

Return of Organization Exempt From Income Tax

2007

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(77)

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

A For the 2007 calendar year, or tax year beginning 10/01, 2007, and ending 9/30, 2008

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

C New Horizons Ministries, Inc. 1002 South 350 East Marion, IN 46953

D Employer Identification Number 31-1166373
E Telephone number 765-668-4009x135
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?
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: NHYM.ORG

J Organization type (check only one): 501(c) 3, 4947(a)(1) or 527

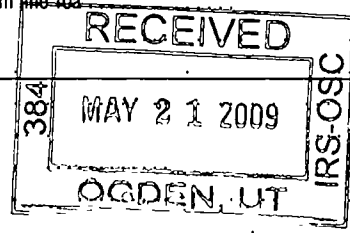
K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000

I Group Exemption Number
M Check if the organization is not required to attach Schedule B

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 2,781,260.

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

Table with 21 rows and 4 columns: Description, (A) Securities, (B) Other, Amount. Includes sub-rows for contributions, program revenue, investment income, and expenses.



SCANNED JUN 25 2009

FORM 990

917-22

21

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 *instruct.*)

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I</i>	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach sch) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22a			
22b Other grants and allocations (att sch) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22b			
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	25a 145,697.	0.	145,697.	0.
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	25b 40,744.	0.	40,744.	0.
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	25c 0.	0.	0.	0.
26 Salaries and wages of employees not included on lines 25a, b, and c	26 1,459,742.	1,181,959.	260,856.	16,927.
27 Pension plan contributions not included on lines 25a, b, and c	27			
28 Employee benefits not included on lines 25a - 27	28 13,312.	5,640.	7,672.	
29 Payroll taxes	29 112,724.	90,826.	21,898.	
30 Professional fundraising fees	30			
31 Accounting fees	31			
32 Legal fees	32 83,921.	25,222.	58,699.	
33 Supplies	33 26,303.	10,926.	10,679.	4,698.
34 Telephone	34			
35 Postage and shipping	35 18,122.	9,378.	7,690.	1,054.
36 Occupancy	36			
37 Equipment rental and maintenance	37 110,293.	83,062.	27,231.	
38 Printing and publications	38			
39 Travel	39 112,673.	91,401.	19,938.	1,334.
40 Conferences, conventions, and meetings	40			
41 Interest	41			
42 Depreciation, depletion, etc (attach schedule)	42 148,218.	128,434.	19,784.	
43 Other expenses not covered above (itemize): a <u>See Statement 2</u>	43a 812,070.	544,963.	267,107.	
b -----	43b			
c -----	43c			
d -----	43d			
e -----	43e			
f -----	43f			
g -----	43g			
44 Total functional expenses. Add lines 22a through 43g (Organizations completing columns (B) - (D), carry these totals to lines 13 - 15)	44 3,083,819.	2,171,811.	887,995.	24,013.

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 the instructions.)

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.

What is the organization's primary exempt purpose? ▶ <u>Youth rehabilitation</u> 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) organizations and 4947(a)(1) trusts, but optional for others.)
a <u>Program Expenses included related expenses for the rehabilitation of 46 individuals.</u> ----- ----- ----- (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	2,171,811.
b ----- ----- ----- (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
c ----- ----- ----- (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
d ----- ----- ----- (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
e Other program services (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶	2,171,811.

BAA

Part IV Balance Sheets (See the instructions.)

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
ASSETS	45 Cash — non-interest-bearing	586,151.	45	373,642.
	46 Savings and temporary cash investments		46	
	47a Accounts receivable	47a 7,806.		
	b Less allowance for doubtful accounts	47b	102,359.	47c 7,806.
	48a Pledges receivable	48a		
	b Less allowance for doubtful accounts	48b		48c
	49 Grants receivable			49
	50a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)			50a
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)			50b
	51a Other notes and loans receivable (attach schedule)	51a		
	b Less allowance for doubtful accounts	51b		51c
	52 Inventories for sale or use			52
	53 Prepaid expenses and deferred charges		5,466.	53 14,076.
	54a Investments — publicly-traded securities	▶ <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54a
b Investments — other securities (attach sch)	▶ <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54b	
55a Investments — land, buildings, & equipment, basis	55a			
b Less accumulated depreciation (attach schedule)	55b		55c	
56 Investments — other (attach schedule)			56	
57a Land, buildings, and equipment basis	57a 2,742,849.			
b Less accumulated depreciation (attach schedule) Statement 3	57b 1,929,039.	911,193.	57c 813,810.	
58 Other assets, including program-related investments (describe ▶ <u>See Statement 4</u>)		94,471.	58 55,842.	
59 Total assets (must equal line 74) Add lines 45 through 58		1,699,640.	59 1,265,176.	
LIABILITIES	60 Accounts payable and accrued expenses	39,339.	60	50,307.
	61 Grants payable		61	
	62 Deferred revenue	54,872.	62	26,706.
	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 ▶ <u>See Statement 5</u>)		223,653.	65 141,418.
66 Total liabilities. Add lines 60 through 65		317,864.	66 218,431.	
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted	1,189,044.	67	924,935.
	68 Temporarily restricted	192,732.	68	121,810.
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 70 through 74			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72 (Column (A) must equal line 19 and column (B) must equal line 21)		1,381,776.	73 1,046,745.
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73		1,699,640.	74 1,265,176.

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

a	Total revenue, gains, and other support per audited financial statements		a	2,748,788.
b	Amounts included on line a but not on Part I, line 12		b	
	1 Net unrealized gains on investments	b1		
	2 Donated services and use of facilities	b2		
	3 Recoveries of prior year grants	b3		
	4 Other (specify) _____	b4		
	Add lines b1 through b4		b	
c	Subtract line b from line a		c	2,748,788.
d	Amounts included on Part I, line 12, but not on line a:		d	
	1 Investment expenses not included on Part I, line 6b	d1		
	2 Other (specify) _____	d2		
	Add lines d1 and d2		d	
e	Total revenue (Part I, line 12) Add lines c and d		e	2,748,788.

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

a	Total expenses and losses per audited financial statements		a	3,083,819.
b	Amounts included on line a but not on Part I, line 17		b	
	1 Donated services and use of facilities	b1		
	2 Prior year adjustments reported on Part I, line 20	b2		
	3 Losses reported on Part I, line 20	b3		
	4 Other (specify) _____	b4		
	Add lines b1 through b4		b	
c	Subtract line b from line a		c	3,083,819.
d	Amounts included on Part I, line 17, but not on line a:		d	
	1 Investment expenses not included on Part I, line 6b	d1		
	2 Other (specify) _____	d2		
	Add lines d1 and d2		d	
e	Total expenses (Part I, line 17) Add lines c and d		e	3,083,819.

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated) (See the instructions)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances
See Statement 6		145,967.	0.	0.

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)

	Yes	No
75a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings ▶ 13		
b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If 'Yes,' attach a statement that identifies the individuals and explains the relationship(s) See Statement 7	X	
c Do any officers, directors, trustees, or key employees listed in form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of 'related organization' If 'Yes,' attach a statement that includes the information described in the instructions		X
d Does the organization have a written conflict of interest policy?	X	

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits

(If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column See the instructions)

(A) Name and address	(B) Loans and Advances	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances
Timothy Blossom 3344 East Monroe Pike Marion, IN 46953	0.	40,744.	0.	0.

Part VI Other Information (See the instructions.)

	Yes	No
76 Did the organization make a change in its activities or methods of conducting activities? If 'Yes,' attach a detailed statement of each change		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
b If 'Yes,' has it filed a tax return on Form 990-T 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	
b If 'Yes,' enter the name of the organization ▶ See Statement 8 ----- 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.) ▶ 81a 0.		
b Did the organization file Form 1120-POL for this year?		X

Part VI Other Information (continued)

		Yes	No
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	
b	If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III)		
82b			
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> 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
85a	501(c)(4), (5), or (6) Were substantially all dues nondeductible by members?		N/A
85b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?		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		N/A
85d	Section 162(e) lobbying and political expenditures		N/A
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		N/A
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		N/A
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
86	501(c)(7) organizations Enter a Initiation fees and capital contributions included on line 12		
86a			N/A
86b	Gross receipts, included on line 12, for public use of club facilities		N/A
87	501(c)(12) organizations Enter a Gross income from members or shareholders		
87a			N/A
87b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		N/A
88a	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
88b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' complete Part XI		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) 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		X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 <u>0.</u>		
d	Enter Amount of tax on line 89c, above, reimbursed by the organization <u>0.</u>		
89e	All organizations At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
89f	All organizations Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
89g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		X
90a	List the states with which a copy of this return is filed <u>IN</u>		
b	Number of employees employed in the pay period that includes March 12, 2007 (See instructions)		84
91a	The books are in care of <u>Marge Ashley</u> Telephone number <u>765-668-4009</u> Located at <u>1002 South 350 East Marion IN</u> ZIP + 4 <u>46953</u>		
91b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If 'Yes,' enter the name of the foreign country <u>Dominican Rep/Canada</u>	X	
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			

Part VI Other Information (continued)

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c Yes No

If 'Yes,' enter the name of the foreign country Dominican Rep/Canada

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here N/A
 and enter the amount of tax-exempt interest received or accrued during the tax year 92 N/A

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

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a Finance Charges					890.
b Insurance Proceeds					551.
c Tuition Revenue					1,972,324.
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts			14	10,672.	
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			18	-187.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a _____					
b Other Revenues			1	27,002.	
c Staff Rooming Fees			3	19,833.	
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				57,320.	1,973,765.
105 Total (add line 104, columns (B), (D), and (E))					2,031,085.

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See 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 9

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See 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 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)

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).

106 Did the reporting organization **make** any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If 'Yes,' complete the schedule below for each controlled entity

Yes	No
	X

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	-----			
b	-----			
c	-----			
Totals				

107 Did the reporting organization **receive** any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If 'Yes,' complete the schedule below for each controlled entity

Yes	No
	X

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	-----			
b	-----			
c	-----			
Totals				

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Yes	No
	X

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here

Signature of officer: *Jim Blossom* Date: 5/11/09
 Type or print name and title: Jim Blossom (INTERN CEO)

Paid Preparer's Use Only

Preparer's signature: Vales A. McJannet, CPA Date: 5-7-09 Check if self employed:
 Firm's name (or yours if self employed), address, and ZIP + 4: Dulin, Ward & DeWald, Inc.
1455 North Baldwin Ave.
Marion, IN 46952 Preparer's SSN or PTIN (See General Instruction X): P00290010
 EIN: 35-1344820 Phone no: 765-662-9955

BAA

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

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

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

Supplementary Information — (See separate instructions.)

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

OMB No 1545 0047

2007

Name of the organization

New Horizons Ministries, Inc.

Employer identification number

31-1166373

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				
Total number of other employees paid over \$50,000 ▶	0			

Part II - A 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		
Total number of others receiving over \$50,000 for professional services ▶	0	

Part II - B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter 'None.' See instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		
Total number of other contractors receiving over \$50,000 for other services ▶	0	

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 and Form 990-EZ.

Schedule A (Form 990 or 990-EZ) 2007

Part III Statements About Activities (See 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 ▶ \$ N/A
(Must equal amounts on line 38, Part VI-A, or line i of Part VI-B)

1 X

Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.

2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions)

a Sale, exchange, or leasing of property?

2a X

b Lending of money or other extension of credit?

2b X

c Furnishing of goods, services, or facilities?

2c X

See Form 990, Part V

d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?

2d X

e Transfer of any part of its income or assets?

2e X

3a Did the organization make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how the organization determines that recipients qualify to receive payments)

Stmt 10

3a X

b Did the organization have a section 403(b) annuity plan for its employees?

3b X

c Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' attach a detailed statement

3c X

d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?

3d X

4a Did the organization maintain any donor advised funds? If 'Yes,' complete lines 4b through 4g. If 'No,' complete lines 4f and 4g

4a X

b Did the organization make any taxable distributions under section 4966?

4b N/A

c Did the organization make a distribution to a donor, donor advisor, or related person?

4c N/A

d Enter the total number of donor advised funds owned at the end of the tax year ▶ N/A

e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶ N/A

f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ▶ 0

g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ▶ 0.

Part IV Reason for Non-Private Foundation Status (See instructions.)

I certify that 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 otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
 - Type I
 - Type II
 - Type III-Functionally Integrated
 - Type III-Other

Provide the following information about the supported organizations. (See instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total					0.

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See instructions.)

BAA

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) 2006	(b) 2005	(c) 2004	(d) 2003	(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, amts rec'd from payments on securities loans (sec 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less sec 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

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 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.	▶	26 a
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 _____	▶	26 d
22 _____ 26 b _____	▶	26 e
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.

(2006) _____ (2005) _____ (2004) _____ (2003) _____

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 11b, 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.

(2006) _____ (2005) _____ (2004) _____ (2003) _____

c Add: Amounts from column (e) for lines **15** _____ **16** _____

17 _____ **20** _____ **21** _____

d Add: Line 27a total _____ and line 27b total _____	▶	27 c
e Public support (line 27c total minus line 27d total)	▶	27 d
f Total support for section 509(a)(2) test. Enter amount from line 23, column (e)	▶	27 e
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))	▶	27 f %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))	▶	27 g %
	▶	27 h %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, 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)

	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?	X	
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?	X	
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) <u>All brochures state this policy. New Horizons Ministries's website, www.nhym.org, also states this non discrimination policy in all its schools' admission sections.</u>	X	
32 Does the organization maintain the following		
a Records indicating the racial composition of the student body, faculty, and administrative staff?	X	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	X	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	X	
d Copies of all material used by the organization or on its behalf to solicit contributions?	X	
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?		X
b Admissions policies?		X
c Employment of faculty or administrative staff?		X
d Scholarships or other financial assistance?		X
e Educational policies?		X
f Use of facilities?		X
g Athletic programs?		X
h Other extracurricular activities?		X
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?	X	
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		X
See Statement 11		
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	X	

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
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38 Total lobbying expenditures (add lines 36 and 37)	38	
39 Other exempt purpose expenditures	39	
40 Total exempt purpose expenditures (add lines 38 and 39)	40	
41 Lobbying nontaxable amount Enter the amount from the following table –		
If the amount on line 40 is –		
Not over \$500,000		
Over \$500,000 but not over \$1,000,000		
Over \$1,000,000 but not over \$1,500,000		
Over \$1,500,000 but not over \$17,000,000		
Over \$17,000,000		
The lobbying nontaxable amount is –		
20% of the amount on line 40		
\$100,000 plus 15% of the excess over \$500,000		
\$175,000 plus 10% of the excess over \$1,000,000	41	
\$225,000 plus 5% of the excess over \$1,500,000		
\$1,000,000		
42 Grassroots nontaxable amount (enter 25% of line 41)	42	
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43	
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44	

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720

4 -Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
 See the instructions for lines 45 through 50)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4 -Year Averaging Period				
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots non-taxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 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

Yes	No	Amount

- a** Volunteers
- b** Paid staff or management (Include compensation in expenses reported on lines c through h.)
- c** Media advertisements
- d** Mailings to members, legislators, or the public
- e** Publications, or published or broadcast statements
- f** Grants to other organizations for lobbying purposes
- g** Direct contact with legislators, their staffs, government officials, or a legislative body
- h** Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
- i** Total lobbying expenditures (add lines c through h.)

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

Client 86526

New Horizons Ministries, Inc.

31-1166373

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

Publicly Traded Securities

Gross Sales Price: 32,285.
 Cost or Other Basis: 32,472.

Total Gain (Loss) Publicly Traded Securities \$ -187.

Total Net Gain (Loss) From Noninventory Sales \$ -187.

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

	(A) Total	(B) Program Services	(C) Management & General	(D) Fundraising
Auto Insurance	9,792.	8,770.	1,022.	
Bad debt expenses	97,644.		97,644.	
Communication	47,200.	35,781.	11,419.	
Consumables	106,679.	106,679.		
Education	6,255.	6,255.		
Employee Education	15,288.	8,714.	6,574.	
Farm Expenses	567.	567.		
Housing	183,156.	160,803.	22,353.	
Insurance	44,422.	24,489.	19,933.	
Lodging-employee	6,337.	2,602.	3,735.	
Other expenses	152,289.	108,653.	43,636.	
Program Expenses	78,310.	71,004.	7,306.	
Promotion	52,194.	2,737.	49,457.	
Subscriptions	11,937.	7,909.	4,028.	
Total	\$ <u>812,070.</u>	\$ <u>544,963.</u>	\$ <u>267,107.</u>	\$ <u>0.</u>

Statement 3
Form 990, Part IV, Line 57
Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value
Buildings	\$ 2,742,849.	\$ 1,929,039.	\$ 813,810.
Total	\$ <u>2,742,849.</u>	\$ <u>1,929,039.</u>	\$ <u>813,810.</u>

Client 86526

New Horizons Ministries, Inc.

31-1166373

Statement 4
Form 990, Part IV, Line 58
Other Assets

Student Accounts

Total	\$	55,842.
	\$	<u>55,842.</u>

Statement 5
Form 990, Part IV, Line 65
Other Liabilities

Payroll & Accrued Liabilities
Rounding

	\$	141,417.
		1.
Total	\$	<u>141,418.</u>

Statement 6
Form 990, Part V-A
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 & DC</u>	<u>Expense Account/ Other</u>
Robert Smerdel 1645 Winding Creek Trail Brownsburg, IN 46112	President 0	\$ 0.	\$ 0.	\$ 0.
Rose Blossom 3344 E. Monroe Pike Marion, IN 46953	Board Member 0	0.	0.	0.
Eric Grant 5945 S. Woodstrail Dr. 57 Columbia City, IN 46752	Board Member 0	0.	0.	0.
Mike Miley 3018 Whispering Trail Carmel, IN 46033	Board Member 0	0.	0.	0.
Barry Smith 115 Kyle Drive Cedarville, OH 45314	Treasurer 0	0.	0.	0.
Eric Piersimoni 985 N 250 W Angola, IN 46703	Board Members 0	0.	0.	0.
Robert Daly 106 W Southport Rd Indianapolis, IN 46227	Board Member 0	0.	0.	0.

Client 86526

New Horizons Ministries, Inc.

31-1166373

Statement 6 (continued)
Form 990, Part V-A
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
Connie Smerdel 1645 Winding Creek Trail Brownsburg, IN 46112	Board Member 0	\$ 0.	\$ 0.	\$ 0.
Billie Grant 5945 S. Woodstrail Dr. 57 Columbia City, IN 46752	Board Member 0	0.	0.	0.
Sherry Miley 3018 Whispering Trail Carmel, IN 46033	Vice President 0	0.	0.	0.
Sarah Smith 115 Kyle Drive Cedarville, OH 45314	Board Member 0	0.	0.	0.
Linda Piersimoni 985 N 250 W Angola, IN 46703	Secretary 0	0.	0.	0.
Peg Daly 106 W Southport Rd Indianapolis, IN 46227	Board Member 0	0.	0.	0.
Charles Redwine 1411 W Glendale Dr Marion, IN 46953	CEO 0	46,133.	0.	0.
Deborah Hatland 105 Conifer Court Marion, IN 46953	CMO 0	42,595.	0.	0.
William Booker P.O. Box 22925 Louisville, KY 40252	CFO (PART YEAR) 0	15,900.	0.	0.
George Blair 821 West 5th Street Marion, IN 46953	CFO (PART YEAR) 0	11,537.	0.	0.
Marjorie Ashley 7020 S Western Avenue Marion, IN 46953	Secretary 0	29,802.	0.	0.
	Total	\$ 145,967.	\$ 0.	\$ 0.

Statement 7
Form 990, Part V-A, Line 75b
Compensation Paid to Related Individuals

Name and Relationship

Robert Smerdel
 Husband of Connie Smerdel

Connie Smerdel
 Wife of Robert Smerdel

Eric Grant
 Husband of Billie Grant

Billie Grant
 Wife of Eric Grant

Sherry Miley
 Wife of Mike Miley

Mike Miley
 Husband of Sherry Miley

Eric Piersimoni
 Husband of Linda Piersimoni

Linda Piersimoni
 Wife of Eric Piersimoni

Barry Smith
 Husband of Sarah Smith

Sarah Smith
 Wife of Barry Smith

Robert Daly
 Husband of Peg Daly

Peg Daly
 Wife of Robert Daly

Statement 8
Form 990, Part VI, Line 80b
Related Organizations

<u>Name of Organization</u>	<u>Exempt</u>	<u>Nonexempt</u>
Escuela Caribe, Inc.	X	
New Horizons Youth Foundation, Inc.	X	
New Horizons Youth Ministries (Canada) Inc	X	

Statement 9
Form 990, Part VIII
Relationship of Activities to the Accomplishment of Exempt Purposes

<u>Line #</u>	<u>Explanation of Activities</u>
93a	Finance charges are assessed to keep the accounts current. Funds are used to further the mission of youth rehabilitation.
93b	Insurance Proceeds received by New Horizons Ministries, Inc. funds are used to further the organization's exempt purpose.
93c	Revenue from boys and girls placed in youth rehabilitation program including room and board, food, education, etc.

Statement 10
Schedule A, Part III, Line 3a
Qualifications of Recipients Receiving Grants or Loans

Grants or loans, and the policies governing the same, are determined by the New Horizons Ministries, Inc board of directors. All applications are reviewed for the most qualified applicants on the basis of both therapeutic and financial need.

Statement 11
Schedule A, Part V, Line 34
Explanation

The school receives government money for the school lunch program. The school also received grants from the Indiana Department of Education for professional development and staff training for skill enhancement.

Application for Extension of Time To File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

▶ File a separate application for each return

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

Section 501(c) corporations required to file Form 990-T and requesting an automatic 6-month extension — check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICS, and trusts must use Form 7004 to request an extension of time to file income tax returns

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for section 501(c) corporations required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*

Type or print	Name of Exempt Organization New Horizons Ministries, Inc.	Employer identification number 31-1166373
File by the due date for filing your return. See instructions	Number, street, and room or suite number. If a P O box, see instructions 1002 South 350 East	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions Marion, IN 46953	

Check type of return to be filed (file a separate application for each return).

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-T (corporation)	<input type="checkbox"/> Form 4720
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (section 401(a) or 408(a) trust)	<input type="checkbox"/> Form 5227
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 8870

• The books are in the care of ▶ Marge Ashley -----

Telephone No. ▶ 765-668-4009 ----- FAX No. ▶ -----

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover

1 I request an automatic 3-month (6 months for a section 501(c) corporation required to file Form 990-T) extension of time until 5/15, 20 09, to file the exempt organization return for the organization named above. The extension is for the organization's return for

- ▶ calendar year 20__ or
- ▶ tax year beginning 10/01, 20 07, and ending 9/30, 20 08.

2 If this tax year is for less than 12 months, check reason Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$ 0.
3b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$ 0.
3c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$ 0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

BAA For Privacy Act and Paperwork Reduction Act Notice, see instructions.