

Ex. B

OMB No 1545-0047

Form **990**

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)

2006

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 2006 calendar year, or tax year beginning January 1, 2006, and ending December 31, 20 06

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

C Name of organization
Three Angels Broadcasting Network, Inc.
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
3391 Charley Good Road, PO Box 220
 City or town, state or country, and ZIP + 4
West Frankfort, IL 62896

D Employer identification number
 [REDACTED]

E Telephone number
 (**618**) **627-4651**

F Accounting method: Cash Accrual
 Other (specify) ▶

G Website: ▶

H and I are not applicable to section 527 organizations
H(a) Is this a group return for affiliates? Yes No
H(b) If "Yes," enter number of affiliates ▶
H(c) Are all affiliates included? Yes No
 (If "No," attach a list. See instructions.)
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No
I Group Exemption Number ▶

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

K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

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

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

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

Revenue	1 Contributions, gifts, grants, and similar amounts received:					
	a Contributions to donor advised funds	1a	15,075,120			
	b Direct public support (not included on line 1a)	1b				
	c Indirect public support (not included on line 1a)	1c				
	d Government contributions (grants) (not included on line 1a)	1d				
	e Total (add lines 1a through 1d) (cash \$ 14,693,743 noncash \$ 381,377)				1e	15,075,120
	2 Program service revenue including government fees and contracts (from Part VII, line 93)				2	1,431,652
	3 Membership dues and assessments				3	
	4 Interest on savings and temporary cash investments				4	10,333
	5 Dividends and interest from securities				5	
	6a Gross rents	6a	48,114			
	b Less: rental expenses	6b	9,379			
c Net rental income or (loss). Subtract line 6b from line 6a				6c	38,735	
7 Other investment income (describe ▶)				7		
8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other			
	182,262	8a	9,600			
	184,156	8b	632			
	(1,894)	8c	8,968			
d Net gain or (loss). Combine line 8c, columns (A) and (B)				8d	7,074	
9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>	a Gross revenue (not including \$ _____ of contributions reported on line 1b)	9a				
	b Less: direct expenses other than fundraising expenses	9b				
	c Net income or (loss) from special events. Subtract line 9b from line 9a				9c	
10a Gross sales of inventory, less returns and allowances		10a	1,164,615			
	b Less: cost of goods sold	10b	1,001,811			
	c Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a				10c	162,804
11 Other revenue (from Part VII, line 103)				11	(123,436)	
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11				12	16,602,282	
Expenses	13 Program services (from line 44, column (B))			13	15,516,876	
	14 Management and general (from line 44, column (C))			14	4,081,422	
	15 Fundraising (from line 44, column (D))			15		
	16 Payments to affiliates (attach schedule)			16		
	17 Total expenses. Add lines 16 and 44, column (A)				17	19,598,298
Net Assets	18 Excess or (deficit) for the year. Subtract line 17 from line 12			18	(2,996,016)	
	19 Net assets or fund balances at beginning of year (from line 73, column (A))			19	19,470,324	
	20 Other changes in net assets or fund balances (attach explanation)			20	(238,158)	
	21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20				21	16,236,150

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Part IV Balance Sheets (See the instructions.)

		(A) Beginning of year		(B) End of year
Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.				
Assets	45 Cash—non-interest-bearing	1,043,070	45	482,919
	46 Savings and temporary cash investments	20,410	46	11,589
	47a Accounts receivable	47a 303,018		
	b Less: allowance for doubtful accounts	47b 6,793	204,877	47c 296,225
	48a Pledges receivable	48a		
	b Less: allowance for doubtful accounts	48b	669,592	48c 434,036
	49 Grants receivable		49	
	50a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)		50a	
	b Receivables from other disqualified persons (as defined under section 4958(f)(1) and persons described in section 4958(c)(3)(B) (attach schedule)		50b	
	51a Other notes and loans receivable (attach schedule)	51a		
	b Less: allowance for doubtful accounts	51b		51c
	52 Inventories for sale or use		1,397,326	52 1,336,386
	53 Prepaid expenses and deferred charges		450,706	53 325,047
	54a Investments—publicly-traded securities <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		1,104,153	54a 947,194
	b Investments—other securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV			54b
55a Investments—land, buildings, and equipment: basis	55a 3,120,000			
b Less: accumulated depreciation (attach schedule)	55b	3,120,000	55c 3,120,000	
56 Investments—other (attach schedule)			56	
57a Land, buildings, and equipment: basis	57a			
b Less: accumulated depreciation (attach schedule)	57b	13,567,702	57c 12,666,350	
58 Other assets, including program-related investments (describe ► Statement 5)		35,578,962	58 41,572,781	
59 Total assets (must equal line 74). Add lines 45 through 58		57,156,798	59 61,192,527	
Liabilities	60 Accounts payable and accrued expenses	1,124,241	60	1,016,215
	61 Grants payable		61	
	62 Deferred revenue	6,965	62	6,169
	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)	40,000	64b	440,000
	65 Other liabilities (describe ► Statement 6)	36,515,269	65	43,493,993
	66 Total liabilities. Add lines 60 through 65	37,686,475	66	44,956,377
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted	14,863,131	67	11,797,602
	68 Temporarily restricted	4,607,192	68	4,438,548
	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 and column (B) must equal line 21)	19,470,323	73	16,236,150	
74 Total liabilities and net assets/fund balances. Add lines 66 and 73	57,156,798	74	61,192,527	

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) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants See line 28)	14,671,736	14,237,962	12,918,511	17,236,402	59,064,611
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	2,016,368	1,924,281	2,310,642	1,998,731	8,250,022
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	51,271	37,076	48,917	52,416	189,680
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	16,739,375	16,199,319	15,278,070	19,287,549	67,504,313
24 Line 23 minus line 17	14,723,007	14,275,038	12,967,428	17,288,818	
25 Enter 1% of line 23	167,394	161,993	152,781	192,875	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 ▶					26a
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2002 through 2005 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts ▶					26b
c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶					26c
d Add. Amounts from column (e) for lines 18 _____ 19 _____ 22 _____ 26b _____ ▶					26d
e Public support (line 26c minus line 26d total) ▶					26e
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) ▶					26f %
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: (2005) _____ 417,415 (2004) _____ 185,984 (2003) _____ 206,809 (2002) _____ 317,048					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2005) _____ 1,749,974 (2004) _____ 570,694 (2003) _____ 563,540 (2002) _____ 182,840					
c Add: Amounts from column (e) for lines: 15 <u>59,064,611</u> 16 _____ 17 <u>8,250,022</u> 20 _____ 21 _____ ▶					27c 68,314,633
d Add: Line 27a total <u>1,127,256</u> and line 27b total <u>3,067,048</u> ▶					27d 4,194,304
e Public support (line 27c total minus line 27d total) ▶					27e 64,120,329
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) ▶					27f 67,504,313
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) ▶					27g 94.99 %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) ▶					27h .28 %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, 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.					