.	0.

FORM 990 PART VIII - RELATIONSHIP OF ACTIVITIES TO ACCOMPLISHMENT OF EXEMPT PURPOSES STATEMENT 12

LINE	EXPLANATION OF RELATIONSHIP OF ACTIVITIES
93	WORKING IN CONJUNCTION WITH THE LEGAL SYSTEM, MAGDALENE, INC.
93	PROVIDES AN EDUCATIONAL REHABILITATION PROGRAM FOR FIRST TIME
93	OFFENDERS OF PROSTITUTE SOLICITATION.
102	THISTLE FARMS, A PART OF THE WOMEN'S REHABILITATION PROGRAM, ASSISTS
102	PARTICIPANTS IN ACQUIRING AND DEVELOPING LIFE SKILLS NEEDED TO
102	ASSIMILATE BACK INTO THE WORKPLACE BY PROVIDING FOR MANUFACTURING,
102	ASSEMBLING, SHIPPING, MARKETING, AND SELLING OF MISCELLANEOUS
102	HOUSEHOLD PRODUCTS TO THE GENERAL PUBLIC.

Form **4562** Department of the Treasury Internal Revenue Service

Depreciation and Amortization 990

(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No. 1545-0172 **2004** Attachment Sequence No. 67

Name(s) shown on return	Business or activity to which this form relates	Identifying number
MAGDALENE, INC.	FORM 990 PAGE 2	58-2050089

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount. See instructions for a higher limit for certain businesses	1	102,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	410,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

6 (a) Description of property	(b) Cost (business use only)	(c) Elected cost
7 Listed property. Enter the amount from line 29	7	

8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2003 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2005. Add lines 9 and 10, less line 12 ▶	13	

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election (see instructions)	15	
16	Other depreciation (including ACRS) (see instructions)	16	33,322.

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2004	17	
18	If you are electing under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B - Assets Placed in Service During 2004 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2004 Tax Year Using the Alternative Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year	/		40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	33,322.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V **Listed Property** (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)
Note: *For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete* **only** *24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.*

Section A - Depreciation and Other Information (Caution: *See instructions for limits for passenger automobiles.*)

24a Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No | 24b If "Yes," is the evidence written? ☐ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use						25		
26 Property used more than 50% in a qualified business use:								
	: :	%						
	: :	%						
	: :	%						
27 Property used 50% or less in a qualified business use:								
	: :	%				S/L -		
	: :	%				S/L -		
	: :	%				S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1						28		
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29	

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person.
If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons.

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: *If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.*

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2004 tax year:					
	: :				
	: :				
43 Amortization of costs that began before your 2004 tax year				43	
44 Total. Add amounts in column (f). See instructions for where to report				44	