

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)

OMB No 1545-0047

2002

Open to Public Inspection

EX. Q

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 2002 calendar year, or tax year beginning January 1, 2002, and ending December 31, 2002

- 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
P O Box 220

City or town state or country and ZIP + 4
West Frankfort, IL 62890

D Employer identification number
9056

E Telephone number
(618) 627-4651

F Accounting method: Cash 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 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

G Web site ▶ **3abn.org**

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

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS but if the organization received a Form 990 Package in the mail it should file a return without financial data. Some states require a complete return

I Enter 4-digit GEN ▶

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 ▶

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 17 of the instructions)

SCANNED JUL 11 2003

Revenue	1 Contributions, gifts, grants and similar amounts received				
	a Direct public support	1a	14,057,326		
	b Indirect public support	1b			
	c Government contributions (grants)	1c			
	d Total (add lines 1a through 1c) (cash \$ _____ noncash \$ _____)	1d		14,057,326	
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2		847,980	
	3 Membership dues and assessments	3			
	4 Interest on savings and temporary cash investments	4		26,591	
	5 Dividends and interest from securities	5			
	6a Gross rents	6a	25,824		
	b Less rental expenses	6b	9,415		
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c		16,409	
7 Other investment income (describe ▶)	7				
8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		
	38,761	8a	147,893		
	40,250	8b	191,613		
	(1,489)	8c	(43,720)		
d Net gain or (loss) (combine line 8c, columns (A) and (B))	8d		(45,209)		
9 Special events and activities (attach schedule)	a Gross revenue (not including \$ _____ 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)	9c			
10a Gross sales of inventory, less returns and allowances	10a	1,184,297			
	b Less cost of goods sold	10b	687,151		
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c		497,146	
11 Other revenue (from Part VII, line 103)	11		(136,032)		
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		15,264,211		
Expenses	13 Program services (from line 44, column (B))	13		7,349,763	
	14 Management and general (from line 44, column (C))	14		4,926,100	
	15 Fundraising (from line 44, column (D))	15			
	16 Payments to affiliates (attach schedule)	16			
	17 Total expenses (add lines 13 and 14, column (A))	17		12,275,863	
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18		2,988,348	
	19 Net assets or fund balances at beginning of year (from line 93, column (A))	19		18,157,530	
	20 Other changes in net assets or fund balances (attach explanation)	20		1,732,679	
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21		22,878,557	

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OGDEN, UT
IRS-OSC

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Part VI Other Information (See page 27 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		✓
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		✓
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		✓
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		✓
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?		✓
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 or indirect political expenditures See line 81 instructions	81a	
b	Did the organization file Form 1120-POL for this year?	81b	✓
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	✓
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	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	✓
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	✓
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	✓
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	
85	501(c)(4), (5), or (6) organizations	85a	
a	Were substantially all dues nondeductible by members?		
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	
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	
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	
86	501(c)(7) orgs Enter	86a	
a	Initiation fees and capital contributions included on line 12		
b	Gross receipts, included on line 12, for public use of club facilities	86b	
87	501(c)(12) orgs Enter	87a	
a	Gross income from members or shareholders		
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	✓
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 ▶, section 4912 ▶, section 4955 ▶		
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	✓
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 ▶	90b	110
b	Number of employees employed in the pay period that includes March 12, 2002 (See instructions)		
91	The books are in care of ▶ Larry Ewing Telephone no ▶ (618) 627-4651 (3019) Located at ▶ 3391 Charlie Good Rd , West Frankfort, IL ZIP + 4 ▶ 62896-0220		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92		

Part VII Analysis of Income-Producing Activities (See page 31 of the instructions)

Note. Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512 513 or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a Production and distribution					847,980
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					26,591
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					16,409
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					(45,209)
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					123,494
103 Other revenue a Video & Other Sales					373,652
b Change in value of split interest agreements					(177,010)
c Other					40,978
d					
e					
104 Subtotal (add columns (B), (D), and (E))					1,206,885
105 Total (add line 104, columns (B), (D), and (E))					1,206,885

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 32 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)

Statement 13	

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 32 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
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 33 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: *Danny Shelton* Date: *June 30/2003*
 Type or print name and title: **Danny Shelton President**

Paid Preparer's Use Only

Preparer's signature: _____ Date: _____ Check if self-employed:

Firm's name (or yours if self-employed) address and ZIP + 4: _____ Preparer's SSN or PTIN (See Gen. Inst. W): _____
 EIN: _____ Phone no: _____



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 1 of Part VI-B) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities		✓
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?		✓
b Lending of money or other extension of credit?		✓
c Furnishing of goods, services, or facilities?	✓	
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		✓
e Transfer of any part of its income or assets?		✓
3 Does the organization make grants for scholarships, fellowships, student loans, etc.? (See Note below)		✓
4 Do you have a section 403(b) annuity plan for your employees?		✓
Note Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments		

Part IV Reason for Non-Private Foundation Status (See pages 3 through 5 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)(ii)
- 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)

THREE ANGELS BROADCASTING NETWORK, INC
990 - SUPPLEMENTAL INFORMATION
YEAR ENDED DECEMBER 31, 2002

#37-1179056

Statement 3
Form 990, Part I, Line 43
Other Expenses

Other Expenses	Total	Program Services	Management & General	Fundraising
Advertising and promotion	173,277	53,572	119,705	
Bad Debts	38,073	38,073		
Broadcasting	163,347	163,347		
Camp Meeting	32,275		32,275	
Contract Labor	83,377		83,377	
Credit Card Fees	33,764		33,764	
Downlink	877,343	877,343		
Dues and Registration	57,876	57,876		
Insurance	540,377		540,377	
Miscellaneous	388,285	220,460	167,825	
Special Projects	675,240	675,240		
	<u>3,063,234</u>	<u>2,085,911</u>	<u>977,323</u>	

Statement 4
Form 990, Part IV, Line 51
Land, Buildings and Equipment

Note receivable from non related individual on sale of land 29,877

Statement 5
Form 990, Part IV, Line 55
Land, Buildings and Equipment

Land held in Chantable Remainder Unitrusts 3,387,100

Statement 6
Form 990, Part IV, Line 57
Land, Buildings and Equipment

Asset	Cost	Accum Deprec	Net Book Value
Aircraft	1,346,893	145,914	1,200,979
Buildings	3,533,920	513,724	3,020,196
Land	649,778		649,778
Land Improvements	187,511	35,101	152,410
Machinery & Equipment	13,448,834	8,337,343	5,111,491
Vehicles	1,409,015	842,917	566,098
Construction in Progress	1,657,111		1,657,111
	<u>22,233,062</u>	<u>9,874,999</u>	<u>12,358,063</u>

THREE ANGELS BROADCASTING NETWORK, INC.
990 - SUPPLEMENTAL INFORMATION
YEAR ENDED DECEMBER 31, 2002

#37-1179056

Statement 7
Form 990 Part IV, Line 58
Other Assets

Annuities	12,781,645
Trusts	18,531,147
	<u>31,312,792</u>

Statement 8
Form 990 Part IV, Line 65
Other Liabilities

Annuities	8,424,403
Liabilities under Unitrust Agreements	2,788,511
Revocable Trust Liabilities	18,531,148
	<u>29,744,062</u>

Statement 9
Form 990 Part IV-A, Line B(4)
Other Amounts

Cost of Goods Sold - Satelites	687,153
Rental Expenses	9,415
	<u>696,568</u>

Statement 10
Form 990 Part IV-B, Line B(4)
Other Amounts

Cost of Goods Sold - Satelites	687,153
Rental Expenses	9,415
	<u>696,568</u>

THREE ANGELS BROADCASTING NETWORK, INC.
990 - SUPPLEMENTAL INFORMATION
YEAR ENDED DECEMBER 31, 2002

#37-1179056

Statement 11
Form 990, Part V
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title & Avg Hrs/Wk	Comp	Employee Benefits	Expense Account
Dr Walter Thompson 174 Fox Borough Burr Ridge, IL 60521	Chairman None	0	0	0
Kenneth Denslow 619 Plainfield Rd , 3rd Floor Willowbrook, IL 60521-5381	Director None	0	0	0
May E Chung 155 Manchester Lane San Bernardino, CA 92408	Director None	0	0	0
Dr Robert Ford 2517 NE Kresky Chehalis, Wa 98532-2409	Director None	0	0	0
Bill Hulsey PO Box 596 Collegedale, TN 37315	Director None	0	0	0
Ellsworth McKee PO Box 750 Collegedale, TN 37315	Director None	0	0	0
Danny Shelton 2954 New Lake Road West Frankfort, IL 62896	President Director 40 hrs/wk	53,022		
Linda Shelton 2954 New Lake Road West Frankfort, IL 62896	Vice Pres Director 40 hrs/wk	65,091		
G Ralph Thompson 12501 Old Columbia Pike Silver Spring, MD 20904-6600	Director None	0	0	0
Owen Troy 1906 Dana Drive Adelphi, MD 20783-2119	Director None	0	0	0
Larry Welch 715 S Mulkey Chrstopher, IL 62822	Director 40 hrs/wk	39,019	0	0
		<u>157,132</u>		