

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 7/01, 2003, and ending 6/30, 2004

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

ROLLING READERS SPACE COAST, INC. 1948 PINEAPPLE AVE. #102 MELBOURNE, FL 32935

D Employer identification number 59-3755192 E Telephone number 321-254-9976 F Accounting method: X 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? H (b) If 'Yes,' enter number of affiliates H (c) Are all affiliates included? H (d) Is this a separate return filed by an organization covered by a group ruling?

G Web site: N/A

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

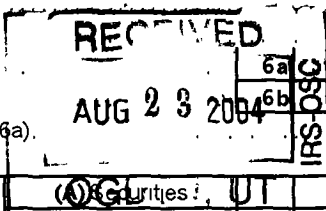
K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

I Group Exemption Number M Check if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 86,047.

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

Table with 21 rows and 4 columns: Description, Sub-description, Amount, Total. Includes sections for Contributions, Program Service Revenue, Investment Income, Special Events, and Expenses.



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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (att sch) (cash \$ _____ non-cash \$ _____)	22			
23	Specific assistance to individuals (att sch)	23			
24	Benefits paid to or for members (att sch)	24			
25	Compensation of officers, directors, etc	25			
26	Other salaries and wages	26	11,228.	10,105.	449.
27	Pension plan contributions	27			
28	Other employee benefits	28			
29	Payroll taxes	29	1,019.	917.	41.
30	Professional fundraising fees	30	870.	783.	35.
31	Accounting fees	31	500.	450.	20.
32	Legal fees	32			
33	Supplies	33	1,402.	1,262.	56.
34	Telephone	34	1,270.	1,143.	51.
35	Postage and shipping	35	611.	550.	24.
36	Occupancy	36			
37	Equipment rental and maintenance	37			
38	Printing and publications	38	1,081.	973.	43.
39	Travel	39			
40	Conferences, conventions, and meetings	40			
41	Interest	41			
42	Depreciation, depletion, etc (attach schedule)	42	1,000.	900.	40.
43	Other expenses not covered above (itemize)				
a	SEE STATEMENT 1	43a	30,139.	27,127.	1,206.
b		43b			
c		43c			
d		43d			
e		43e			
44	<b>Total functional expenses</b> (add lines 22 - 43). Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44	49,120.	44,210.	1,965.

**Joint Costs.** Check  if you are following SOP 98-2.  
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?  Yes  No  
 If 'Yes,' enter (i) the aggregate amount of these joint costs \$ \_\_\_\_\_; (ii) the amount allocated to Program services \$ \_\_\_\_\_; (iii) the amount allocated to Management and general \$ \_\_\_\_\_; and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_

**Part III Statement of Program Service Accomplishments**

What is the organization's primary exempt purpose? <input type="checkbox"/> SEE STATEMENT 2	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, but optional for others)
a SEE STATEMENT 3	
(Grants and allocations \$ _____)	44,210.
b	
(Grants and allocations \$ _____)	
c	
(Grants and allocations \$ _____)	
d	
(Grants and allocations \$ _____)	
e Other program services (Grants and allocations \$ _____)	
<b>f Total of Program Service Expenses</b> (should equal line 44, column (B), Program services)	44,210.

**Part IV Balance Sheets** (See Instructions)

**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only

		(A)		(B)	
		Beginning of year		End of year	
ASSETS	45 Cash – non-interest-bearing		45		
	46 Savings and temporary cash investments	16,410.	46	38,711.	
	47 a Accounts receivable	47 a			
	b Less: allowance for doubtful accounts	47 b	47 c		
	48 a Pledges receivable	48 a			
	b Less: allowance for doubtful accounts	48 b	48 c		
	49 Grants receivable	36,245.	49	49,641.	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50		
	51 a Other notes & loans receivable (attach sch)	51 a			
	b Less: allowance for doubtful accounts	51 b	51 c		
	52 Inventories for sale or use		52		
	53 Prepaid expenses and deferred charges		53		
	54 Investments – securities (attach schedule)	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54		
	55 a Investments – land, buildings, & equipment: basis	55 a			
	b Less: accumulated depreciation (attach schedule)	55 b	55 c		
	56 Investments – other (attach schedule)		56		
	57 a Land, buildings, and equipment: basis	57 a	5,747.		
	b Less: accumulated depreciation (attach schedule) <b>STATEMENT 4</b>	57 b	1,230.	2,997.	
	58 Other assets (describe <input type="checkbox"/> )		58		
59 <b>Total assets</b> (add lines 45 through 58) (must equal line 74)		55,652.	59	92,869.	
LIABILITIES	60 Accounts payable and accrued expenses		60		
	61 Grants payable		61		
	62 Deferred revenue		62		
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63		
	64 a Tax-exempt bond liabilities (attach schedule)		64 a		
	b Mortgages and other notes payable (attach schedule)		64 b		
	65 Other liabilities (describe <input type="checkbox"/> <b>SEE STATEMENT 5</b> )		220.	65	510.
66 <b>Total liabilities</b> (add lines 60 through 65)		220.	66	510.	
NET ASSETS OR FUND BALANCES	<b>Organizations that follow SFAS 117, check here</b> <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67 Unrestricted		67		
	68 Temporarily restricted		68		
	69 Permanently restricted		69		
	<b>Organizations that do not follow SFAS 117, check here</b> <input checked="" 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		18,820.	71	18,820.
	72 Retained earnings, endowment, accumulated income, or other funds		36,612.	72	73,539.
73 <b>Total net assets or fund balances</b> (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)		55,432.	73	92,359.	
74 <b>Total liabilities and net assets/fund balances</b> (add lines 66 and 73)		55,652.	74	92,869.	

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.

BAA

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

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

<b>a</b>	Total revenue, gains, and other support per audited financial statements . . . . .	<b>a</b>	86,047.
<b>b</b>	Amounts included on line <b>a</b> 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): _____ \$ _____		
	Add amounts on lines (1) through (4) . . . . .	<b>b</b>	
<b>c</b>	Line <b>a</b> minus line <b>b</b> . . . . .	<b>c</b>	86,047.
<b>d</b>	Amounts included on line 12, Form 990 but not on line <b>a</b> :		
(1)	Investment expenses not included on line 6b, Form 990 \$ _____		
(2)	Other (specify): _____ \$ _____		
	Add amounts on lines (1) and (2) . . . . .	<b>d</b>	
<b>e</b>	Total revenue per line 12, Form 990 (line <b>c</b> plus line <b>d</b> ) . . . . .	<b>e</b>	86,047.

<b>a</b>	Total expenses and losses per audited financial statements . . . . .	<b>a</b>	49,120.
<b>b</b>	Amounts included on line <b>a</b> 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): _____ \$ _____		
	Add amounts on lines (1) through (4) . . . . .	<b>b</b>	
<b>c</b>	Line <b>a</b> minus line <b>b</b> . . . . .	<b>c</b>	49,120.
<b>d</b>	Amounts included on line 17, Form 990 but not on line <b>a</b> :		
(1)	Investment expenses not included on line 6b, Form 990 \$ _____		
(2)	Other (specify): _____ \$ _____		
	Add amounts on lines (1) and (2) . . . . .	<b>d</b>	
<b>e</b>	Total expenses per line 17, Form 990 (line <b>c</b> plus line <b>d</b> ) . . . . .	<b>e</b>	49,120.

**Part V List of Officers, Directors, Trustees, and Key Employees** (List each one even if not compensated; see 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 and deferred compensation	(E) Expense account and other allowances
SEE STATEMENT 6		0.	0.	0.
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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 instructions.

**Part VI Other Information** (See 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
78b	If 'Yes,' has it filed a tax return on <b>Form 990-T</b> for this year? . . . . .	N/A	
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
80b	If 'Yes,' enter the name of the organization ▶ <u>N/A</u> . . . . . 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	0.
81b	Did the organization file <b>Form 1120-POL</b> for this year? . . . . .		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? . . . . .		X
82b	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	N/A
83a	Did the organization comply with the public inspection requirements for returns and exemption applications? . . . . .	83a	X
83b	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
84b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .	84b	N/A
85a	<b>501(c)(4), (5), or (6) organizations</b> Were substantially all dues nondeductible by members? . . . . .	85a	N/A
85b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? . . . . .	85b	N/A
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.			
85c	Dues, assessments, and similar amounts from members . . . . .	85c	N/A
85d	Section 162(e) lobbying and political expenditures . . . . .	85d	N/A
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices. . . . .	85e	N/A
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e) . . . . .	85f	N/A
85g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? . . . . .	85g	N/A
85h	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
86a	<b>501(c)(7) organizations</b> Enter: a Initiation fees and capital contributions included on line 12. . . . .	86a	N/A
86b	b Gross receipts, included on line 12, for public use of club facilities . . . . .	86b	N/A
87a	<b>501(c)(12) organizations</b> Enter: a Gross income from members or shareholders . . . . .	87a	N/A
87b	b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) . . . . .	87b	N/A
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX . . . . .	88	X
89a	<b>501(c)(3) organizations.</b> 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>		
89b	<b>501(c)(3) and 501(c)(4) organizations</b> 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 ▶ <u>NONE</u>		
90b	Number of employees employed in the pay period that includes March 12, 2003 (See instructions.) . . . . .	90b	0
91	The books are in care of ▶ <u>M. L. ARBOGAST, CPA, P.A.</u> Telephone number ▶ <u>321-723-5480</u> Located at ▶ <u>108 W. NEW HAVEN AVE., MELBOURNE, FL.</u> ZIP + 4 ▶ <u>32901</u>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of <b>Form 1041</b> - Check here . . . . . N/A ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year . . . . . ▶ <u>92</u>		N/A

**Part VII Analysis of Income-Producing Activities** (See 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 _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments . . .					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts.	525990	171.			
96 Dividends & 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 pers prop . . .					
99 Other investment income . . .					
100 Gain or (loss) from sales of assets other than inventory . . .					
101 Net income or (loss) from special events . . .					
102 Gross profit or (loss) from sales of inventory . . .					
103 Other revenue: a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E)) . . .		171.			
105 Total (add line 104, columns (B), (D), and (E)) . . .					171.

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 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).
1	DEVELOP SUCCESSFUL, LIFELONG READERS BY PROVIDING DISADVANTAGED CHILDREN AND FAMILIES WITH HIGH IMPACT PROGRAM MATERIALS, BOOKS AND VOLUNTEER SERVICES.

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See 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	0%			
	0%			
	0%			
	0%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See instructions.)

a Did the organization, during the year, receive any funds, directly or indirectly, to pay p  
 b Did the organization, during the year, pay premiums, directly or ind  
 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 schedules, and the accompanying information, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than officer) is based on information furnished by the taxpayer.  
 Pauline P. Cordell & Joan R. B...  
 Signature of officer  
 Pauline P. Cordell & Joan R. B...  
 Type or print name and title

Paid Preparer's Use Only  
 Preparer's signature: [Signature]  
 Firm's name (or yours if self-employed) address, and ZIP + 4  
 MICHAEL L. ARBOGAST, CPA, CF  
 108 W. NEW HAVEN AVENUE  
 MELBOURNE, FL 32901

**SCHEDULE A**  
(Form 990 or 990-EZ)

**Organization Exempt Under  
Section 501(c)(3)**

OMB No 1545-0047

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

**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

ROLLING READERS SPACE COAST, INC.

Employer identification number

59-3755192

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

(See 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 and deferred compensation	(e) Expense account and other allowances
NONE				
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Total number of other employees paid over \$50,000 ▶ 0				

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

(See 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		
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Total number of others receiving over \$50,000 for professional services ▶ 0		

**Part III** Statements About Activities (See instructions.)

	Yes	No
<p>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 . . . ▶ \$ <u>N/A</u></p> <p>(Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)</p>		X
<p>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.</p>		
<p>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 )</p>		
<p>a Sale, exchange, or leasing of property?</p>	2a	X
<p>b Lending of money or other extension of credit?</p>	2b	X
<p>c Furnishing of goods, services, or facilities?</p>	2c	X
<p>d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?</p>	2d	X
<p>e Transfer of any part of its income or assets?</p>	2e	X
<p>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.)</p>	3a	X
<p>b Do you have a section 403(b) annuity plan for your employees?</p>	3b	X
<p>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?</p>	4	X

**Part IV** Reason for Non-Private Foundation Status (See 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 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 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.)	N/A				
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 . . . . .					
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 . . . . .					
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					
24 Line 23 minus line 17 . . . . .					
25 Enter 1% of line 23 . . . . .					

**26 Organizations described on lines 10 or 11:** a Enter 2% of amount in column (e), line 24. . . . . N/A ▶ **26 a** \_\_\_\_\_

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 . . . . . ▶ **26 b** \_\_\_\_\_

c Total support for section 509(a)(1) test: Enter line 24, column (e) . . . . . ▶ **26 c** \_\_\_\_\_

d Add: Amounts from column (e) for lines: 18 \_\_\_\_\_ 19 \_\_\_\_\_  
22 \_\_\_\_\_ 26b \_\_\_\_\_ ▶ **26 d** \_\_\_\_\_

e Public support (line 26c minus line 26d total) . . . . . ▶ **26 e** \_\_\_\_\_

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

**27 Organizations described on line 12:** N/A

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) \_\_\_\_\_ (2001) \_\_\_\_\_ (2000) \_\_\_\_\_ (1999) \_\_\_\_\_

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) \_\_\_\_\_ (2001) \_\_\_\_\_ (2000) \_\_\_\_\_ (1999) \_\_\_\_\_

c Add: Amounts from column (e) for lines: 15 \_\_\_\_\_ 16 \_\_\_\_\_  
17 \_\_\_\_\_ 20 \_\_\_\_\_ 21 \_\_\_\_\_ ▶ **27 c** \_\_\_\_\_

d Add: Line 27a total \_\_\_\_\_ and line 27b total \_\_\_\_\_ ▶ **27 d** \_\_\_\_\_

e Public support (line 27c total minus line 27d total) . . . . . ▶ **27 e** \_\_\_\_\_

f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) ▶ **27 f** \_\_\_\_\_

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** . . . . . ▶ **27 g** \_\_\_\_\_ %

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** . . . . . ▶ **27 h** \_\_\_\_\_ %

**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. N/A

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

N/A

		N/A	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.)				
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32	Does the organization maintain the following:			
a	Records indicating the racial composition of the student body, faculty, and administrative staff? .....	32a		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? .....	32b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? .....	32c		
d	Copies of all material used by the organization or on its behalf to solicit contributions? .....	32d		
If you answered 'No' to any of the above, please explain. (If you need more space, attach a separate statement.)				
-----				
-----				
33	Does the organization discriminate by race in any way with respect to:			
a	Students' rights or privileges? .....	33a		
b	Admissions policies? .....	33b		
c	Employment of faculty or administrative staff? .....	33c		
d	Scholarships or other financial assistance? .....	33d		
e	Educational policies? .....	33e		
f	Use of facilities? .....	33f		
g	Athletic programs? .....	33g		
h	Other extracurricular activities? .....	33h		
If you answered 'Yes' to any of the above, please explain. (If you need more space, attach a separate statement.)				
-----				
-----				
34a	Does the organization receive any financial aid or assistance from a governmental agency? .....	34a		
b	Has the organization's right to such aid ever been revoked or suspended? .....	34b		
If you answered 'Yes' to either 34a or b, please explain using an attached statement.				
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev Proc 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If 'No,' attach an explanation.	35		

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See instructions.)  
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

N/A

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
<b>36</b>	Total lobbying expenditures to influence public opinion (grassroots lobbying) . . . . .	<b>36</b>	
<b>37</b>	Total lobbying expenditures to influence a legislative body (direct lobbying) . . . . .	<b>37</b>	
<b>38</b>	Total lobbying expenditures (add lines 36 and 37) . . . . .	<b>38</b>	
<b>39</b>	Other exempt purpose expenditures . . . . .	<b>39</b>	
<b>40</b>	Total exempt purpose expenditures (add lines 38 and 39) . . . . .	<b>40</b>	
<b>41</b>	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 . . . . .	<b>41</b>	
<b>42</b>	Grassroots nontaxable amount (enter 25% of line 41) . . . . .	<b>42</b>	
<b>43</b>	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 . . . . .	<b>43</b>	
<b>44</b>	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 . . . . .	<b>44</b>	
<b>Caution:</b> 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.)

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

**Part VI-B Lobbying Activity by Nonelecting Public Charities** (See instructions.)  
 (For reporting only by organizations that did not complete Part VI-A)

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**.) . . . . .

Yes	No	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 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:

	Yes	No
<b>51 a (i)</b>		X
<b>a (ii)</b>		X
<b>b (i)</b>		X
<b>b (ii)</b>		X
<b>b (iii)</b>		X
<b>b (iv)</b>		X
<b>b (v)</b>		X
<b>b (vi)</b>		X
<b>c</b>		X

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

**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
N/A		

CLIENT 102

ROLLING READERS SPACE COAST, INC.

59-3755192

8/17/04

02:55PM

**STATEMENT 1  
FORM 990, PART II, LINE 43  
OTHER EXPENSES**

	(A) <u>TOTAL</u>	(B) <u>PROGRAM SERVICES</u>	(C) <u>MANAGEMENT &amp; GENERAL</u>	(D) <u>FUNDRAISING</u>
DUES AND SUBSCRIPTIONS	35.	32.	1.	2.
EQUIP. MAINTENANCE & REPAIRS	830.	747.	33.	50.
FLORIDA CORPORATE FEES	136.	122.	6.	8.
INSURANCE	2,831.	2,548.	113.	170.
INTERNET	215.	194.	8.	13.
OFFICE SUPPLIES	1,794.	1,615.	72.	107.
PROFESSIONAL DEVELOPMENT	188.	169.	8.	11.
PROGRAM EVALUATIONS	74.	67.	3.	4.
PUBLICITY	144.	130.	6.	8.
READ ALOUD PROGRAM	20,128.	18,115.	805.	1,208.
TUTOR/MENTOR PROGRAM	2,292.	2,063.	92.	137.
VOLUNTEER RECOGNITION	1,472.	1,325.	59.	88.
<b>TOTAL</b>	<b>\$ 30,139.</b>	<b>\$ 27,127.</b>	<b>\$ 1,206.</b>	<b>\$ 1,806.</b>

**STATEMENT 2  
FORM 990, PART III  
ORGANIZATION'S PRIMARY EXEMPT PURPOSE**

DEVELOP SUCCESSFUL, LIFELONG READERS BY PROVIDING DISADVANTAGED CHILDREN AND FAMILIES WITH HIGH IMPACT PROGRAM MATERIALS, BOOKS AND VOLUNTEER SERVICES.

**STATEMENT 3  
FORM 990, PART III, LINE A  
STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS**

<u>DESCRIPTION</u>	<u>GRANTS AND ALLOCATIONS</u>	<u>PROGRAM SERVICE EXPENSES</u>
DEVELOP SUCCESSFUL, LIFELONG READERS BY PROVIDING DISADVANTAGED CHILDREN AND FAMILIES WITH HIGH IMPACT PROGRAM MATERIALS, BOOKS AND VOLUNTEER SERVICES.		44,210.
	<u>\$ 0.</u>	<u>\$ 44,210.</u>

CLIENT 102

ROLLING READERS SPACE COAST, INC.

59-3755192

8/17/04

02:55PM

**STATEMENT 4  
FORM 990, PART IV, LINE 57  
LAND, BUILDINGS, AND EQUIPMENT**

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE
FURNITURE AND FIXTURES	\$ 5,747.	\$ 1,230.	\$ 4,517.
<b>TOTAL</b>	<b>\$ 5,747.</b>	<b>\$ 1,230.</b>	<b>\$ 4,517.</b>

**STATEMENT 5  
FORM 990, PART IV, LINE 65  
OTHER LIABILITIES**

PAYROLL TAXES PAYABLE	\$	509.
ROUNDING		1.
<b>TOTAL</b>	<b>\$</b>	<b>510.</b>

**STATEMENT 6  
FORM 990, PART V  
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES**

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN-SATION	CONTRI-BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
SHIRLEY P. BACCUS 300 ATLANTIC STREET MELBOURNE BEACH, FL 32951	PRESIDENT/DIR. NONE	\$ 0.	\$ 0.	\$ 0.
JOAN R. BORDERS 10440 S. TROPICAL TRAIL MERRITT ISLAND, FL 32927	CO-EXEC. DIR. NONE	0.	0.	0.
PAULINE P. CORDELL 840 HUNTINGTON ST., NE PALM BAY, FL 32907	CO-EXEC. DIR. NONE	0.	0.	0.
MARY C. EASON 1104 CHEYENNE DR. INDIAN HARBOUR BEACH, FL 32937	DIRECTOR NONE	0.	0.	0.
TIFFANY CREWS LORIS 932 S. WICKHAM ROAD WEST MELBOURNE, FL 32904	DIRECTOR NONE	0.	0.	0.
DIANE OKONIEWSKI 3165 N. ATLANTIC AVE. COCOA BEACH, FL 32931	SEC-DIRECTOR NONE	0.	0.	0.
CLARA P. SMITH 616 ROBERTS ST. MELBOURNE, FL 32901	DIRECTOR NONE	0.	0.	0.

CLIENT 102

ROLLING READERS SPACE COAST, INC.

59-3755192

8/17/04

02:55PM

STATEMENT 6 (CONTINUED)  
 FORM 990, PART V  
 LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED</u>	<u>COMPEN- SATION</u>	<u>CONTRI- BUTION TO EBP &amp; DC</u>	<u>EXPENSE ACCOUNT/ OTHER</u>	
NICHOLAS F. TSAMOUTALES 1900 PALM BAY RD. NE, SUITE G PALM BAY, FL 32905	REG. AGENT-DIR. NONE	\$ 0.	\$ 0.	\$ 0.	
BOBBY BECHTEL <del>839</del> INDIAN RIVER DRIVE MELBOURNE, FL 32935	TREASURER-DIR. NONE	0.	0.	0.	
DAVID BROCK 1020 S. U. S. 1 ROCKLEDGE, FL 32955	DIRECTOR NONE	0.	0.	0.	
BARBARA A. MCCALLA 1275 GLENDALE AVE., NW PALM BAY, FL 32907	DIRECTOR NONE	0.	0.	0.	
DANIEL SCHEUERER 1000 MONTICELLO COURT MELBOURNE, FL 32940	DIRECTOR NONE	0.	0.	0.	
DR. JOE LEE SMITH 918 LEVITT PARKWAY ROCKLEDGE, FL 32999	DIRECTOR NONE	0.	0.	0.	
		TOTAL \$	<u>0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>