

Return of Organization Exempt From Income Tax

2003

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

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 2003 calendar year, or tax year beginning 2003, and ending 20

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 62896**

D Employer identification number: **37-1179056**

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

F Accounting method: Cash Accrual
 Other (specify) ▶

G Website: ▶ **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.

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

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 ▶

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 page 18 of the instructions.)

Revenue	1 Contributions, gifts, grants, and similar amounts received:				
	a Direct public support	1a	10,902,656		
	b Indirect public support	1b			
	c Government contributions (grants)	1c			
	d Total (add lines 1a through 1c) (cash \$ 10,593,517 noncash \$ 309,139)	1d			10,902,656
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2			882,654
	3 Membership dues and assessments	3			
	4 Interest on savings and temporary cash investments	4			28,155
	5 Dividends and interest from securities	5			
	6a Gross rents	6a	20,763		
	b Less: rental expenses	6b	7,259		
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c			13,504
7 Other investment income (describe ▶)	7				
8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		
		124,895	24,000		
	b Less: cost or other basis and sales expenses	8a	8b	26,155	
		118,712			
c Gain or (loss) (attach schedule)	8c		8c	(2,155)	
d Net gain or (loss) (combine line 8c, columns (A) and (B))	8d			4,028	
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 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	1,390,946		
	b Less: cost of goods sold	10b	1,041,702		
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c			349,244
11 Other revenue (from Part VII, line 103)	11			(698,462)	
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12			11,481,779	
Expenses	13 Program services (from line 44, column (B))	13			8,623,961
	14 Management and general (from line 44, column (C))	14			4,937,968
	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			13,561,929
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18			(2,080,150)
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19			22,878,557
	20 Other changes in net assets or fund balances (attach explanation)	20			
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21			20,798,407

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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 \$ _____ 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	152,431	55,932	96,499
26	Other salaries and wages	26	3,011,398	1,335,074	1,676,324
27	Pension plan contributions	27			
28	Other employee benefits	28			
29	Payroll taxes	29	210,400		210,400
30	Professional fundraising fees	30			
31	Accounting fees	31	29,651		29,651
32	Legal fees	32	250,431		250,431
33	Supplies	33	498,913	172,090	326,823
34	Telephone	34	194,650	194,650	
35	Postage and shipping	35	859,186		859,186
36	Occupancy	36	328,354	147,702	180,652
37	Equipment rental and maintenance	37	2,888,282	2,740,728	147,554
38	Printing and publications	38	186,794	186,794	
39	Travel	39	1,212,374	999,758	212,616
40	Conferences, conventions, and meetings	40			
41	Interest	41	5,937		5,937
42	Depreciation, depletion, etc. (attach schedule)	42	1,928,846	1,928,846	
43	Other expenses not covered above (itemize): a	43a			
	Statement 2	43b	1,804,282	862,387	941,895
	c	43c			
	d	43d			
	e	43e			
44	Total functional expenses (add lines 22 through 43) <i>Organizations completing columns (B)-(D), carry these totals to lines 13-15</i>	44	13,561,929	8,623,961	4,937,968

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) and (4) orgs. and 4947(a)(1) trusts, but optional for others.)
a Production and distribution of 24 hour per day religious programming for electronic transmission throughout the world. (Grants and allocations \$ _____)	8,623,961
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) ▶	

Part IV Balance Sheets (See page 25 of 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	797,584	45	383,281
	46	Savings and temporary cash investments	3,875,730	46	2,554,835
	47a	Accounts receivable	247,539		
	b	Less: allowance for doubtful accounts	180,130	47c	247,539
	48a	Pledges receivable			
	b	Less: allowance for doubtful accounts	375,394	48c	323,165
	49	Grants receivable		49	
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a	Other notes and loans receivable (attach schedule)			
	b	Less: allowance for doubtful accounts	29,877	51c	
	52	Inventories for sale or use	618,377	52	850,165
	53	Prepaid expenses and deferred charges	584,405	53	401,109
	54	Investments—securities (attach schedule)		54	
	55a	Investments—land, buildings, and equipment: basis	3,387,100		
	b	Less: accumulated depreciation (attach schedule)	3,387,100	55c	3,387,100
	56	Investments—other (attach schedule)		56	
	57a	Land, buildings, and equipment: basis	28,010,706		
	b	Less: accumulated depreciation (attach schedule)	11,763,327	57c	16,247,379
	58	Other assets (describe ▶ Schedule 5)	31,312,792	58	30,016,365
59	Total assets (add lines 45 through 58) (must equal line 74)	53,519,452	59	54,777,692	
Liabilities	60	Accounts payable and accrued expenses	837,942	60	1,582,036
	61	Grants payable		61	
	62	Deferred revenue	18,891	62	40,333
	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	40,000
	65	Other liabilities (describe ▶ Schedule 6)	29,744,062	65	32,316,916
66	Total liabilities (add lines 60 through 65)	30,640,895	66	33,979,285	
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	18,927,747	67	16,978,544
	68	Temporarily restricted	3,950,810	68	3,819,863
	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).	22,878,557	73	20,798,407
	74	Total liabilities and net assets / fund balances (add lines 66 and 73)	53,519,452	74	54,777,692

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 (See page 27 of the instructions.)

a	Total revenue, gains, and other support per audited financial statements . . . ▶	a	12,530,739
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): _____		
	Statement 7 \$ 1,048,960		
	Add amounts on lines (1) through (4) ▶	b	1,048,960
c	Line a minus line b ▶	c	11,481,779
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): _____		
	Statement 8 \$ _____		
	Add amounts on lines (1) and (2) ▶	d	
e	Total revenue per line 12, Form 990 (line c plus line d) ▶	e	11,481,779

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

a	Total expenses and losses per audited financial statements . . . ▶	a	14,610,889
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): _____		
	Statement 8 \$ 1,048,960		
	Add amounts on lines (1) through (4) ▶	b	1,048,960
c	Line a minus line b ▶	c	13,561,929
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): _____		
	Statement 9 \$ _____		
	Add amounts on lines (1) and (2) ▶	d	
e	Total expenses per line 17, Form 990 (line c plus line d) ▶	e	13,561,929

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

(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
Statement 9				

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? Yes No
If "Yes," attach schedule—see page 28 of the instructions.

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		✓
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 and indirect political expenditures See line 81 instructions 81a		
b	Did the organization file Form 1120-POL for this year?		✓
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?		✓
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?	✓	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	✓	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		✓
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
85	501(c)(4), (5), or (6) organizations 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.		
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?		
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?		
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		✓
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.		✓
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 ▶		
b	Number of employees employed in the pay period that includes March 12, 2003 (See instructions.) 90b 120		
91	The books are in care of ▶ Larry Ewing Telephone no ▶ (618) 627-4651 Located at ▶ 3391 Charley Good Road, West Frankfort, IL ZIP + 4 ▶ 62896		
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 33 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					882,653
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					28,155
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					13,504
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					4,028
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					(50,097)
103 Other revenue: a Video and other sales					399,341
b Change in value of split interest agreements					(776,816)
c Bad debt recovery					18,896
d Other					59,459
e					
104 Subtotal (add columns (B), (D), and (E))					579,123
105 Total (add line 104, columns (B), (D), and (E)).					

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).
▼	Statement 11

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
	%			
	%			
	%			
	%			

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).

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.

Please Sign Here: *Danny Shelton*
 Signature of officer: Danny Shelton, President
 Type or print name and title: _____
 Date: 6/24/04

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



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

2003

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 Three Angels Broadcasting Network, Inc.	Employer identification number 37 1179056
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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
Moses Primo PO Box 39, Thompsonville, IL 62890	Director of Engineering	69,732.14		
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
Union Bank of California PO Box 85243, San Diego, CA 92186	Investment Management	62,291
Sidley, Austin, Brown & Wood LLP 555 West 5th Street, Suite 4000, Los Angeles, CA 90013	Legal	65,546
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.)		✓
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A Other organizations making "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?		✓
3a Do you make grants for scholarships, fellowships, student loans, etc ? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments)		✓
b Do you have a section 403(b) annuity plan for your employees?		✓
4 Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		✓

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 6 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) *Use cash method of accounting.*

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in) ▶	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants See line 28)	17,236,402	13,521,717	11,202,957	10,911,244	52,872,320
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	1,998,731	1,794,201	3,476,063	4,610,614	11,879,609
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	52,416	70,437	83,580	77,741	284,174
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.	19,287,549	15,386,355	14,762,600	15,599,599	65,036,103
24 Line 23 minus line 17.	17,288,818	13,592,154	11,286,537	10,988,985	53,156,494
25 Enter 1% of line 23	192,875	153,864	147,626	155,996	

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 1999 through 2002 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 _____	26d	
22 _____ 26b _____ ▶		
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:

(2002) **317,048** (2001) **261,527** (2000) **455,945** (1999) **1,444,658**

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:

(2002) **182,840** (2001) **379,400** (2000) **179,522** (1999)

c Add: Amounts from column (e) for lines: 15 52,872,320 16 _____	27c	
17 11,879,609 20 _____ 21 _____ ▶		
d Add: Line 27a total 2,479,178 and line 27b total 741,762 ▶	27d	
e Public support (line 27c total minus line 27d total) ▶	27e	
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) . . . ▶	27f	
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) ▶	27g	
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) . . . ▶	27h	

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1999 through 2002, 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)

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

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)

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
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			
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.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e)).					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 12 of the instructions.)

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.)			

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 12 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		✓
(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:

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

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

b If "Yes," complete the following schedule:

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



THREE ANGELS BROADCASTING NETWORK, INC.
990 - SUPPLEMENTAL INFORMATION
YEAR ENDED DECEMBER 31, 2003

#37-1179056

Statement 1
Form 990, Part I, Line 8
Net Gain (Loss) from Noninventory Sales

Publicly Traded Securities

Description:	Securities
Date Acquired:	Various
How Acquired:	Purchased or Donated
Date Sold:	Various
To Whom Sold:	Market Shares - Unknown
Gross Sales Price	124,895
Cost Basis	<u>118,712</u>
Loss on Sale	<u>6,183</u>

Other Assets

Description:	Capital Assets
Date Acquired:	Various
How Acquired:	Purchased or Donated
Date Sold:	Various
To Whom Sold:	Various
Gross Sales Price	24,000
Cost Basis	<u>26,155</u>
Loss on Sale	<u>(2,155)</u>

THREE ANGELS BROADCASTING NETWORK, INC.
990 - SUPPLEMENTAL INFORMATION
YEAR ENDED DECEMBER 31, 2003

#37-1179056

Statement 2
Form 990, Part I, Line 43
Other Expenses

Other Expenses	Total	Program Management Services	& General Fundraising
Advertising and Promotion	426,191	179,252	246,939
Bank Charges	49,307		49,307
Broadcasting	79,463	79,463	
Camp Meeting	26,141		26,141
Contract Labor	102,479	51,819	50,660
Dues and Registration	46,972	46,972	
Insurance	244,012		244,012
Miscellaneous	192,799		192,799
Music Production	177,166	177,166	
Special Projects	459,752	327,715	132,037
	<u>1,804,282</u>	<u>862,387</u>	<u>941,895</u>

Statement 3
Form 990, Part IV, Line 55
Land, Buildings and Equipment

Land held in Charitable Remainder Unitrusts 3,387,100

Statement 4
Form 990, Part IV, Line 57
Land, Buildings and Equipment

Asset	Cost	Accum. Deprec.	Net Book Value
Aircraft	1,346,893	280,611	1,066,282
Buildings	3,662,186	621,826	3,040,360
Land	834,778		834,778
Land Improvements	187,511	48,060	139,451
Machinery & Equipment	18,017,648	9,809,342	8,208,306
Vehicles	1,402,866	1,003,488	399,378
Construction in Progress	2,558,824		2,558,824
	<u>28,010,706</u>	<u>11,763,327</u>	<u>16,247,379</u>

THREE ANGELS BROADCASTING NETWORK, INC.
990 - SUPPLEMENTAL INFORMATION
YEAR ENDED DECEMBER 31, 2003

#37-1179056

Statement 5
Form 990 Part IV, Line 58
Other Assets

Annuities	10,074,843
Trusts	<u>19,941,522</u>
	<u>30,016,365</u>

Statement 6
Form 990 Part IV, Line 65
Other Liabilities

Annuities	10,078,854
Liabilities under Unitrust Agreements	2,296,540
Revocable Trust Liabilities	<u>19,941,522</u>
	<u>32,316,916</u>

Statement 7
Form 990 Part IV-A, Line B(4)
Other Amounts

Cost of Goods Sold - Satellites	1,041,702
Rental Expenses	<u>7,258</u>
	<u>1,048,960</u>

Statement 8
Form 990 Part IV-B, Line B(4)
Other Amounts

Cost of Goods Sold - Satellites	1,041,702
Rental Expenses	<u>7,258</u>
	<u>1,048,960</u>

THREE ANGELS BROADCASTING NETWORK, INC.
990 - SUPPLEMENTAL INFORMATION
YEAR ENDED DECEMBER 31, 2003

#37-1179056

Statement 10
Form 990, Part V, Line 90A
List of States Which This Return is Filed
 California
 Illinois
 Oregon

Statement 11
Form 990, Part VII
Relationship of Activities to the Accomplishment of Exempt Purposes

Line #	Explanation of Activities
93	Payment for airtime & production of certain religious programming
95	Interest income is used to help offset general operating expenses
97	Rental income is used to help offset general operating expenses
102	Sale of satellite dishes to enable viewers to receive programming
103a	Sale of religious programming and religious books
103c	Recovery of airtime and production revenue relating to religious programming
103d	Other income is used to help offset general operating expenses

THREE ANGELS BROADCASTING NETWORK, INC.
990 - SUPPLEMENTAL INFORMATION
YEAR ENDED DECEMBER 31, 2003

#37-1179056

Statement 9
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 Hulse 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	53,695		
Linda Shelton 2954 New Lake Road West Frankfort, IL 62896	Vice Pres. Director 40 hrs/wk	58,169		
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 Christopher, IL 62822	Director 40 hrs/wk	40,567	0	0
		<u>152,431</u>		