

**Return of Organization Exempt From Income Tax**

**2004**

Department of the Treasury  
Internal Revenue Service

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

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

**A** For the 2004 calendar year, or tax year beginning **JUL 1, 2004** and ending **JUN 30, 2005**

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

Please use IRS label or print or type See Specific Instructions

**C** Name of organization  
**INSTITUTE FOR CREATION RESEARCH**

Number and street (or P.O. box if mail is not delivered to street address) Room/suite  
**10946 WOODSIDE AVENUE NORTH**

City or town, state or country, and ZIP + 4  
**SANTEE, CA 92071**

**D** Employer identification number  
**95-3523177**

**E** Telephone number  
**(619) 448-0900**

**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? **N/A**  Yes  No (If "No," attach a list.)

**H(d)** Is this a separate return filed by an organization covered by a group ruling?  Yes  No

**I** Group Exemption Number \_\_\_\_\_

**G** Website: **WWW.ICR.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.

**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 **6,493,595.**

**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances**

Revenue	<b>1</b> Contributions, gifts, grants, and similar amounts received:				
	<b>a</b> Direct public support	<b>1a</b>	<b>4,629,342.</b>		
	<b>b</b> Indirect public support	<b>1b</b>	<b>62,610.</b>		
	<b>c</b> Government contributions (grants)	<b>1c</b>			
	<b>d</b> Total (add lines 1a through 1c) (cash \$ <b>4,467,462.</b> noncash \$ <b>224,490.</b> )				<b>1d</b> <b>4,691,952.</b>
	<b>2</b> Program service revenue including government fees and contracts (from Part VII, line 93)				<b>2</b> <b>207,694.</b>
	<b>3</b> Membership dues and assessments				<b>3</b>
	<b>4</b> Interest on savings and temporary cash investments				<b>4</b> <b>2,972.</b>
	<b>5</b> Dividends and interest from securities				<b>5</b> <b>8,917.</b>
	<b>6 a</b> Gross rents	<b>6a</b>			
	<b>b</b> Less: rental expenses	<b>6b</b>			
	<b>c</b> Net rental income or (loss) (subtract line 6b from line 6a)				<b>6c</b>
	<b>7</b> Other investment income (describe <b>SEE STATEMENT 1</b> )				<b>7</b> <b>55,194.</b>
	<b>8 a</b> Gross amount from sales of assets other than inventory	(A) Securities		(B) Other	
		<b>431,854.</b>	<b>8a</b>		
	<b>b</b> Less: cost or other basis and sales expenses	<b>430,803.</b>	<b>8b</b>		
	<b>c</b> Gain or (loss) (attach schedule)	<b>1,051.</b>	<b>8c</b>		
	<b>d</b> Net gain or (loss) (combine line 8c, columns (A) and (B)) <b>STMT 2</b>				<b>8d</b> <b>1,051.</b>
	<b>9</b> Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>				
	<b>a</b> Gross revenue (not including \$ _____ of contributions reported on line 1a)	<b>9a</b>			
	<b>b</b> Less: direct expenses other than fundraising expenses	<b>9b</b>			
<b>c</b> Net income or (loss) from special events (subtract line 9b from line 9a)				<b>9c</b>	
<b>10 a</b> Gross sales of inventory, less returns and allowances	<b>10a</b>	<b>1,095,012.</b>			
<b>b</b> Less: cost of goods sold <b>STATEMENT 4</b>	<b>10b</b>	<b>1,721,792.</b>			
<b>c</b> Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a) <b>STMT 3</b>				<b>10c</b> <b>&lt;626,780.&gt;</b>	
<b>11</b> Other revenue (from Part VII, line 103)				<b>11</b>	
<b>12</b> Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)				<b>12</b> <b>4,341,000.</b>	
<b>13</b> Program services (from line 44, column (B))				<b>13</b> <b>3,806,310.</b>	
<b>14</b> Management and general (from line 44, column (C))				<b>14</b> <b>113,642.</b>	
<b>15</b> Fundraising (from line 44, column (D))				<b>15</b> <b>311,933.</b>	
<b>16</b> Payments to affiliates (attach schedule)				<b>16</b>	
<b>17</b> Total expenses (add lines 16 and 44, column (A))				<b>17</b> <b>4,231,885.</b>	
<b>18</b> Excess or (deficit) for the year (subtract line 17 from line 12)				<b>18</b> <b>109,115.</b>	
<b>19</b> Net assets or fund balances at beginning of year (from line 73, column (A))				<b>19</b> <b>5,091,069.</b>	
<b>20</b> Other changes in net assets or fund balances (attach explanation) <b>SEE STATEMENT 5</b>				<b>20</b> <b>27,878.</b>	
<b>21</b> Net assets or fund balances at end of year (combine lines 18, 19, and 20)				<b>21</b> <b>5,228,062.</b>	

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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.

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 2,625.	2,625.	STATEMENT 7	
24 Benefits paid to or for members (attach schedule)	24			
25 Compensation of officers, directors, etc	25 306,346.	275,711.	30,635.	0.
26 Other salaries and wages	26 1,697,302.	1,591,810.	23,297.	82,195.
27 Pension plan contributions	27 98,418.	90,843.	3,374.	4,201.
28 Other employee benefits	28 288,033.	267,091.	9,661.	11,281.
29 Payroll taxes	29 155,993.	145,757.	4,618.	5,618.
30 Professional fundraising fees	30			
31 Accounting fees	31			
32 Legal fees	32			
33 Supplies	33 60,126.	55,279.	1,377.	3,470.
34 Telephone	34 31,202.	25,598.	1,520.	4,084.
35 Postage and shipping	35 219,903.	54,056.	35,135.	130,712.
36 Occupancy	36 63,156.	60,650.	1,918.	588.
37 Equipment rental and maintenance	37 32,864.	32,864.		
38 Printing and publications	38 85,650.	55,261.	112.	30,277.
39 Travel	39 225,246.	215,513.		9,733.
40 Conferences, conventions, and meetings	40			
41 Interest	41			
42 Depreciation, depletion, etc. (attach schedule)	42 173,836.	172,431.	540.	865.
43 Other expenses not covered above (itemize):				
a _____	43a			
b _____	43b			
c _____	43c			
d _____	43d			
e SEE STATEMENT 6	43e 791,185.	760,821.	1,455.	28,909.
44 Total functional expenses (add lines 22 through 43) Organizations completing columns (B) (D) carry these totals to lines 13-15	44 4,231,885.	3,806,310.	113,642.	311,933.

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? **EDUCATION REGARDING CREATION**

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

**Program Service Expenses**  
 (Required for 501(c)(3) and (4) orgs and 4947(a)(1) trusts, but optional for others.)

<b>a SEMINARS &amp; OUTREACH RELATIVE TO BIBLICAL CREATION.</b>	(Grants and allocations \$ _____)	485,776.
<b>b RESEARCH IN THE FIELD OF BIBLICAL CREATION.</b>	(Grants and allocations \$ _____)	2,382,920.
<b>c PUBLIC EDUCATION, RESEARCH, PUBLICATION, AND OTHER PROJECTS RELATIVE TO THE FIELD OF BIBLICAL CREATION.</b>	(Grants and allocations \$ _____)	937,614.
<b>d</b>	(Grants and allocations \$ _____)	
<b>e Other program services (attach schedule)</b>	(Grants and allocations \$ _____)	
<b>f Total of Program Service Expenses (should equal line 44, column (B), Program services)</b>		3,806,310.

**Part IV Balance Sheets**

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

		(A) Beginning of year		(B) End of year
<b>Assets</b>	45 Cash - non-interest-bearing	42,864.	45	7,695.
	46 Savings and temporary cash investments	666,519.	46	613,831.
	47 a Accounts receivable	47a 25,476.		
	b Less: allowance for doubtful accounts	47b	47c	25,476.
	48 a Pledges receivable	48a		
	b Less: allowance for doubtful accounts	48b	48c	
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees		50	
	51 a Other notes and loans receivable	51a		
	b Less: allowance for doubtful accounts	51b	51c	
	52 Inventories for sale or use	488,908.	52	523,079.
	53 Prepaid expenses and deferred charges	24,290.	53	13,655.
	54 Investments - securities <b>STMT 8 STMT 9</b> <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	1,460,100.	54	1,667,289.
	55 a Investments - land, buildings, and equipment: basis	55a		
	b Less: accumulated depreciation	55b	55c	
56 Investments - other <b>SEE STATEMENT 10</b>	32,006.	56	24,262.	
57 a Land, buildings, and equipment: basis	57a 4,756,832.			
b Less: accumulated depreciation	57b 1,943,702.	57c	2,813,130.	
58 Other assets (describe <b>SEE STATEMENT 11</b> )		58		
<b>59 Total assets (add lines 45 through 58) (must equal line 74)</b>	<b>5,628,352.</b>	<b>59</b>	<b>5,688,417.</b>	
<b>Liabilities</b>	60 Accounts payable and accrued expenses	205,972.	60	206,203.
	61 Grants payable		61	
	62 Deferred revenue	53,677.	62	800.
	63 Loans from officers, directors, trustees, and key employees		63	
	64 a Tax-exempt bond liabilities		64a	
	b Mortgages and other notes payable	15,000.	64b	15,000.
65 Other liabilities (describe <b>SEE STATEMENT 11</b> )	262,634.	65	238,352.	
<b>66 Total liabilities (add lines 60 through 65)</b>	<b>537,283.</b>	<b>66</b>	<b>460,355.</b>	
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 67 through 69 and lines 73 and 74.</b>			
	67 Unrestricted	3,394,867.	67	3,568,504.
	68 Temporarily restricted	1,680,818.	68	1,644,174.
	69 Permanently restricted	15,384.	69	15,384.
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> <b>and complete lines 70 through 74.</b>			
	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	
<b>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)</b>	<b>5,091,069.</b>	<b>73</b>	<b>5,228,062.</b>	
<b>74 Total liabilities and net assets / fund balances (add lines 66 and 73)</b>	<b>5,628,352.</b>	<b>74</b>	<b>5,688,417.</b>	

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 VI Other Information		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
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
b	If "Yes," has it filed a tax return on Form 990-T for this year? <span style="float:right">N/A</span>		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?		X
b	If "Yes," enter the name of the organization <input type="checkbox"/> and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81 a	Enter direct or indirect political expenditures. See line 81 instructions <span style="float:right">81a 0.</span>		
b	Did the organization file Form 1120-POL for this year?		X
82 a	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	
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.) <span style="float:right">82b</span>		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible? <span style="float:right">N/A</span>		
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? <span style="float:right">N/A</span>		
85	501(c)(4), (5), or (6) organizations		
a	Were substantially all dues nondeductible by members? <span style="float:right">N/A</span>		
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 <span style="float:right">85c N/A</span>		
d	Section 162(e) lobbying and political expenditures <span style="float:right">85d N/A</span>		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices <span style="float:right">85e N/A</span>		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) <span style="float:right">85f N/A</span>		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? <span style="float:right">N/A</span>		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? <span style="float:right">N/A</span>		85h
86	501(c)(7) organizations Enter: a Initiation fees and capital contributions included on line 12 <span style="float:right">86a N/A</span>		
b	Gross receipts, included on line 12, for public use of club facilities <span style="float:right">86b N/A</span>		
87	501(c)(12) organizations Enter: a Gross income from members or shareholders <span style="float:right">87a N/A</span>		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) <span style="float:right">87b N/A</span>		
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		X
89 a	501(c)(3) organizations Enter: Amount of tax imposed on the organization during the year under: section 4911 <input type="checkbox"/> 0.; section 4912 <input type="checkbox"/> 0.; section 4955 <input type="checkbox"/> 0.		
b	501(c)(3) and 501(c)(4) organizations 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 <span style="float:right">0.</span>		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization <span style="float:right">0.</span>		
90 a	List the states with which a copy of this return is filed <input type="checkbox"/> CALIFORNIA		
b	Number of employees employed in the pay period that includes March 12, 2004 <span style="float:right">90b 69</span>		
91	The books are in care of <input type="checkbox"/> DONALD H. ROHRER Telephone no. <input type="checkbox"/> (619) 448-0900		
Located at <input type="checkbox"/> 10946 WOODSIDE AVENUE NORTH, SANTEE, CA		ZIP + 4 <input type="checkbox"/> 92071	
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 <span style="float:right">92 N/A</span>		

**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) Exclu- sion code	(D) Amount	
93 Program service revenue:					
a HONORARIUMS & SEMINARS					183,708.
b TUITION & REGISTRATION					
c FEES					16,957.
d MISCELLANEOUS PROGRAM					
e SERVICES					7,029.
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	2,972.	
96 Dividends and interest from securities			14	8,917.	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income			15	55,194.	
100 Gain or (loss) from sales of assets other than inventory			18	1,051.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					<626,780.>
103 Other revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0.		68,134.	<419,086.>
105 Total (add line 104, columns (B), (D), and (E))					<350,952.>

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).
▼	SEE STATEMENT 16

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See page 34 of the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See page 34 of the instructions.)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

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, and all information of which preparer has any knowledge

11/11/05 → DONALD H. KOHRER CFO  
 Date Type or print name and title.  
 Date 10/28/05 Check if self-employed  Preparer's SSN or PTIN P00279457

**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

**2004**

Department of the Treasury  
Internal Revenue Service

**Supplementary Information-(See separate instructions.)**

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

Name of the organization **INSTITUTE FOR CREATION RESEARCH** Employer identification number **95 3523177**

**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
<u>DONALD BARBER</u> C/O 10946 WOODSIDE AVENUE NORTH, SANTEE, CA 92071	SYSTEMS ADMIN 40	79,567.	6,574.	
<u>HENRY MORRIS III</u> C/O 10946 WOODSIDE AVENUE NORTH, SANTEE, CA 92071	STRATEGIC MIN 40	79,551.	4,773.	
<u>KENNETH CUMMING</u> C/O 10946 WOODSIDE AVENUE NORTH, SANTEE, CA 92071	DEAN/GRAD SCH 40	77,497.	4,650.	
<u>PATRICIA NASON</u> C/O 10946 WOODSIDE AVENUE NORTH, SANTEE, CA 92071	PROFESSOR 40	72,100.	1,803.	
<u>RUSSELL HUMPHREYS</u> C/O 10946 WOODSIDE AVENUE NORTH, SANTEE, CA 92071	RESEARCH SCI 40	70,459.	4,228.	
Total number of other employees paid over \$50,000 ▶	7			

**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
<u>DR. ANDREW SNELLING</u> PO BOX 1208, SPRINGWOOD, QUEENSLAND AUSTRALIA 412	SCIENCE RESEARCH	85,527.
<u>PELAGO DESIGN</u> 810 EAST MONTECITO ST. STE C, SANTA BARBARA, CA 9	WEB SITE DESIGN	52,598.
Total number of others receiving over \$50,000 for professional services ▶	0	

<b>Part III Statements About Activities</b> (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 checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		X
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) <b>SEE STATEMENT 17</b>		
a	Sale, exchange, or leasing of property?		X
b	Lending of money or other extension of credit?		X
c	Furnishing of goods, services, or facilities?		X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	X	
e	Transfer of any part of its income or assets?		X
3 a	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.)	X	
b	Do you have a section 403(b) annuity plan for your employees?	X	
4 a	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X
b	Do you provide credit counseling, debt management, credit repair, or debt negotiation services?		X

**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 5 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) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	4,312,692.	4,546,070.	4,251,302.	3,605,774.	16,715,838.
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	1,613,365.	1,357,708.	1,712,015.	1,449,202.	6,132,290.
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	40,988.	52,749.	58,437.	234,388.	386,562.
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	5,967,045.	5,956,527.	6,021,754.	5,289,364.	23,234,690.
24 Line 23 minus line 17	4,353,680.	4,598,819.	4,309,739.	3,840,162.	17,102,400.
25 Enter 1% of line 23	59,670.	59,565.	60,218.	52,894.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a N/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 2000 through 2003 exceeded the amount shown in line 26a. Do not file this list with your return Enter the total of all these excess amounts					26b N/A
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c N/A
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____					26d N/A
e Public support (line 26c minus line 26d total)					26e N/A
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f N/A %
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: (2003) 0. (2002) 0. (2001) 0. (2000) 0.					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2003) 0. (2002) 0. (2001) 0. (2000) 0.					
c Add: Amounts from column (e) for lines: 15 16,715,838. 16 _____ 17 6,132,290. 20 _____ 21 _____					27c 22,848,128.
d Add: Line 27a total 0. and line 27b total 0.					27d 0.
e Public support (line 27c total minus line 27d total)					27e 22,848,128.
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)					27f 23,234,690.
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g 98.3363%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h 1.6637%
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2000 through 2003, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15					NONE

**Part V Private School Questionnaire** (See page 7 of the instructions.)

N/A

**(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?	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? If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement.)	32d	
_____			
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 )			
_____			
_____			
34 a	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? If you answered "Yes" to either 34a or b, please explain using an attached statement.	34b	
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	





FORM 990	OTHER INVESTMENT INCOME	STATEMENT	1
DESCRIPTION		AMOUNT	
ROYALTY INCOME - OIL		10,172.	
ROYALTY INCOME - BOOKS		45,022.	
TOTAL TO FORM 990, PART I, LINE 7		55,194.	

FORM 990	GAIN (LOSS) FROM PUBLICLY TRADED SECURITIES			STATEMENT	2
DESCRIPTION	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	NET GAIN OR (LOSS)	
ESSEX PROPERTY TRUST SALES	431,854.	430,803.	0.	1,051.	
TO FORM 990, PART I, LINE 8	431,854.	430,803.	0.	1,051.	

FORM 990

INCOME AND COST OF GOODS SOLD  
INCLUDED ON PART I, LINE 10

STATEMENT 3

INCOME

1. GROSS RECEIPTS . . . . .	1,095,012	
2. RETURNS AND ALLOWANCES . . . . .		
3. LINE 1 LESS LINE 2 . . . . .		1,095,012
4. COST OF GOODS SOLD (LINE 13) . . . . .	1,721,792	
5. GROSS PROFIT (LINE 3 LESS LINE 4) . . . . .		<626,780>

COST OF GOODS SOLD

6. INVENTORY AT BEGINNING OF YEAR . . . . .	488,908	
7. MERCHANDISE PURCHASED . . . . .	354,135	
8. COST OF LABOR . . . . .	307,181	
9. MATERIALS AND SUPPLIES . . . . .	3,152	
10. OTHER COSTS . . . . .	1,091,495	
11. ADD LINES 6 THROUGH 10 . . . . .		2,244,871
12. INVENTORY AT END OF YEAR . . . . .	523,079	
13. COST OF GOODS SOLD (LINE 11 LESS LINE 12). . . . .		1,721,792

FORM 990 COST OF GOODS SOLD - OTHER COSTS STATEMENT 4

DESCRIPTION	AMOUNT
POSTAGE & FREIGHT	461,794.
PRINTING	528,117.
PROFESSIONAL FEES	47,913.
DEPRECIATION	6,229.
UTILITIES	3,423.
TELEPHONE	11,413.
MAINTENANCE	6,081.
INSURANCE	592.
BANK CHARGES	14,453.
ROYALTIES	11,480.
TOTAL INCLUDED ON FORM 990, PART I, LINE 10B	1,091,495.

FORM 990 OTHER CHANGES IN NET ASSETS OR FUND BALANCES STATEMENT 5

DESCRIPTION	AMOUNT
UNREALIZED GAIN ON INVESTMENTS	27,878.
TOTAL TO FORM 990, PART I, LINE 20	27,878.

FORM 990 OTHER EXPENSES STATEMENT 6

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
PROFESSIONAL FEES	376,841.	374,270.	1,016.	1,555.
MISCELLANEOUS	105,079.	92,793.	31.	12,255.
ADVERTISING	71,527.	56,365.	134.	15,028.
INSURANCE	23,534.	23,189.	274.	71.
BOOKS, VIDEO AND TAPES	170,753.	170,753.		
SUBSCRIPTIONS	20,065.	20,065.		
BANK CHARGES	5,313.	5,313.		
VIDEO TAPE PRODUCTION	18,073.	18,073.		
TOTAL TO FM 990, LN 43	791,185.	760,821.	1,455.	28,909.

FORM 990 SPECIFIC ASSISTANCE TO INDIVIDUALS STATEMENT 7

DESCRIPTION	AMOUNT
SCHOLARSHIPS AND TUITION DISCOUNTS	2,625.
TOTAL TO FORM 990, PART II, LINE 23	2,625.

FORM 990 NON-GOVERNMENT SECURITIES STATEMENT 8

SECURITY DESCRIPTION	COST/FMV	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	TOTAL NON-GOV'T SECURITIES
COMMON STOCK - VARIOUS	FMV	1,247,639.			1,247,639.
BONDS - VARIOUS	FMV		340,983.		340,983.
TO FORM 990, LINE 54, COL B		1,247,639.	340,983.		1,588,622.

FORM 990 GOVERNMENT SECURITIES STATEMENT 9

DESCRIPTION	COST/FMV	U.S. GOVERNMENT	STATE AND LOCAL GOV'T	TOTAL GOV'T SECURITIES
BONDS - GOVERNMENT	FMV	78,667.		78,667.
TOTAL TO FORM 990, LINE 54, COL B		78,667.		78,667.

FORM 990 OTHER INVESTMENTS STATEMENT 10

DESCRIPTION	VALUATION METHOD	AMOUNT
LIFE INSURANCE	MARKET VALUE	21,759.
OTHER INVESTMENTS	COST	2,503.
TOTAL TO FORM 990, PART IV, LINE 56, COLUMN B		24,262.



FORM 990	OTHER LIABILITIES	STATEMENT 11
DESCRIPTION		AMOUNT
LIABILITIES UNDER CHARITABLE TRUSTS		80,897.
REFUNDABLE ADVANCES		157,455.
TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B		238,352.

FORM 990	OTHER REVENUE NOT INCLUDED ON FORM 990	STATEMENT 12
DESCRIPTION		AMOUNT
COST OF INVENTORY SALES		1,721,792.
TOTAL TO FORM 990, PART IV-A		1,721,792.

FORM 990	OTHER EXPENSES NOT INCLUDED ON FORM 990	STATEMENT 13
DESCRIPTION		AMOUNT
COST OF INVENTORY SALES		1,721,792.
TOTAL TO FORM 990, PART IV-B		1,721,792.

FORM 990	OTHER REVENUE INCLUDED ON FORM 990	STATEMENT 14
DESCRIPTION		AMOUNT
NET UNREALIZED GAIN ON INVESTMENTS		<27,878.>
TOTAL TO FORM 990, PART IV-A		<27,878.>

FORM 990

PART V - LIST OF OFFICERS, DIRECTORS,  
TRUSTEES AND KEY EMPLOYEES

STATEMENT 15

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
JOHN D. MORRIS C/O 10946 WOODSIDE AVENUE NORTH SANTEE, CA 92071	PRESIDENT 40	74,915.	4,495.	0.
DUANE T. GISH C/O 10946 WOODSIDE AVENUE NORTH SANTEE, CA 92071	VICE-PRESIDENT 40	84,969.	5,098.	0.
DONALD H. ROHRER C/O 10946 WOODSIDE AVENUE NORTH SANTEE, CA 92071	CHIEF FINANCIAL OFFICER 40	71,055.	4,263.	0.
LARRY VARDIMAN C/O 10946 WOODSIDE AVENUE NORTH SANTEE, CA 92071	CHIEF OPERATING OFFICER 40	75,407.	4,524.	0.
DR. ROBERT ARMSTRONG C/O 10946 WOODSIDE AVENUE NORTH SANTEE, CA 92071	BOARD OF TRUSTEES 1+	0.	0.	0.
RICHARD BLISS C/O 10946 WOODSIDE AVENUE NORTH SANTEE, CA 92071	VICE CHAIRMAN 1+	0.	0.	0.
JACK BRADY C/O 10946 WOODSIDE AVENUE NORTH SANTEE, CA 92071	BOARD OF TRUSTEES 1+	0.	0.	0.
DR. MARK EASTMAN C/O 10946 WOODSIDE AVENUE NORTH SANTEE, CA 92071	BOARD OF TRUSTEES 1+	0.	0.	0.
DR. JOHN ECKERSLEY C/O 10946 WOODSIDE AVENUE NORTH SANTEE, CA 92071	BOARD OF TRUSTEES 1+	0.	0.	0.
DON EDNEY C/O 10946 WOODSIDE AVENUE NORTH SANTEE, CA 92071	BOARD OF TRUSTEES 1+	0.	0.	0.
DR. ROBERT FRANKS C/O 10946 WOODSIDE AVENUE NORTH SANTEE, CA 92071	BOARD OF TRUSTEES 1+	0.	0.	0.

MARK HARRISON C/O 10946 WOODSIDE AVENUE NORTH SANTEE, CA 92071	SECRETARY 1+	0.	0.	0.
LEE HUNTINGTON C/O 10946 WOODSIDE AVENUE NORTH SANTEE, CA 92071	BOARD OF TRUSTEES 1+	0.	0.	0.
DR. TIM LAHAYE C/O 10946 WOODSIDE AVENUE NORTH SANTEE, CA 92071	BOARD OF TRUSTEES 1+	0.	0.	0.
DAN MANTHEI C/O 10946 WOODSIDE AVENUE NORTH SANTEE, CA 92071	BOARD OF TRUSTEES 1+	0.	0.	0.
JAMES MATHER C/O 10946 WOODSIDE AVENUE NORTH SANTEE, CA 92071	BOARD OF TRUSTEES 1+	0.	0.	0.
RICHARD OWEN C/O 10946 WOODSIDE AVENUE NORTH SANTEE, CA 92071	BOARD OF TRUSTEES 1+	0.	0.	0.
DR. DAVID WISMER C/O 10946 WOODSIDE AVENUE NORTH SANTEE, CA 92071	CHAIRMAN 1+	0.	0.	0.
DR. HENRY MORRIS C/O 10946 WOODSIDE AVENUE NORTH SANTEE, CA 92071	BOARD OF TRUSTEES 1+	0.	0.	0.
TOTALS INCLUDED ON FORM 990, PART V		<u>306,346.</u>	<u>18,380.</u>	<u>0.</u>

FORM 990                      PART VIII - RELATIONSHIP OF ACTIVITIES TO                      STATEMENT 16  
 ACCOMPLISHMENT OF EXEMPT PURPOSES

LINE	EXPLANATION OF RELATIONSHIP OF ACTIVITIES
93A	SEMINARS PROVIDE PUBLIC EDUCATION RELATIVE TO BIBLICAL CREATION.
93C	TUITION PROVIDES FOR REDEARCH IN THE FIELD OF BIBLICAL CREATION.
102	BOOK SALES PROVIDE PUBLIC EDUCATION REGARDING BIBLICAL CREATION.
93B	MISCELLANEOUS PROGRAMS PROVIDE PUBLIC EDUCATION REGARDING BIBLICAL CREATION.

SCHEDULE A

STATEMENT REGARDING ACTIVITIES WITH  
SUBSTANTIAL CONTRIBUTORS, TRUSTEES, DIRECTORS,  
CREATORS, KEY EMPLOYEES, ETC.,  
PART III, LINE 2

STATEMENT 17

SEE FORM 990 PART V