

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

2003

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

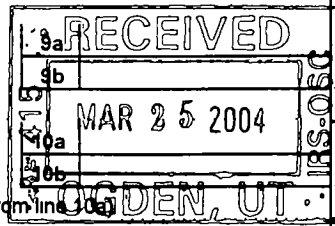
Header section containing: A For the 2003 calendar year, or tax year beginning and ending; B Check if applicable (Address change, Name change, etc.); C Name of organization (KIDS CAN FREE THE CHILDREN); D Employer ID number (16-1533544); E Telephone number (905-760-9382); F Accounting method (Accrual); G Website (freethechildren.org); J Organization type (501(c)(3)); K Check here if gross receipts are normally not more than \$25,000; L Gross receipts (1,860,155).

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

Additional questions: H and I are not applicable to section 527 organizations; H(a) Is this a group return for affiliates? (No); H(b) If "Yes," enter number of affiliates; H(c) Are all affiliates included? (No); H(d) Is this a separate return filed by an organization covered by a group ruling? (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.)

Main table with 21 rows and 3 columns. Rows include: 1 Contributions, gifts, grants, and similar amounts received (Total 1,850,295); 2 Program service revenue including government fees and contracts; 3 Membership dues and assessments; 4 Interest on savings and temporary cash investments (4,054); 5 Dividends and interest from securities; 6a Gross rents; 6b Less rental expenses; 6c Net rental income or (loss); 7 Other investment income; 8a Gross amount from sales of assets other than inventory; 8b Less cost or other basis and sales expenses; 8c Gain or (loss) (attach schedule); 8d Net gain or (loss) (combine line 8c, columns (A) and (B)); 9 Special events and activities (attach schedule) (Total 5,806); 10a Gross sales of inventory, less returns and allowances; 10b Less cost of goods sold; 10c Gross profit or (loss) from sales of inventory (attach schedule); 11 Other revenue (from Part VII, line 103); 12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11) (1,860,155); 13 Program services (from line 44, column (B)) (802,834); 14 Management and general (from line 44, column (C)) (51,046); 15 Fundraising (from line 44, column (D)) (615); 16 Payments to affiliates (attach schedule); 17 Total expenses (add lines 16 and 44, column (A)) (854,495); 18 Excess or (deficit) for the year (subtract line 17 from line 12) (1,005,660); 19 Net assets or fund balances at beginning of year (from line 73, column (A)) (269,127); 20 Other changes in net assets or fund balances (attach explanation); 21 Net assets or fund balances at end of year (combine lines 18, 19, and 20) (1,274,787).



SCANNED APR 07 2004

**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) Stmt 1 (cash \$ 282,654 non-cash \$ 457,442 )	740,096	740,096		
23	Specific assistance to individuals				
24	Benefits paid to or for members				
25	Compensation of officers, directors, etc.				
26	Other salaries and wages				
27	Pension plan contributions				
28	Other employee benefits				
29	Payroll taxes				
30	Professional fundraising fees				
31	Accounting fees	23,870		23,870	
32	Legal fees	625		625	
33	Supplies				
34	Telephone	16		16	
35	Postage and shipping	89	84		5
36	Occupancy	14,400	6,000	8,400	
37	Equipment rental and maintenance				
38	Printing and publications	101	62	39	
39	Travel	6,503	2,981	2,913	609
40	Conferences, conventions, and meetings	1,798		1,798	
41	Interest				
42	Depreciation, depletion, etc. (attach schedule)	4,320		4,320	
43	Other expenses not covered above (itemize) a				
	b See Statement 2	62,677	53,611	9,065	1
	c				
	d				
	e				
44	<b>Total functional expenses</b> (add lines 22 - 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	854,495	802,834	51,046	615

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) & (4) orgs. & 4947(a)(1) trusts, but optional for others.)
<p><b>HUMANITARIAN RELIEF</b> 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.)</p>		
a	BUILDING SCHOOLS PROGRAM: INVOLVED CHILDREN TO HELP THEIR PEERS IN DEVELOPING WORLD. BUILT AND REPAIRED SCHOOLS IN THIRD WORLD COUNTRIES (Grants and allocations \$ 180,383 )	196,491
b	MEDICAL RELIEF: PROVIDE NECESSARY MEDICAL SUPPLIES TO CHILDREN-SENT MEDICAL SUPPLIES TO WEST AFRICA (Grants and allocations \$ 394,552 )	404,015
c	SCHOOL AND HEALTH KITS AND EDUCATION: PROVIDE BASIC SCHOOL SUPPLIES AND TOILETRIES FOR CHILDREN IN DEVELOPING WORLD AND FUND TEACHERS SALARIES IN THIRD WORLD COUNTRIES (Grants and allocations \$ 62,890 )	68,050
d	PEACE EDUCATION: PROVIDES EDUCATIONAL OPPORTUNITIES FOR WAR EFFECTED CHILDREN & INCLUDES "EMBRACING CULTURES" PROGRAM; PEACE CENTERS AND SCHOOLS (Grants and allocations \$ 57,153 )	65,999
e	Other program services (attach schedule) See Stmt 3 (Grants and allocations \$ 45,118 )	68,279
f	<b>Total of Program Service Expenses</b> (should equal line 44, column (B), Program services)	802,834

**Part IV Balance Sheets** (See page 25 of the 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	
A s s e t s	45	Cash-non-interest-bearing	93,694	45	85,897
	46	Savings and temporary cash investments	200,982	46	374,977
	47a	Accounts receivable	47a 10,255		
	b	Less: allowance for doubtful accounts	47b 0	47c 2,529	10,255
	48a	Pledges receivable	48a		
	b	Less: allowance for doubtful accounts	48b	48c	
	49	Grants receivable		49	
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a	Other notes and loans receivable (attach schedule)	51a		
	b	Less: allowance for doubtful accounts	51b	51c	
	52	Inventories for sale or use	130	52	1,088
	53	Prepaid expenses and deferred charges		53	
	54	Investments—securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54	
	55a	Investments—land, buildings, and equipment: basis	55a		
	b	Less: accumulated depreciation (attach schedule)	55b	55c	
56	Investments—other (attach schedule)		56		
57a	Land, buildings, and equipment: basis	57a 875,382			
b	Less: accumulated depreciation (attach schedule)	57b 12,937	57c 11,833	862,445	
58	Other assets (describe <input type="checkbox"/> )		58		
59	<b>Total assets</b> (add lines 45 through 58) (must equal line 74)	309,168	59	1,334,662	
L i a b i l i t i e s	60	Accounts payable and accrued expenses	41	60	465
	61	Grants payable	40,000	61	59,410
	62	Deferred revenue		62	
	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)		64b	
	65	Other liabilities (describe <input type="checkbox"/> )		65	
66	<b>Total liabilities</b> (add lines 60 through 65)	40,041	66	59,875	
N F e u n d A s s e t s B a l a n c e s	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67	Unrestricted	182,625	67	664,329
	68	Temporarily restricted	86,502	68	610,458
	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	<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)	269,127	73	1,274,787
	74	<b>Total liabilities and net assets / fund balances</b> (add lines 66 and 73)	309,168	74	1,334,662

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 (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		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 Form 990-T for this year?		
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 <b>KIDS CAN FREE THE CHILDREN-CANADA</b> and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81a	Enter direct and indirect political expenditures. See line 81 instructions		
81b	Did the organization file Form 1120-POL 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)		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
84b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		N/A
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		N/A
85a	Did the organization make only in-house lobbying expenditures of \$2,000 or less?		N/A
85b	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.		N/A
85c	Dues, assessments, and similar amounts from members		
85d	Section 162(e) lobbying and political expenditures		
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		
85g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		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?		N/A
86a	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12		
86b	Gross receipts, included on line 12, for public use of club facilities		
87a	501(c)(12) orgs. Enter: a Gross income from members or shareholders		
87b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them)		
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
89a	501(c)(3) organizations 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	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		X
89c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0
89d	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>NY</u>		
90b	Number of employees employed in the pay period that includes March 12, 2003 (See instructions)		0
91	The books are in care of <u>VICTOR LI</u> Telephone no. <u>905-760-9382</u> Located at <u>7368 YONGE ST, STE 300 THORNHILL, ONTARIO</u> ZIP +4 <u>L4J 8H9</u>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here <u>CANADA</u> and enter the amount of tax-exempt interest received or accrued during the tax year <u>92</u>		<input type="checkbox"/>

Part VII Analysis of Income-Producing Activities (See page 33 of the instructions.)

Note: Enter gross amounts unless otherwise indicated.

Table with 5 main columns: (A) Business code, (B) Amount, (C) Exclusion code, (D) Amount, (E) Related or exempt function income. Rows include 93 Program service revenue, 94 Membership dues and assessments, 95 Interest on savings and temporary cash investments, 96 Dividends and interest from securities, 97 Net rental income or (loss) from real estate, 98 Net rental income or (loss) from personal property, 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, 104 Subtotal, 105 Total.

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.)

Table with 2 columns: 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). Row 1: N/A

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

Table with 5 columns: (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. Row 1: N/A

Part X Information Regarding Transfers Associated with

- (a) Did the organization, during the year, receive any funds, directly or indirectly...
(b) Did the organization, during the year, pay premiums, directly or indirectly...

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

Signature section with fields for 'Please Sign Here' (Signature of officer: Eva Haller - Pres.), 'Paid Preparer's Use Only' (Preparer's signature: Roy A. Pasieka, CP, Firm's name: 1026 Englewood Ave, Kenmore, NY 14223)

**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

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

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 <b>KIDS CAN FREE THE CHILDREN C/O PAUL BATTAGLIA-JAECKLE FLEISCHMANN</b>	Employer identification number <b>16-1533544</b>
--	---

**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 ben plans & deferred compensation	(e) Expense account and other allowances
NONE				
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
NONE		
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 <b>SEE STMT 5</b> ▶ \$ <u>0</u> (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.)		
a	Sale, exchange, or leasing of property? <b>See Stmt 4</b>	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 exproation if more than \$1,000)?		X
e	Transfer of any part of its income or assets?		X
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 )		X
3b	Do you have a section 403(b) annuity plan for your employees?		X
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?		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 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.)	979,915	1,063,160	774,830	254,780	3,072,685
16 Membership fees received					0
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					0
18 Gross income from interest, dividends, amounts received from payment 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	7,046	10,866	2,170	719	20,801
19 Net income from unrelated business activities not included in line 18					0
20 Tax revenues levied for the organization's benefits and either paid to it or expended on its behalf					0
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.					0
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.					0
23 Total of lines 15 through 22	986,961	1,074,026	777,000	255,499	3,093,486
24 Line 23 minus line 17	986,961	1,074,026	777,000	255,499	3,093,486
25 Enter 1% of line 23	9,870	10,740	7,770	2,555	

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 ▶ 26a 61,870

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 1,395,984

c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶ 26c 3,093,486

d Add: Amounts from column (e) for lines: 18 20,801 19 \_\_\_\_\_ ▶ 26d 1,416,785  
 22 \_\_\_\_\_ 26b 1,395,984 ▶ 26e 1,676,701

e Public support (line 26c minus line 26d total) ▶ 26f 54.2010%

f Public support percentage (line 26e (numerator) divided by line 26c (denominator))

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: N/A

	(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: <span style="float:right">N/A</span>	(2002)	(2001)	(2000)	(1999)	
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ <span style="float:right">▶ 27c</span> 17 _____ 20 _____ 21 _____ <span style="float:right">▶ 27d</span>					
d Add: Line 27a total _____ and line 27b total _____ <span style="float:right">▶ 27e</span>					
e Public support (line 27c total minus line 27d total)					
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) <span style="float:right">▶ 27f</span>					
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) <span style="float:right">▶ 27g %</span>					
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) <span style="float:right">▶ 27h %</span>					

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)**

		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.)			
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) 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	<b>41</b>	
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>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>		

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
<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 nontaxable 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**

(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:

- 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
<b>a</b>	X		
<b>b</b>		X	
<b>c</b>		X	
<b>d</b>		X	
<b>e</b>		X	
<b>f</b>		X	
<b>g</b>		X	
<b>h</b>		X	
<b>i</b>			

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities

See Stmt 5



FTC3544 KIDS CAN FREE THE CHILDREN

16-1533544

**Federal Statements**

FYE: 12/31/2003

**Form 990, Part I, Line 1a - Direct Public Support**

<u>Description</u>	<u>Cash</u>	<u>Noncash</u>	<u>Total</u>
GENERAL DONATIONS	\$ 149,274	\$ 63,340	\$ 212,614
CORPORATE DONATIONS	4,920		4,920
FOUNDATIONS & TRUSTS	14,000		14,000
Other Contributions	371,742	1,247,019	1,618,761
Total	<u>\$ 539,936</u>	<u>\$ 1,310,359</u>	<u>\$ 1,850,295</u>

Federal Statements

Statement 1 - Form 990, Part II, Line 22 - Grants, Allocations and Contributions

Donee's Name	Donee's Address	City	St	Zip
Donee's Relationship to Org	Class of Activity / Description	Cash Contribution	Noncash Contribution	
KIDS CAN FREE THE CHILDREN-CANADA RELATED NON-PROFIT ENTITY	7368 YONGE ST, SUITE 300 BUILDINGS SCHOOLS	THORNHILL	ON	L4J 8H9 CANADA
		\$ 180,383	\$	
KIDS CAN FREE THE CHILDREN-CANADA RELATED NON-PROFIT ENTITY	7368 YONGE ST, SUITE 300 PEACE EDUCATION	THORNHILL	ON	L4J 8H9 CANADA
		57,153		
KIDS CAN FREE THE CHILDREN-CANADA RELATED NON-PROFIT	7368 YONGE ST, SUITE 300 LEADERSHIP	THORNHILL	ON	L4J 8H9 CANADA
		39,218		
KINDS CAN FREE THE CHILDREN-CANADA RELATED NON-PROFIT ENTITY	7368 YONGE ST, SUITE 300 ALTERNATIVE INCOME	THORNHILL	ON	L4J 8H9 CANADA
		5,900		
KIDS CAN FREE THE CHILDREN	TOGO, LOME, AFRICA MEDICAL RELIEF			394,552
SISTER CLAIRE	SIERRA LEONE SCHOOL & HEALTH KITS			30,000
FATHER CLETO, WASALALA	NICARAGUA SCHOOL & HEALTH KITS			32,890
Total		\$ 282,654	\$	457,442

**Federal Statements**

**Statement 2 - Form 990, Part II, Line 43 - Other Functional Expenses**

Description	Total Expenses	Program Service	Mgt & General	Fund-Raising
	\$	\$	\$	\$
Expenses				
ADMINISTRATIVE FEE	45,600	38,940	6,660	0
ADVERTISING	4,026	3,790	236	0
BANK CHARGES	2,172	348	1,824	0
CONSULTANTS	1,025	1,025	0	0
HANDLING FEES	9,463	9,463	0	0
OFFICE EXPENSES	391	45	345	1
<b>Total</b>	<b>\$ 62,677</b>	<b>\$ 53,611</b>	<b>\$ 9,065</b>	<b>\$ 1</b>

**Statement 3 - Form 990, Part III, Line e - Other Program Services**

CHILDREN IN ARMED CONFLICT: JOINT PROJECT WITH THE UNITED NATIONS TO FREE CHILDREN FROM ARMED CONFLICT AROUND THE WORLD. 530

LEADERSHIP: PROVIDING YOUTH OF THE WORLD WITH NETWORKING AS WELL AS THE OPPORTUNITIES TO BECOME LEADERS OF TOMORROW. 61,849

ALTERNATIVE INCOME: PROVIDES ALTERNATIVE FORMS OF INCOME TO FAMILIES, SO CHILDREN CAN BE RELEASED FROM HAZARDOUS EMPLOYMENT. 5,900

60,279

**Form 990, Part VI, Question 80b-Relation to other organizations**

Name of related organization(s)

KIDS CAN FREE THE CHILDREN-CANADA

**Statement 4 - Schedule A, Part III, Line 2a - Sale, Exchange, or Lease of Property**

RENTAL OF HOUSE FROM OFFICER, TO HOUSE INTERNS WORKING FOR THE ORGANIZATION

**Statement 5 - Schedule A, Part VI-B - Description of Lobbying Activities**

KIDS CAN FREE THE CHILDREN HAS LAUNCHED A PETITION CAMPAIGN TO PERSUADE THE U.S. GOVERNMENT TO RATIFY THE UNITED NATIONS CONVENTION ON THE RIGHTS OF THE CHILD. THE PETITION CAMPAIGN HAS BEEN CARRIED ON ONLY BY VOLUNTEERS WHO HAVE NOT BEEN REIMBURSED FOR ANY EXPENSES.

## FORM 990, PART V, LIST OF OFFICERS, DIRECTORS AND KEY EMPLOYEES

EVA HALLER-PRESIDENT  
1965 BROADWAY, APT 20E  
NEW YORK, NY 10023

LEONARD MERRILL KURZ-VICE PRESIDENT  
FOREST CREATURES  
P.O. BOX 10231  
BEVERLY HILLS, CA 90213-3231

VINAY KUMAR-TREASURER  
1902 LEAVENWORTH  
SAN FRANCISCO, CA 94133

THERESA KIELBURGER-SECRETARY  
50 HIGH OAK TRAIL  
RICHMOND HILL, ONTARIO CANADA L4J 2A2

MARC KIELBURGER, EXECUTIVE DIRECTOR  
7368 YONGE STREET, STE 300  
THORNHILL, ONTARIO CANADA L4J 8H9

JONATHAN WHITE-MEETING CHAIRPERSON  
150 CONY STREET  
AUGUSTA, ME 04330

JESSICA MAYBERRY-YOUTH REPRESENTATIVE  
1020 FIFTH AVENUE  
NEW YORK, NY 10028

CRAIG KIELBURGER-FOUNDER  
16 THORNBANK ROAD  
THORNHILL, ONTARIO CANADA L4J 2A2

ERNAN ROMAN  
3 MELROSE LANE  
DOUGLAS MANOR  
NEW YORK, NY 11363

VIVIEN STEWART-DIRECTOR  
8 LOCUST RIDGE RD  
NEW YORK, NY 10538

SUSAN BARDFIELD-DIRECTOR  
201 WEST 70 STREET  
NEW YORK, NY 10023

NOTE: NONE OF THE ABOVE RECEIVE ANY COMPENSATION, CONTRIBUTION TO  
RETIREMENT PLAN OR EXPENSE REIMBURSEMENT OF ANY KIND.  
ALL OF THE ABOVE WORK THE NECESSARY HOURS AS NEEDED TO RUN THE  
ORGANIZATION.



**Depreciation and Amortization**

Form **4562**

Department of the Treasury  
Internal Revenue Service

(Including Information on Listed Property)

OMB No 1545-0172

**2003**

Attachment  
Sequence No **67**

▶ See separate instructions.      ▶ Attach to your tax return.

Name(s) shown on return

Identifying number

**FREE THE CHILDREN INTERNATIONAL**

**16-1533544**

Business or activity to which this form relates

**Indirect Depreciation**

**Part I Election To Expense Certain Property Under Section 179**

**Note: If you have any listed property, complete Part V before you complete Part I.**

1	Maximum amount. See page 2 of the instructions for a higher limit for certain businesses	1	100,000.00
2	Total cost of section 179 property placed in service (see page 2 of the instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	400,000.00
4	Reduction in limitation Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see page 2 of the instructions	5	

(a) Description of property	(b) Cost (business use only)	(c) Elected cost
6		
7	Listed property Enter the amount from line 29	7
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8
9	Tentative deduction Enter the smaller of line 5 or line 8	9
10	Carryover of disallowed deduction from line 13 of your 2002 Form 4562	10
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12
13	Carryover of disallowed deduction to 2004 Add lines 9 and 10, less line 12	13

**Note: Do not use Part II or Part III below for listed property. Instead, use Part V**

**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)**

14	Special depreciation allowance for qualified prop (other than listed prop) placed in service during the tax year (see pg 3 of the instr)	14	
15	Property subject to section 168(f)(1) election (see page 4 of the instructions)	15	
16	Other depreciation (including ACRS) (see page 4 of the instructions)	16	

**Part III MACRS Depreciation (Do not include listed property.) (See page 4 of the instructions.)**

**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2003	17	4,073.71
18	If you are electing under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check here		

**Section B-Assets Placed in Service During 2003 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only-see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property		2,464.29	5.0	HY	S/L	246.43
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
i Nonresidential real property			27.5 yrs	MM	S/L	
			39 yrs	MM	S/L	
				MM	S/L	

**Section C-Assets Placed in Service During 2003 Tax Year Using the Alternative Depreciation System**

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

**Part IV Summary (see page 6 of the instructions)**

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations-see instr	22	4,320.14
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Part III - MACRS Depreciation

Asset	(a) Property Description	(b) Date In Service	(c) Tax Depr Basis	(d) Tax Period	(e) Tax Convention	(f) Tax Method	(g) Tax Depr Deduction
<u>Depreciation of MACRS Property Placed in Service In Prior Years</u>							
1	Computer-computer city	1/07/99	2,202.07	5.0	Mid-qtr	S/L	440.41
2	Fax Machine-KXFP250RF	10/16/99	175.45	5.0	Mid-qtr	S/L	35.09
3	2-Computers	12/23/99	2,925.00	5.0	Mid-qtr	S/L	585.00
4	Notebook Computer-TTXX Netboo	9/15/00	3,745.54	5.0	Mid-qtr	S/L	749.11
5	Computer-6ATH 850	12/02/00	1,107.24	5.0	Mid-qtr	S/L	221.45
6	Sony DCR-TRV900 Mini DV Camc	12/30/00	2,359.73	5.0	Mid-qtr	S/L	471.95
7	Canon BJC-85 Printer	1/04/01	305.35	5.0	Mid-qtr	S/L	61.07
8	Toshiba 4300 P3 600 laptop	3/10/01	1,783.73	5.0	Mid-qtr	S/L	356.75
9	Samsung Cell Phone SCH T130	6/15/01	287.16	7.0	Mid-qtr	S/L	41.02
10	Viewsonic A90 19" Monitor	6/20/01	313.95	5.0	Mid-qtr	S/L	62.79
11	CSP Cnotebook Laptop	10/17/01	2,030.39	5.0	Mid-qtr	S/L	406.08
12	Electrocom P4 Notebook Computer	7/09/02	1,575.36	5.0	Half year	S/L	315.07
13	Vision 1700 DDR desktop Compute	7/09/02	1,355.04	5.0	Half year	S/L	271.01
14	HP OfficeJet V40 Color Multifuncti	2/25/02	284.57	5.0	Half year	S/L	56.91
			<u>20,450.58</u>				<u>4,073.71</u>
<u>5 Year Property</u>							
15	Centrino P4M 1.6 GHZ Notebook (	5/24/03	2,464.29	5.0	Half year	S/L	246.43
			<u>2,464.29</u>				<u>246.43</u>

Asset *	Property Description	Date In Service	Tax Cost	Sec 179 Exp Current = c	Tax Sec 168(k) Amt	Tax Prior Depreciation	Tax Current Depreciation	Tax End Depr	Tax Net Book Value	Tax Method	Tax Period
<b>Group: Bldgs &amp; Improvements</b>											
17	House (1,253 Sq Ft)	12/31/03	86,525.40	0.00c	0.00	0.00	0.00	0.00	86,525.40	User	39.0
	Bldgs & Improvements		86,525.40	0.00c	0.00	0.00	0.00	0.00	86,525.40		
<b>Group: Bldgs &amp; Improvements-Main</b>											
16	Building-Main House (6,235 Sq Ft)	12/31/03	593,402.28	0.00c	0.00	0.00	0.00	0.00	593,402.28	User	39.0
	Bldgs & Improvements-Main		593,402.28	0.00c	0.00	0.00	0.00	0.00	593,402.28		
<b>Group: Land</b>											
18	Land	12/31/03	172,539.32	0.00c	0.00	0.00	0.00	0.00	172,539.32	Land	0.0
	Land		172,539.32	0.00c	0.00	0.00	0.00	0.00	172,539.32		
<b>Group: Office Equipment</b>											
1	Computer-computer city	1/07/99	2,202.07	0.00	0.00	1,706.59	440.41	2,147.00	55.07	S/L	5.0
2	Fax Machine-KXFP250RF	10/16/99	175.45	0.00	0.00	109.66	35.09	144.75	30.70	S/L	5.0
3	2-Computers	12/23/99	2,925.00	0.00	0.00	1,828.13	585.00	2,413.13	511.87	S/L	5.0
4	Notebook Computer-TTXX Netboo	9/15/00	3,745.54	0.00	0.00	1,779.14	749.11	2,528.25	1,217.29	S/L	5.0
5	Computer-6ATH 850	12/02/00	1,107.24	0.00	0.00	470.58	221.45	692.03	415.21	S/L	5.0
6	Sony DCR-TRV900 Mini DV Came	12/30/00	2,359.73	0.00	0.00	1,002.89	471.95	1,474.84	884.89	S/L	5.0
7	Canon BJC-85 Printer	1/04/01	305.35	0.00	0.00	114.51	61.07	175.58	129.77	S/L	5.0
8	Toshiba 4300 P3 600 laptop	3/10/01	1,783.73	0.00	0.00	668.90	356.75	1,025.65	758.08	S/L	5.0
9	Samsung Cell Phone SCH T130	6/15/01	287.16	0.00	0.00	66.66	41.02	107.68	179.48	S/L	7.0
10	Viewsonic A90 19" Monitor	6/20/01	313.95	0.00	0.00	102.03	62.79	164.82	149.13	S/L	5.0
11	CSP Cnotebook Laptop	10/17/01	2,030.39	0.00	0.00	446.69	406.08	852.77	1,177.62	S/L	5.0
12	Electrocom P4 Notebook Computer	7/09/02	1,575.36	0.00	0.00	157.54	315.07	472.61	1,102.75	S/L	5.0
13	Vision 1700 DDR desktop Compute	7/09/02	1,355.04	0.00	0.00	135.50	271.01	406.51	948.53	S/L	5.0
14	HP OfficeJet V40 Color Multifuncti	2/25/02	284.57	0.00	0.00	28.46	56.91	85.37	199.20	S/L	5.0
15	Centrino P4M 1.6 GHZ Notebook (	5/24/03	2,464.29	0.00c	0.00	0.00	246.43	246.43	2,217.86	S/L	5.0
	Office Equipment		22,914.87	0.00c	0.00	8,617.28	4,320.14	12,937.42	9,977.45		
	<b>Grand Total</b>		<b>875,381.87</b>	<b>0.00c</b>	<b>0.00</b>	<b>8,617.28</b>	<b>4,320.14</b>	<b>12,937.42</b>	<b>862,444.45</b>		