

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)

2004

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

A For the 2004 calendar year, or tax year beginning, and ending

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

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

C Name of organization: BRIGHTSTONE, INC.
Number and street (or P.O. box if mail is not delivered to street address): 4276 WARREN ROAD
Room/suite
City or town, state or country, and ZIP + 4: FRANKLIN TN 37067-4045

D Employer identification no.: 62-1783260
E Telephone number: 615-794-6219
F Accounting method: [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).

G Website: WWW.BRIGHTSTONE.ORG

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.

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? [] Yes [] No
H(d) Is this a separate return filed by an organization covered by a group ruling? [] Yes [] No
I Group Exemption Number
M Check [] if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 431,343

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 18 of the instructions.)

Table with 21 rows and 4 columns: Description, Sub-description, Amount, Total. Includes Revenue (lines 1-12), Expenses (lines 13-17), and Net Assets (lines 18-21).

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 page 22 of 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 \$ _____ non-cash \$ _____)	22			
23	Specific assistance to individuals	23			
24	Benefits paid to or for members	24			
25	Compensation of officers, directors, etc.	25	44,190	12,230	19,730
26	Other salaries and wages	26	93,332	87,235	3,376
27	Pension plan contributions	27			
28	Other employee benefits	28			
29	Payroll taxes	29	23,174	20,262	1,768
30	Professional fundraising fees	30			
31	Accounting fees	31	3,174		3,174
32	Legal fees	32	16		16
33	Supplies	33	4,011		4,011
34	Telephone	34			
35	Postage and shipping	35			
36	Occupancy	36	150	150	
37	Equipment rental and maintenance	37			
38	Printing and publications	38			
39	Travel	39	3,080	3,080	
40	Conferences, conventions, and meetings	40	4,400	4,400	
41	Interest	41			
42	Depreciation, depletion, etc. (attach schedule)	42	10,434	10,434	
43	Other expenses not covered above (itemize): a	43a			
	b SEE STATEMENT 1	43b	55,579	2,575	9,474
	c	43c			
	d	43d			
	e	43e			
44	Total functional expenses (add lines 22 - 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15	44	241,540	140,366	41,549

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 (See page 25 of the instructions.)

What is the organization's primary exempt purpose?	Program Service Expenses (Required for 501(c)(3) & (4) orgs., & 4947(a)(1) trusts; but optional for others.)
<p>▶ TRAIN/EDUCATE FUNCTIONALLY DISABLED ADULTS. All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)</p>	
a SEE STATEMENT 2	
(Grants and allocations \$ _____)	140,366
b	
(Grants and allocations \$ _____)	
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)	140,366

Part IV Balance Sheets (See page 25 of the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.		(A) Beginning of year		(B) End of year
45	Cash-non-interest-bearing	224,935	45	417,031
46	Savings and temporary cash investments		46	
47a	Accounts receivable			
	47a			
b	Less: allowance for doubtful accounts		47c	
	47b			
48a	Pledges receivable	26,994		
	48a			
b	Less: allowance for doubtful accounts		48c	26,994
	48b			
49	Grants receivable		49	
50	Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
51a	Other notes and loans receivable (attach schedule)			
	51a			
b	Less: allowance for doubtful accounts		51c	
	51b			
52	Inventories for sale or use		52	
53	Prepaid expenses and deferred charges	6,101	53	1,999
54	Investments-securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54	
55a	Investments-land, buildings, and equipment: basis			
	55a			
b	Less: accumulated depreciation (attach schedule)		55c	
	55b			
56	Investments-other (attach schedule)		56	
57a	Land, buildings, and equipment: basis	71,146		
	57a			
b	Less: accumulated depreciation (attach schedule) SEE STATEMENT 3	56,386	57c	14,760
	57b			
58	Other assets (describe _____)		58	
59	Total assets (add lines 45 through 58) (must equal line 74)	272,770	59	460,784
60	Accounts payable and accrued expenses	2,394	60	5,060
61	Grants payable		61	
62	Deferred revenue	4,350	62	4,750
63	Loans from officers, directors, trustees, and key employees (attach schedule)		63	
64a	Tax-exempt bond liabilities (attach schedule)		64a	
b	Mortgages and other notes payable (attach schedule)		64b	
65	Other liabilities (describe _____)		65	
66	Total liabilities (add lines 60 through 65)	6,744	66	9,810
Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
67	Unrestricted	250,026	67	432,474
68	Temporarily restricted	16,000	68	18,500
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)	266,026	73	450,974
74	Total liabilities and net assets / fund balances (add lines 66 and 73)	272,770	74	460,784

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.

Form 990 (2004) BRIGHTSTONE, INC.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See page 27 of the instructions.)

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

Table with 5 rows (a-e) and 2 columns. Row a: Total revenue, gains, and other support per audited financial statements 457,800. Row 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 31,312, (3) Recoveries of prior year grants, (4) Other. Row c: Line a minus line b 426,488. Row 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. Row e: Total revenue per line 12, Form 990 (line c plus line d) 426,488.

Table with 5 rows (a-e) and 2 columns. Row a: Total expenses and losses per audited financial statements 272,852. Row b: Amounts included on line a but not on line 17, Form 990: (1) Donated services and use of facilities 31,312, (2) Prior year adjustments reported on line 20, Form 990, (3) Losses reported on line 20, Form 990, (4) Other. Row c: Line a minus line b 241,540. Row 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. Row e: Total expenses per line 17, Form 990 (line c plus line d) 241,540.

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see page 27 of the instructions.)

Table with 5 columns: (A) Name and address, (B) Title and average hours per week devoted to position, (C) Compensation (if not paid, enter -0-), (D) Contrib. to employee benefit plans & deferred compensation, (E) Expense account and other allowances. Row 1: SEE STATEMENT 4. All other rows are empty.

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-see page 28 of the instructions. Yes No

Part VI Other Information (See page 28 of the instructions.)

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
b	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? If "Yes," attach a statement		X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?		X
b	If "Yes," enter the name of the organization and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81a	Enter direct and indirect political expenditures. See line 81 instructions	81a	
b	Did the organization file Form 1120-POL for this year?	81b	X
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	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.) SEE STMT 5	82b	31,312
83a	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
84a	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?	84b	N/A
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	85a	N/A
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	85b	N/A
c	Dues, assessments, and similar amounts from members	85c	
d	Section 162(e) lobbying and political expenditures	85d	
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12	86a	
b	Gross receipts, included on line 12, for public use of club facilities	86b	
87	501(c)(12) orgs. Enter: a Gross income from members or shareholders	87a	
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88	X
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>0</u> ; section 4912 <u>0</u> ; section 4955 <u>0</u>		
b	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization		0
90a	List the states with which a copy of this return is filed NONE		
b	Number of employees employed in the pay period that includes March 12, 2004 (See instructions.)	90b	7
91	The books are in care of BRENDA HAUK, EXEC DIR Telephone no. 615-794-6219 Located at FRANKLIN, TN ZIP + 4 37067		
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	

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

	Unrelated business income		Excluded by sec. 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
Note: Enter gross amounts unless otherwise indicated.					
93 Program service revenue:					
a SCHOOL TUITION					91,937
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	3,953	
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					161,423
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a					
b FEES					630
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0		3,953	253,990
105 Total (add line 104, columns (B), (D), and (E))					257,943

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).
93A - 103B	PROVIDES A COMPREHENSIVE WORK, EDUCATIONAL AND SOCIAL SUPPORT COMMUNITY FOR ADULTS WITH SPECIAL NEEDS.

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: Brenda K. Hawk Date: 5/3/05

Type or print name and title: Brenda K. Hawk President/Executive Director

Paid Preparer's Use Only

Preparer's signature: Rodger B. Byrd CPA Date: 5/2/2005 Check if self-employed:

Firm's name (or yours if self-employed), address, and ZIP + 4: BLANKENSHIP CPA GROUP, PLLC
109 WESTPARK DRIVE, SUITE 430
BRENTWOOD, TN 37027-5032

Preparer's SSN or PTIN (See Gen. Instr. W): P00038530

EIN: 45-0491842 Phone no.: 615-373-3771

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)
(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

OMB No. 1545-0047

2004

Department of the Treasury
Internal Revenue Service

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

Name of the organization

Employer identification number

BRIGHTSTONE, INC.

62-1783260

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 empl. ben. plans & deferred comp.	(e) Expense account and other allowances
NONE				
Total number of other employees paid over \$50,000				

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		

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

Schedule A (Form 990 or 990-EZ) 2004

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

Table with 3 columns: Question, Yes, No. Rows include: 1. During the year, has the organization attempted to influence national, state, or local legislation... 2. During the year, has the organization, either directly or indirectly, engaged in any of the following acts... a. Sale, exchange, or leasing of property? b. Lending of money or other extension of credit? c. Furnishing of goods, services, or facilities? d. Payment of compensation... e. Transfer of any part of its income or assets? 3a. Do you make grants for scholarships... 3b. Do you have a section 403(b) annuity plan... 4a. Did you maintain any separate account... 4b. Do you provide credit counseling...

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 [X] 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.)

Table with 2 columns: (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.)

Schedule A (Form 990 or 990-EZ) 2004

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) 2003, (b) 2002, (c) 2001, (d) 2000, (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, amounts received from payments on securities loans; 19 Net income from unrelated business activities not included in line 18; 20 Tax revenues levied for the organization's benefit; 21 The value of services or facilities furnished to the organization by a governmental unit without charge; 22 Other income; 23 Total of lines 15 through 22; 24 Line 23 minus line 17; 25 Enter 1% of line 23.

Table for lines 26a-26f. 26a: Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24. 26b: 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. 26c: Total support for section 509(a)(1) test: Enter line 24, column (e). 26d: Add: Amounts from column (e) for lines: 18, 19, 22, 26b. 26e: Public support (line 26c minus line 26d total). 26f: Public support percentage (line 26e (numerator) divided by line 26c (denominator)).

Table for lines 27a-27h. 27: Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: (2003), (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: (2003), (2002), (2001), (2000). c Add: Amounts from column (e) for lines: 15, 16, 17, 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 2000 through 2003, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See page 7 of the instructions.) (To be completed ONLY by schools that checked the box on line 6 in Part IV)

Table with 3 columns: Question ID, Yes, No. Rows include questions 29-35 regarding racial nondiscrimination policies, record keeping, and financial aid.

Part V Private School Questionnaire (See page 7 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	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?	X	
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?	X	
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?	X	
If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
PUBLICIZED IN THE LOCAL NEWSPAPER.		
32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?	X	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	X	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	X	
d Copies of all material used by the organization or on its behalf to solicit contributions?	X	
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?		X
b Admissions policies?		X
c Employment of faculty or administrative staff?		X
d Scholarships or other financial assistance?		X
e Educational policies?		X
f Use of facilities?		X
g Athletic programs?		X
h Other extracurricular activities?		X
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
34a Does the organization receive any financial aid or assistance from a governmental agency?		X
b Has the organization's right to such aid ever been revoked or suspended?		X
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	X	

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)

N/A

Table with columns for (a) Affiliated group totals and (b) To be completed for ALL electing organizations. Rows include 36-44: Limits on Lobbying Expenditures.

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 with columns for 2004, 2003, 2002, 2001, and Total. Rows include 45-50: 4-Year Averaging Period.

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:

- 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.)

Table with columns for Yes, No, and Amount.

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?

a Transfers from the reporting organization to a noncharitable exempt organization of:

(i) Cash

(ii) Other assets

b Other transactions:

(i) Sales or exchanges of assets with a noncharitable exempt organization

(ii) Purchases of assets from a noncharitable exempt organization

(iii) Rental of facilities, equipment, or other assets

(iv) Reimbursement arrangements

(v) Loans or loan guarantees

(vi) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

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:

Summary table with columns Yes and No for items 51a(i), a(ii), b(i), b(ii), b(iii), b(iv), b(v), b(vi), and c.

Main table with columns (a) Line no., (b) Amount involved, (c) Name of noncharitable exempt organization, and (d) Description of transfers, transactions, and sharing arrangements. Includes entries for SHURGUARD-FRANKLIN, TN and BLACKLION-NASHVILLE, TN.

52a 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 No (with checked X)

b If "Yes," complete the following schedule:

Table with columns (a) Name of organization, (b) Type of organization, and (c) Description of relationship. First row contains 'N/A'.

Special Events Schedule

Form 990

2004

For calendar year 2004, or tax year beginning , and ending

Name BRIGHTSTONE, INC. Employer Identification Number 62-1783260

Table with 5 columns: (A), (B), (C), Others, Total. Rows include Gross receipts, Less contributions, Gross revenue, Less direct expenses, and Net income (loss).

Description: (A) BENEFITS, FAIRS & SALES

(B) PRODUCT SALES

(C)

Others

Multiple horizontal lines for additional descriptions under categories (A), (B), (C), and Others.

Depreciation and Amortization

Form 4562

(Including Information on Listed Property)

2004

Department of the Treasury Internal Revenue Service

See separate instructions.

Attach to your tax return.

Attachment Sequence No. 67

Name(s) shown on return

BRIGHTSTONE, INC.

Identifying number

62-1783260

Business or activity to which this form relates

INDIRECT DEPRECIATION

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.

Table with 5 rows and 2 columns. Row 1: Maximum amount. See page 2 of the instructions for a higher limit for certain businesses. Value: 102,000. Row 2: Total cost of section 179 property placed in service. Row 3: Threshold cost of section 179 property before reduction in limitation. Value: 410,000. Row 4: Reduction in limitation. Subtract line 3 from line 2. Row 5: Dollar limitation for tax year. Subtract line 4 from line 1.

Table with 13 rows and 2 columns. Row 6: Description of property. Row 7: Listed property. Enter the amount from line 29. Row 8: Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7. Row 9: Tentative deduction. Enter the smaller of line 5 or line 8. Row 10: Carryover of disallowed deduction from line 13 of your 2003 Form 4562. Row 11: Business income limitation. Enter the smaller of business income (not less than zero) or line 5. Row 12: Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11. Row 13: Carryover of disallowed deduction to 2005. Add lines 9 and 10, less line 12.

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.)

Table with 3 rows and 2 columns. Row 14: Special depreciation allowance for qualified prop. (other than listed prop.) placed in service during the tax year. Value: 1,150. Row 15: Property subject to section 168(f)(1) election. Row 16: Other depreciation (including ACRS).

Part III MACRS Depreciation (Do not include listed property.) (See page 5 of the instructions.)

Section A

Table with 2 rows and 2 columns. Row 17: MACRS deductions for assets placed in service in tax years beginning before 2004. Value: 9,227. Row 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

Table with 9 columns: (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. Rows include 3-year, 5-year, 7-year, 10-year, 15-year, 20-year, 25-year property, Residential rental property, and Nonresidential real property.

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

Table with 6 columns: (a) Class life, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Rows include 12-year and 40-year class life.

Part IV Summary (see page 8 of the instructions)

Table with 3 rows and 2 columns. Row 21: Listed property. Enter amount from line 28. Row 22: Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Value: 10,434. Row 23: For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs.

For Paperwork Reduction Act Notice, see separate instructions.

Form 4562 (2004)

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 page 9 of the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? 24b If "Yes," is the evidence written? 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 (see page 8 of the instructions) 26 Property used more than 50% in a qualified business use (see page 8 of the instructions): 27 Property used 50% or less in a qualified business use (see page 8 of the instructions): 28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 29 Add amounts in column (i), line 26. Enter here and on line 7, page 1

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.

30 Total business/investment miles driven during the year (do not include commuting miles-See page 2 of the instructions) 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 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 (see page 10 of the instructions).

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 page 10 of the 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? (See page 10 of the instructions.) 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 (see page 11 of the instructions): 43 Amortization of costs that began before your 2004 tax year 44 Total. Add amounts in column (f). See page 12 of the instructions for where to report

Federal Statements

Statement 1 - Form 990, Part II, Line 43 - Other Functional Expenses

Description	Total Expenses	Program Service	Mgt & General	Fund-Raising
	\$	\$	\$	\$
BENEFITS, FAIRS & SALES				
DIRECT FUNDRAISING COSTS	36,775			36,775
LESS: IN-KIND DONATIONS	-4,963			-4,963
EXPENSES				
MARKETING (COMMUNITY RELATNS)	14,841			14,841
STUDENT ACTIVITIES	1,678	1,678		
TEACHING SUPPLIES & MATERIALS	897	897		
FEES	243		243	
CONSULTANT	8,500		8,500	
TRAINING	731		731	
LESS: IN-KIND DONATIONS	-3,123			-3,123
TOTAL	<u>\$ 55,579</u>	<u>\$ 2,575</u>	<u>\$ 9,474</u>	<u>\$ 43,530</u>

Statement 2 - Form 990, Part III, Line a - Statement of Program Service Accomplishments

PROVIDE A COMPREHENSIVE WORK, EDUCATIONAL AND SOCIAL SUPPORT COMMUNITY FOR ADULTS WITH SPECIAL NEEDS, EXPANDING THEIR POTENTIAL AND HELPING THEM DEVELOP MENTALLY, PHYSICALLY, EMOTIONALLY, SOCIALLY AND SPIRITUALLY.

Statement 3 - Form 990, Part IV, Line 57 - Land, Buildings, and Equipment

Description	Beginning of Year	Accum Deprec	End of Year	Accum Deprec
VEHICLES, EQUIPMENT & FURNITURE	\$ 68,847	\$ 45,952	\$ 71,146	\$ 56,386
TOTAL	<u>\$ 68,847</u>	<u>\$ 45,952</u>	<u>\$ 71,146</u>	<u>\$ 56,386</u>

Statement 4 - Form 990, Part V - List of Officers, Directors, Trustees, and Key Employees

Name	Address	Average Hours	Compensation	Benefits	Expenses
DR. CRAIG M. FERRELL	1100 MONTPIER DRIVE				FRANKLIN T
	CHAIRMAN	MIN	0	0	0
JAMES D. HINTON	9161 HUNTERBORO DRIVE				BRENTWOOD
	TREASURER	MIN	0	0	0
MARTHA OLDHAM	4801 WALES COURT				NASHVILLE
	SECRETARY	36	14,190	0	0
LINDA BROOKS	5004 HILL PLACE DRIVE				NASHVILLE
	DIRECTOR	MIN	0	0	0
BRENDA K. HAUK	4276 WARREN ROAD				FRANKLIN T
	EXEC DIRECTR	50	30,000	0	0

Federal Statements

**Statement 4 - Form 990, Part V - List of Officers, Directors, Trustees, and Key Employees
 (continued)**

Name	Address				
	Title	Average Hours	Compensation	Benefits	Expenses
PAMELA L. HARRIS	DIRECTOR	108 PORTSMOUTH COVE MIN	0	0	BRENTWOOD TN 0
LAURA HILL	DIRECTOR	3200 BOXLEY VALLEY ROAD MIN	0	0	FRANKLIN TN 0
KENT KRAUSE	DIRECTOR	611 COMMERCE MIN	0	0	NASHVILLE TN 0
RUTHANN ROBERTS	DIRECTOR	1202 SCRAMBLER'S KNOB MIN	0	0	FRANKLIN TN 0
BOB C. SIRCY, JR.	DIRECTOR	1209 VINTAGE PLACE MIN	0	0	NASHVILLE TN 0
DICK WELLS	DIRECTOR	1908 SPRINGCROFT DRIVE MIN	0	0	FRANKLIN TN 0

Statement 5 - Form 990, Part VI, Line 82b - Donated Services

Description	Amount
DONATED RENT	\$ 23,076
DONATED SUPPLIES	3,273
DONATED PRIZES, MATERIALS, ETC FOR SPECIAL EVENTS	4,963
TOTAL	\$ 31,312

**Statement 6 - Schedule A, Part III, Line 2d - Payment of Compensation / Reimbursement of
 Exp**

SEE FORM 990, PART V

Schedule A, Part V, Line 31 - Publication of Nondiscriminatory Policy

PUBLICIZED IN THE LOCAL NEWSPAPER.

Federal Statements

Form 990, Part I, Line 1a - Direct Public Support

Description	Cash	Noncash	Total
CONTRIBUTIONS NOT ON SCHEDULE B	\$ 20,523	\$	\$ 20,523
OTHER CONTRIBUTIONS	148,022		148,022
TOTAL	\$ 168,545	\$ 0	\$ 168,545

Special Events Direct Expenses

Description	Amount
COLUMN A	\$
BENEFITS, FAIRS & SALES	
SUBTOTAL	0
COLUMN B	
PRODUCT SALES	
COST OF GOODS SOLD	4,855
SUBTOTAL	4,855
TOTAL	4,855

DIRECT EXPENSES OTHER THAN FUNDRAISING EXPENSES
REPORTED ON FORM 990, PAGE 1, LINE 9B.