

0506

If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

Part II Additional (not automatic) 3-Month Extension of Time-Must File Original and One Copy.

Table with 3 columns: Type or print, Name of Exempt Organization, Employer identification number. Includes Praise Him Ministries, Inc. and address 120 Redcliff Drive, Ridgway CO 81432.

Check type of return to be filed (File a separate application for each return):

- Form 990, Form 990-BL, Form 990-EZ, Form 990-PF, Form 990-T (sec. 401(a) or 408(a) trust), Form 990-T (trust other than above), Form 1041-A, Form 4720, Form 5227, Form 6069, Form 8870.

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

The books are in the care of Middleton & Richards, LLC, CPAs

Telephone No. 970-626-3850 FAX No. 970-626-5800

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 is for.

I request an additional 3-month extension of time until 5/15/06

For calendar year , or other tax year beginning 7/01/04 and ending 6/30/05

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

State in detail why you need the extension

Additional time is requested to gather information to prepare a complete and accurate return.

8a 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. 8b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. 8c Balance Due. Subtract line 8b from line 8a.

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature M. Jeremy Adelman Title CPA/Preparer Date 2/04/06

Notice to Applicant-To Be Completed by the IRS

- We have approved this application. Please attach this form to the organization's return. We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return. We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period. We cannot consider this application because it was filed after the extended due date of the return for which an extension was requested. Other

Director By: Date

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Table with 3 columns: Type or print, Name, Address. Includes Middleton & Richards, LLC, 1100 East Main Street, Suite C, Montrose, Ridgway CO 81401-81432. Includes stamp: EXTENSION APPROVED FEB 25 2006.

**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation**

2004

Department of the Treasury
Internal Revenue Service

Note: The organization may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 2004, or tax year beginning 7/01/04, and ending 6/30/05

G Check all that apply: Initial return Final return Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of organization Praise Him Ministries, Inc.		A Employer identification number 03-0410199
	Number and street (or P.O. box number if mail is not delivered to street address) Room/suite 120 Redcliff Drive		B Telephone number (see page 10 of the instructions) 970-626-5243
	City or town, state, and ZIP code Ridgway CO 81432		C If exemption application is pending, check here <input type="checkbox"/>
			D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation			E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 1,264,155 (Part I, column (d) must be on cash basis.)		J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	
		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>	

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), & (d) may not necessarily equal the amounts in column (a) (see page 11 of the instr.))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
R e v e n u e	1 Contributions, gifts, grants, etc., received (attach schedule) . . .	848,831			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments . . .				
	4 Dividends and interest from securities				
	5a Gross rents				
	b (Net rental income or (loss) _____)				
	6a Net gain/(loss) from sale of assets not on ln. 10				
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		0		
	8 Net short-term capital gain			0	
	9 Income modifications				
	10a Gross sales less returns and allowances 1,555				
b Less: Cost of goods sold 1,656					
c Gross profit or (loss) (attach schedule) Stmt 1	-101		-101		
11 Other income (attach schedule) Stmt 2	6,941		6,941		
12 Total. Add lines 1 through 11	855,671		6,840		
A d m i n i s t r a t i v e O p e r a t i v e E x p e n s e s	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages	194,281		464	110,367
	15 Pension plans, employee benefits	17,775		46	10,353
	16a Legal fees (attach schedule) See Stmt 3	7,268			995
	b Accounting fees (attach schedule) Stmt 4	21,352			
	c Other professional fees (att. schedule) Stmt 5	4,092			
	17 Interest	83			
	18 Taxes (att. schedule) (see pg. 14 of the instr.) Stmt 6	514			344
	19 Depreciation (att. schedule) & depletion Stmt 7	48,405		64	
	20 Occupancy	47,229		80	24,537
21 Travel, conferences, and meetings	24,357		991	12,332	
22 Printing and publications					
23 Other exps. (att. sch.) Stmt 8	203,658		7,954	164,232	
24 Total operating and administrative expenses. Add lines 13 through 23	569,014		9,599	323,160	
25 Contributions, gifts, grants paid	950			350	
26 Total expenses and disbursements. Add lines 24 and 25	569,964		9,599	323,510	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	285,707				
b Net investment income (if negative, enter -0-)		0			
c Adjusted net income (if negative, enter -0-)			0		

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
A S S E T S	1	Cash-non-interest-bearing				
	2	Savings and temporary cash investments	37,482	4,867	4,867	
	3	Accounts receivable ▶ 197				
		Less: allowance for doubtful accounts ▶		197	197	
	4	Pledges receivable ▶				
		Less: allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)				
	7	Other notes and loans receivable ▶				
		Less: allowance for doubtful accounts ▶				
	8	Inventories for sale or use	1,000			
	9	Prepaid expenses and deferred charges	3,626	3,959	3,959	
	10a	Investments-U.S. and state government obligations (attach schedule)				
	b	Investments-corporate stock (attach schedule) See Stmt 9	257,207	566,600	62,201	
	c	Investments-corporate bonds (attach schedule)				
	11	Investments-land, buildings, and equipment: basis ▶				
	Less: accumulated depreciation ▶					
12	Investments-mortgage loans					
13	Investments-other (attach schedule)					
14	Land, buildings, and equipment: basis ▶ 1,221,554					
	Less: accumulated depreciation ▶ Stmt 10 90,557	1,181,867	1,130,997	1,144,241		
15	Other assets (describe ▶ See Statement 11)		48,690	48,690		
16	Total assets (to be completed by all filers-see page 16 of the instructions. Also, see page 1, item I)	1,481,182	1,755,310	1,264,155		
L I A B I L I T I E S	17	Accounts payable and accrued expenses	11,980	6,382		
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (att. schedule)				
	22	Other liabilities (describe ▶ See Statement 12)	9,573	3,592		
	23	Total liabilities (add lines 17 through 22)	21,553	9,974		
N E T A S S E T S O R F U N D B A L A N C E S	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted	1,459,629	1,745,336		
	25	Temporarily restricted				
	26	Permanently restricted				
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 31.					
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, bldg., and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
30	Total net assets or fund balances (see page 17 of the instructions)	1,459,629	1,745,336			
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	1,481,182	1,755,310			

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year-Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,459,629
2	Enter amount from Part I, line 27a	2	285,707
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,745,336
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)-Part II, column (b), line 30	6	1,745,336

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a N/A			
b			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8		3

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the organization liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No

If "Yes," the organization does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2003	227,610	237,855	0.956928
2002	73,626	123,115	0.598026
2001			
2000			
1999			

2 Total of line 1, column (d)	2	1.554954
3 Average distribution ratio for the 5-year base period-divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.777477
4 Enter the net value of noncharitable-use assets for 2004 from Part X, line 5	4	334,300
5 Multiply line 4 by line 3	5	259,911
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	
7 Add lines 5 and 6	7	259,911
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.	8	323,510

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948-see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling letter: (attach copy of ruling letter if necessary-see instructions)		
b	Domestic organizations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	
c	All other domestic organizations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0
3	Add lines 1 and 2	3	
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	0
6	Credits/Payments:		
a	2004 estimated tax payments and 2003 overpayment credited to 2004	6a	
b	Exempt foreign organizations-tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be: Credited to 2005 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the organization attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to 1a or 1b , attach a detailed description of the activities and copies of any materials published or distributed by the organization in connection with the activities.		X
c Did the organization file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the organization. \$ _____ (2) On organization managers. \$ _____		
e Enter the reimbursement (if any) paid by the organization during the year for political expenditure tax imposed on organization managers. \$ _____		
2 Has the organization engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the organization made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year? N/A		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the organization have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV.	X	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) CO		
b If the answer is "Yes" to line 7, has the organization furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," att. explanation	X	
9 Is the organization claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2004 or the taxable year beginning in 2004 (see instructions for Part XIV on page 25)? If "Yes," complete Part XIV	X	
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names & addresses.		X
11 Did the organization comply with the public inspection requirements for its annual returns and exemption application? Web site address www.praisehimministries.org	X	
12 The books are in care of Middleton Accounting & Co Telephone no. 970-626-3850 Located at Ridgway, CO ZIP+4 81432		
13 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 -Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year		13

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
1a	During the year did the organization (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the organization agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? <input type="checkbox"/> Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	X
c	Did the organization engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2004? N/A	1c	
2	Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2004, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2004? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years <input type="checkbox"/> 20 <input type="checkbox"/> 20 <input type="checkbox"/> 20 <input type="checkbox"/> 20		
b	Are there any years listed in 2a for which the organization is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement-see page 20 of the instructions.) N/A	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. <input type="checkbox"/> 20 <input type="checkbox"/> 20 <input type="checkbox"/> 20 <input type="checkbox"/> 20		
3a	Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2004 as a result of (1) any purchase by the organization or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the organization had excess business holdings in 2004.)	3b	X
4a	Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the organization make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2004?	4b	X
5a	During the year did the organization pay or incur any amount to:		
(1)	Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Provide a grant to an individual for travel, study, or other similar purposes? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 20 of the instructions)? N/A Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	5b	
c	If the answer is "Yes" to question 5a(4), does the organization claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," attach the statement required by Regulations section 53.4945-5(d).		
6a	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If you answered "Yes" to 6b, also file Form 8870.	6b	X

Part VIII

Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see page 20 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contrib. to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Victoria Hearst 120 Redcliff Dr Ridgway CO 81432	Director 24	0	0	0
Roma Bovard 55810 Hickory Rd Olathe CO 81425	Director .5	1,772	0	0
John Payton 4748 Pearson Dr Woodbridge VA 22193	Director .5	0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1-see page 21 of the instructions). If 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, other allowances
NONE				

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

3 Five highest-paid independent contractors for professional services-(see page 21 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

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

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 See Statement 13	297,218
2 See Statement 14	32,480
3 See Statement 15	28,638
4 Director Victoria Hearst hosts a weekly radio program each Sunday morning dedicated to education on Christian topics and principles.	6,240

Part IX-B Summary of Program-Related Investments (see page 22 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See page 22 of the instructions.	
3	
Total. Add lines 1 through 3	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 22 of the instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1a	0
b Average of monthly cash balances	1b	13,231
c Fair market value of all other assets (see page 22 of the instructions)	1c	326,160
d Total (add lines 1a, b, and c)	1d	339,391
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0
2 Acquisition indebtedness applicable to line 1 assets	2	0
3 Subtract line 2 from line 1d	3	339,391
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see page 23 of the instructions)	4	5,091
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	334,300
6 Minimum investment return. Enter 5% of line 5	6	16,715

Part XI Distributable Amount (see page 23 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

1 Minimum investment return from Part X, line 6	1	
2a Tax on investment income for 2004 from Part VI, line 5	2a	
b Income tax for 2004. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	
4 Recoveries of amounts treated as qualifying distributions	4	
5 Add lines 3 and 4	5	
6 Deduction from distributable amount (see page 23 of the instructions)	6	
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	

Part XII Qualifying Distributions (see page 23 of the instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a Expenses, contributions, gifts, etc.-total from Part I, column (d), line 26	1a	323,510
b Program-related investments-total from Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	323,510
5 Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 24 of the instructions)	5	0
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	323,510

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see page 24 of the instructions) **N/A**

	(a) Corpus	(b) Years prior to 2003	(c) 2003	(d) 2004
1 Distributable amount for 2004 from Part XI, line 7				
2 Undistributed income, if any, as of the end of 2003:				
a Enter amount for 2003 only				
b Total for prior years: 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2004:				
a From 1999				
b From 2000				
c From 2001				
d From 2002				
e From 2003				
f Total of lines 3a through e				
4 Qualifying distributions for 2004 from Part XII, line 4: ▶ \$ _____				
a Applied to 2003, but not more than line 2a				
b Applied to undistributed income of prior years (Election required-see page 24 of the instructions)				
c Treated as distributions out of corpus (Election required-see page 24 of the instructions)				
d Applied to 2004 distributable amount				
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2004 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount-see page 25 of the instructions				
e Undistributed income for 2003. Subtract line 4a from line 2a. Taxable amount-see page 25 of the instructions				
f Undistributed income for 2004. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2005				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 25 of the instructions)				
8 Excess distributions carryover from 1999 not applied on line 5 or line 7 (see page 25 of the instructions)				
9 Excess distributions carryover to 2005. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9:				
a Excess from 2000				
b Excess from 2001				
c Excess from 2002				
d Excess from 2003				
e Excess from 2004				

Part XIV Private Operating Foundations (see page 25 of the instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2004, enter the date of the ruling **5/28/03**

b Check box to indicate whether the organization is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year		Prior 3 years		(e) Total
	(a) 2004	(b) 2003	(c) 2002	(d) 2001	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	0				0
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed	323,510	227,610	73,626		624,746
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c	323,510	227,610	73,626		624,746
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test-enter:					
(1) Value of all assets	1,272,322	352,060	243,864		1,868,246
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)	875,821	114,204	120,831		1,110,856
b "Endowment" alternative test-enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test-enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)	N/A				
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)	N/A				
(3) Largest amount of support from an exempt organization	N/A				
(4) Gross investment income	N/A				

Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year-see page 26 of the instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)
Victoria Hearst 816036

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.
N/A

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc. (see page 26 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number of the person to whom applications should be addressed:
N/A

b The form in which applications should be submitted and information and materials they should include:
N/A

c Any submission deadlines:
N/A

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:
N/A

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<p>a Paid during the year</p> <p>FORS PTA 1115 W. Clinton Ridgway CO 81432</p> <p>Ridgway Area Chamber of C 150 Racecourse Road Ridgway CO 81432</p>	<p>None</p> <p>None</p>	<p>501(c)(3) See Attached Stmt 17</p> <p>501(c)(6) See Attached Stmt 17</p>	<p></p> <p></p>	<p>100</p> <p>250</p>
<p>Total ▶ 3a</p>				<p>350</p>
<p>b Approved for future payment</p> <p>Good News Jail & Prison M PO Box 9760 Richmond VA 23228</p>	<p>None</p>	<p>501(c)(3) See Attached Stmt 17</p>	<p></p>	<p>600</p>
<p>Total ▶ 3b</p>				<p>600</p>

Name of organization

Employer identification number

Praise Him Ministries, Inc.

03-0410199

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

- 501(c)() (enter number) organization
- 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
- 527 political organization

Form 990-PF

- 501(c)(3) exempt private foundation
- 4947(a)(1) nonexempt charitable trust treated as a private foundation
- 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule-see instructions.)

General Rule-

- For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

Special Rules-

- For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)
- For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)
- For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ► \$ _____

Caution: Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization

Praise Him Ministries, Inc.

Employer identification number

03-0410199

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
<u>1</u>	Victoria Hearst Available Upon Request	\$ 816,036	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>2</u>	Prayer Mountain in the Ozark PO Box 40 Branson MO 65615	\$ 5,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>3</u>	Various under \$5,000	\$ 21,694	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Department of the Treasury Internal Revenue Service

Attach to your tax return.

Name(s) shown on tax return

Identifying number

Praise Him Ministries, Inc.

03-0410199

Part I Information on the Like-Kind Exchange

Note: If the property described on line 1 or line 2 is real or personal property located outside the United States, indicate the country.

1 Description of like-kind property given up Lost World Game
2 Description of like-kind property received Lost World Game Update
3 Date like-kind property given up was originally acquired 6/18/04
4 Date you actually transferred your property to other party 12/17/04
5 Date like-kind property you received was identified by written notice to another party 12/17/04
6 Date you actually received the like-kind property from other party 12/17/04
7 Was the exchange of the property given up or received made with a related party, either directly or indirectly (such as through an intermediary) (see instructions)? If "Yes," complete Part II. If "No," go to Part III [] Yes [X] No

Part II Related Party Exchange Information

8 Name of related party Relationship to you Related party's identifying number
Address (no., street, and apt., room, or suite no., city or town, state, and ZIP code)

9 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did the related party directly or indirectly (such as through an intermediary) sell or dispose of any part of the like-kind property received from you in the exchange? [] Yes [] No
10 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did you sell or dispose of any part of the like-kind property you received? [] Yes [] No
11 If one of the exceptions below applies to the disposition, check the applicable box:
a [] The disposition was after the death of either of the related parties.
b [] The disposition was an involuntary conversion, and the threat of conversion occurred after the exchange.
c [] You can establish to the satisfaction of the IRS that neither the exchange nor the disposition had tax avoidance as its principal purpose. If this box is checked, attach an explanation (see instructions).

Part III Realized Gain or (Loss), Recognized Gain, and Basis of Like-Kind Property Received

Caution: If you transferred and received (a) more than one group of like-kind properties or (b) cash or other (not like-kind) property, see Reporting of multi-asset exchanges in the instructions.

Note: Complete lines 12 through 14 only if you gave up property that was not like-kind. Otherwise, go to line 15.

12 Fair market value (FMV) of other property given up
13 Adjusted basis of other property given up
14 Gain or (loss) recognized on other property given up. Subtract line 13 from line 12. Report the gain or (loss) in the same manner as if the exchange had been a sale
15 Cash received, FMV of other property received, plus net liabilities assumed by other party, reduced (but not below zero) by any exchange expenses you incurred (see instructions)
16 FMV of like-kind property you received 4,995
17 Add lines 15 and 16 4,995
18 Adjusted basis of like-kind property you gave up, net amounts paid to other party, plus any exchange expenses not used on line 15 (see instructions) 4,825
19 Realized gain or (loss). Subtract line 18 from line 17 170
20 Enter the smaller of line 15 or line 19, but not less than zero 0
21 Ordinary income under recapture rules. Enter here and on Form 4797, line 16 (see instructions)
22 Subtract line 21 from line 20. If zero or less, enter -0-. If more than zero, enter here and on Schedule D or Form 4797, unless the installment method applies (see instructions) 0
23 Recognized gain. Add lines 21 and 22
24 Deferred gain or (loss). Subtract line 23 from line 19. If a related party exchange, see instructions 170
25 Basis of like-kind property received. Subtract line 15 from the sum of lines 18 and 23 4,825

Depreciation and Amortization

(Including Information on Listed Property)

2004

Department of the Treasury
Internal Revenue Service

▶ See separate instructions.

▶ Attach to your tax return.

Attachment Sequence No. **67**

Name(s) shown on return

Praise Him Ministries, Inc.

Identifying number

03-0410199

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	102,000
2	Total cost of section 179 property placed in service (see page 3 of the instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	410,000
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 3 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 2003 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 2005. 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 instructions)	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 5 of the instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2004	17	37,530
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 2004 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		5,693	5.0	HY	S/L	569
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			39 yrs.	MM	S/L	
				MM	S/L	

Section C-Assets Placed in Service During 2004 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 8 of the instructions)

21	Listed property. Enter amount from line 28	21	2,200
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	40,299
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 V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A-Depreciation and Other Information (Caution: See page 9 of the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed?				<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	24b If "Yes," is the evidence written?				<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(a) Type of prop. (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost			
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see page 8 of the instructions)								25			
26 Property used more than 50% in a qualified business use (see page 8 of the instructions):											
1999 Ford Aerostar Van	1/30/03	100.00%	11,000	11,000	5.0	S/L-HY	2,200				
27 Property used 50% or less in a qualified business use (see page 8 of the instructions):											
		%				S/L-					
		%				S/L-					
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1								28	2,200		
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1								29			

Section B-Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

30 Total business/investment miles driven during the year (do not include commuting miles-See page 2 of the instructions)	(a)	(b)	(c)	(d)	(e)	(f)
	Vehicle 1	Vehicle 2	Vehicle 3	Vehicle 4	Vehicle 5	Vehicle 6
	5,800					
31 Total commuting miles driven during the year						
32 Total other personal (noncommuting) miles driven						
33 Total miles driven during the year. Add lines 30 through 32	5,800					
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No
		X				
35 Was the vehicle used primarily by a more than 5% owner or related person?	Yes	No	Yes	No	Yes	No
		X				
36 Is another vehicle available for personal use?	Yes	No	Yes	No	Yes	No
		X				

Section C-Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see page 10 of the instructions).

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See page 10 of the instructions for vehicles used by corporate officers, directors, or 1% or more owners	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
39 Do you treat all use of vehicles by employees as personal use?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
41 Do you meet the requirements concerning qualified automobile demonstration use? (See page 10 of the instructions.)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2004 tax year (see page 11 of the instructions):					
43 Amortization of costs that began before your 2004 tax year					43
					0
44 Total. Add amounts in column (f). See page 12 of the instructions for where to report					44

**ELECTION MADE UNDER SECTION 1.168(i)
Depreciation and Amortization**

Form **4562**

OMB No. 1545-0172

(Including Information on Listed Property)

2004

Department of the Treasury
Internal Revenue Service

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

Attachment
Sequence No. **67**

Name(s) shown on return

Praise Him Ministries, Inc.

Identifying number
03-0410199

Business or activity to which this form relates

Youth Center

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	102,000
2	Total cost of section 179 property placed in service (see page 3 of the instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	410,000
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 3 of the instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
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 2003 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 2005. 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 instructions)	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 5 of the instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2004	17	6,790
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 2004 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		13,145	5.0	HY	S/L	1,316
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			39 yrs.	MM	S/L	
				MM	S/L	

Section C-Assets Placed in Service During 2004 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 8 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	8,106
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.

Form **4562** (2004)

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A-Depreciation and Other Information (Caution: See page 9 of the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? 24b If "Yes," is the evidence written? 25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see page 8 of the instructions) 26 Property used more than 50% in a qualified business use (see page 8 of the instructions): 27 Property used 50% or less in a qualified business use (see page 8 of the instructions): 28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 29 Add amounts in column (i), line 26. Enter here and on line 7, page 1

Section B-Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

30 Total business/investment miles driven during the year (do not include commuting miles-See page 2 of the instructions) 31 Total commuting miles driven during the year 32 Total other personal (noncommuting) miles driven 33 Total miles driven during the year. Add lines 30 through 32 34 Was the vehicle available for personal use during off-duty hours? 35 Was the vehicle used primarily by a more than 5% owner or related person? 36 Is another vehicle available for personal use?

Section C-Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see page 10 of the instructions).

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See page 10 of the instructions for vehicles used by corporate officers, directors, or 1% or more owners 39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? (See page 10 of the instructions.) Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs (b) Date amortization begins (c) Amortizable amount (d) Code section (e) Amortization period or percentage (f) Amortization for this year 42 Amortization of costs that begins during your 2004 tax year (see page 11 of the instructions): 43 Amortization of costs that began before your 2004 tax year 44 Total. Add amounts in column (f). See page 12 of the instructions for where to report

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 10c - Gross Sales less Cost of Goods Sold

Description	Gross Sales	COGS	Gross Profit
Merchandise Sales	\$ 1,555	\$ 1,656	\$ -101
Total	\$ 1,555	\$ 1,656	\$ -101

Statement 2 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
CMA Rally			
Night Vision 2k5 Concert	\$ 700	\$	\$ 700
Katina's Concert	300		300
Youth Center	2,640		2,640
Wedding Accomodation	1,031		1,031
Comedy Night	195		195
Youth Band Night	1,640		1,640
Facility Rental	105		105
	330		330
Total	\$ 6,941	\$ 0	\$ 6,941

Statement 3 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Cowboy Up Concert	\$ 995	\$	\$	\$ 995
Indirect Legal Fees	6,273			
Total	\$ 7,268	\$ 0	\$ 0	\$ 995

Statement 4 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Accounting	\$ 21,308	\$	\$	\$
Payroll Processing	44			
Total	\$ 21,352	\$ 0	\$ 0	\$ 0

Federal Statements

Statement 5 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Background Records Check	\$ 21	\$	\$	\$
Architect	3,220			
Background Investigations	851			
Total	\$ 4,092	\$ 0	\$ 0	\$ 0

Statement 6 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Licenses, Fees & Permits	\$ 170	\$	\$	\$
Cowboy Up Concert	344			344
Total	\$ 514	\$ 0	\$ 0	\$ 344

Federal Statements

Statement 7 - Form 990-PF, Part I, Line 16 - Depreciation

Desc	Date Acquired	Cost Basis	PY Depr	Method	Life	CY Depr
8 Foot Ultimate Game	2/24/04	\$ 430	\$ 32	MACRS SL Class Life	5	\$ 86
Dome Hockey Game	2/24/04	398	29	MACRS SL Class Life	5	80
Lost World Game	6/18/04	1,695	42	MACRS SL Class Life	5	127
Trophy Hunting Game	6/18/04	2,799	69	MACRS SL Class Life	5	560
Ms. Packman/Galaga Game	6/18/04	2,999	74	MACRS SL Class Life	5	600
Hydro Thunder Game	6/18/04	6,390	159	MACRS SL Class Life	5	1,278
Ripley's Believe it or Not Game	6/18/04	3,795	94	MACRS SL Class Life	5	759
Basketball Hoop	6/20/04	299	7	MACRS SL Class Life	5	60
5 Micron 1.5 GH Hard Drive w/17" Mointor	3/01/02	9,040	4,143	MACRS SL Class Life	5	1,808
1 HP Laser Jet 1200SE Printer	3/01/02	464	212	MACRS SL Class Life	5	93
3 APC Smart UPS 620-620VA Battery Backup	3/01/02	949	433	MACRS SL Class Life	5	190
2 Micron 1.5GH, 256MG Ram, 20G hd w/17" mon	3/01/02	3,313	1,518	MACRS SL Class Life	5	663
1 Micron 1.5GH, 256MG Ram, 20G HD w/17" mon	3/01/02	1,763	808	MACRS SL Class Life	5	353
Deer Decoration	3/11/02	601	195	MACRS SL Class Life	7	86
Computer desk	6/04/02	320	92	MACRS SL Class Life	7	46
Climbing Wall Video Game	10/30/04	2,000		MACRS SL Class Life	5	200
Skee Ball Video Games (3)	10/30/04	1,350		MACRS SL Class Life	5	135
G-Karts Video Game	10/30/04	800		MACRS SL Class Life	5	80
Awesome Toss 'em Video Game	10/30/04	200		MACRS SL Class Life	5	20

Federal Statements

Statement 7 - Form 990-PF, Part I, Line 16 - Depreciation (continued)

Desc	Date Acquired	Cost Basis	PY Depr	Method	Life	CY Depr
Ch Basketball Video Game	10/30/04	\$ 225	\$	MACRS SL Class Life	5	\$ 23
Sega Title Fight Video Game	10/30/04	750		MACRS SL Class Life	5	75
Alpine Surfer Video Game	12/17/04	2,995		MACRS SL Class Life	5	300
Lost World Video Game	12/17/04	4,825		MACRS SL Class Life	5	483
Time & Document Recorder	3/01/02	308	101	MACRS SL Class Life	7	44
42" Cabinet	3/01/02	643	210	MACRS SL Class Life	7	92
Stage & Monitor Sound Equip	3/04/02	2,960	968	MACRS SL Class Life	7	423
DJ Booth Sound Equipment	3/04/02	2,762	904	MACRS SL Class Life	7	395
Front of House-Sound Equipment	3/04/02	18,061	5,913	MACRS SL Class Life	7	2,580
Desk	3/05/02	399	131	MACRS SL Class Life	7	57
Desk	3/05/02	399	131	MACRS SL Class Life	7	57
Desk	3/05/02	399	131	MACRS SL Class Life	7	57
Avaya Digital Phone System	3/08/02	4,390	2,013	MACRS SL Class Life	5	878
Silk Arrangement w/Copper Pot	3/11/02	358	117	MACRS SL Class Life	7	51
HP 1GH 60GHS Computer	3/19/02	852	391	MACRS SL Class Life	5	170
9' x 18' Storage Unit	4/08/02	1,472	465	MACRS SL Class Life	7	210
12' Stepladder	4/19/02	267	85	MACRS SL Class Life	7	38
Floor Covering-Carpet & Rugs	4/19/02	3,952	1,246	MACRS SL Class Life	7	565
Adirondack Furniture-Lectern	4/22/02	419	131	MACRS SL Class Life	7	60

Federal Statements

Statement 7 - Form 990-PF, Part I, Line 16 - Depreciation (continued)

Desc	Date Acquired	Cost Basis	PY Depr	Method	Life	CY Depr
Box Lockers	4/22/02	\$ 399	\$ 126	MACRS SL Class Life	7	\$ 57
FOH Light Controller (Light Board)	4/29/02	1,000	315	MACRS SL Class Life	7	143
Retractable 10" Diagonal Video Screen	4/29/02	1,000	315	MACRS SL Class Life	7	143
Sony Dual Tape Recorder	4/30/02	268	85	MACRS SL Class Life	7	38
19" TV/VCR/DVD combo unit	5/14/02	430	130	MACRS SL Class Life	7	62
Lights & Light Board	6/01/02	5,501	1,604	MACRS SL Class Life	7	786
Cornerstone Desk including Center Drawer	6/01/02	320	92	MACRS SL Class Life	7	46
HP52IN, XP1600 CPU & KDS Monitor	6/06/02	959	391	MACRS SL Class Life	5	192
HP51IN, C1, 3G CPU & Monitor	6/14/02	855	349	MACRS SL Class Life	5	171
HP52IN, XP1600 CPU & Monitor	6/14/02	1,015	414	MACRS SL Class Life	5	203
Chair	6/15/02	308	90	MACRS SL Class Life	7	44
Bronze Anodized Window. Sound Booth	6/20/02	1,450	423	MACRS SL Class Life	7	207
Sound Equipment Cabinet	6/20/02	730	212	MACRS SL Class Life	7	104
Projection System	6/24/02	11,000	3,208	MACRS SL Class Life	7	1,571
Desk with computer return	6/24/02	1,283	375	MACRS SL Class Life	7	183
Two drawer file cabinet	6/24/02	256	74	MACRS SL Class Life	7	37
Ottoman	6/24/02	462	136	MACRS SL Class Life	7	66
Sofa	6/24/02	1,130	329	MACRS SL Class Life	7	162
Loveseat	6/24/02	1,079	315	MACRS SL Class Life	7	154

Federal Statements

Statement 7 - Form 990-PF, Part I, Line 16 - Depreciation (continued)

Desc	Date Acquired	Cost Basis	PY Depr	Method	Life	CY Depr
Sound Equip 1 Lexicon MPX 200	7/11/02	\$ 553	\$ 152	MACRS SL Class Life	7	\$ 79
Radios & Headsets	8/02/02	784	215	MACRS SL Class Life	7	112
Hoover Steam Vacuum	1/21/03	299	66	MACRS SL Class Life	7	43
Desk w/ drawer	7/03/02	299	82	MACRS SL Class Life	7	43
Columbine Drapery	8/15/02	3,830	1,049	MACRS SL Class Life	7	547
Auditorium Chairs (250)	9/09/02	10,700	2,674	MACRS SL Class Life	7	1,529
Reclining Sofa	1/06/03	1,099	242	MACRS SL Class Life	7	157
Recliner	1/06/03	699	153	MACRS SL Class Life	7	100
Wing Chair	2/06/03	308	61	MACRS SL Class Life	7	44
Security & fire alarm system	2/24/03	7,695	1,511	MACRS SL Class Life	7	1,099
Canon PC 1060 Digital Copier	10/30/02	699	245	MACRS SL Class Life	5	140
Brother Intellifax 2800	10/30/02	399	139	MACRS SL Class Life	5	80
Signage-Platinum Sign Company	8/02/02	4,462	1,221	MACRS SL Class Life	7	638
1999 Ford Aerostar Van	1/30/03	11,000	3,025	MACRS SL Class Life	5	2,200
Martin Yale Folding Machine	4/02/03	912	146	MACRS SL Class Life	7	130
Dimmer for Lighting System	5/22/03	392	63	MACRS SL Class Life	7	56
Computer for Victoria	8/21/03	900	157	MACRS SL Class Life	5	180
Radio Phones	10/21/03	805	100	MACRS SL Class Life	5	161
Computer (Joan Potter)	1/27/04	1,329	99	MACRS SL Class Life	5	266

Federal Statements

Statement 7 - Form 990-PF, Part I, Line 16 - Depreciation (continued)

Desc	Date Acquired	Cost Basis	PY Depr	Method	Life	CY Depr
Sound Equipment	4/19/04	\$ 3,225	\$ 80	MACRS SL Class Life	5	\$ 645
Speakers & Cables	5/13/04	717	17	MACRS SL Class Life	5	144
Flag Pole	8/07/03	369	46	MACRS SL Class Life	7	53
Printer/Fax/Copier	3/29/04	564	42	MACRS SL Class Life	5	113
Land (Lot 27 120 Redcliff)	6/15/04	205,000		Land	0	
Bulding (Lot 27 120 Redcliff)	6/15/04	845,000	880	MACRS SL Class Life	39	21,125
Motorola Radios (6)	5/26/05	5,692		MACRS SL Class Life	5	569
Total		<u>\$ 1,223,217</u>	<u>\$ 42,292</u>			<u>\$ 48,404</u>

Federal Statements

Statement 8 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	\$	\$	\$	\$
Back to School Celebration				
Food & Beverage	185			185
Security	188			188
Equipment Rent	400			400
Brim Speakers Conference				
Acts	600			600
Contract Labor	1,485			1,485
Decorations	193			193
Equipment Rental	479			479
Food & Beverage	848			848
Printing & Reproduction	207			207
Production Costs	3,650			3,650
Advertising	252			252
Cowboy Up Concert				
Acts	3,000			3,000
Equipment Rent	1,279			1,279
Security	1,185			1,185
Supplies	38			38
Advertising	829			829
CMA Rally				
Equipment Rent	445		214	231
Security	985		475	510
Supplies	23		11	12
Gaza Speakers Program				
Food & Beverage	423			423
Security	1,920			1,920
Supplies	89			89
Seder Passover Meal				
Contract Labor	270			270
Decorations	1,251			1,251
Supplies	1,639			1,639
Night Vision 2k5 Concert				
Bank Fees	40		2	38
Postage & Delivery	566		27	539
Security	120		6	114
Supplies	429		20	409
Advertising	5,184		245	4,939
Katina's Concert				
Acts	8,500		1,539	6,961
Contract Labor	1,260		228	1,032
Food & Beverage	223		40	183
Equipment Rent	1,191		216	975
Supplies	181		33	148
Advertising	1,051		190	861
Youth Center				
Automobile Expenses	534		4	530
Contract Labor	10,475		83	10,392

Federal Statements

Statement 8 - Form 990-PF, Part I, Line 23 - Other Expenses (continued)

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Equipment Rent	\$ 396	\$	\$ 3	\$ 393
Food & Beverage	135		1	134
Postage & Delivery	583		5	578
Printing & Reproduction	615		5	610
Subscriptions & Publications	1,168		9	1,159
Supplies	2,564		20	2,544
Advertising	30,406		239	30,167
Wedding Accomodation				
Contract Labor	218		218	
Equipment Rent	150		150	
John Rood Speakers Event				
Contract Labor	816			816
Decorations	196			196
Food & Beverage	99			99
Postage & Delivery	531			531
Printing & Reproduction	288			288
Production Costs	1,185			1,185
Advertising	478			478
Chapel of Hope Choir				
Security	120			120
Chocolate & Coffee Extrav.				
Food & Beverage	30		30	
Printing & Reproduction	601		601	
Security	240		240	
Supplies	40		40	
Advertising	1,836		1,836	
Comedy Night				
Acts	3,200		564	2,636
Food & Beverage	1,007		177	830
Equipment Rent	80		14	66
Security	578		102	476
Advertising	1,456		256	1,200
Bad Debts	30		6	24
Kid's Watch				
Food & Beverage	240			240
Security	240			240
Supplies	236			236
Advertising	166			166
Thanksgiving Dinner				
Decorations	387			387
Food & Beverage	599			599
Security	68			68
Supplies	62			62
Sunday Radio Broadcasts				
Production Costs	6,240			6,240
Valentines Dance				

Federal Statements

Statement 8 - Form 990-PF, Part I, Line 23 - Other Expenses (continued)

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Decorations	\$ 65	\$	\$	\$ 65
Food & Beverage	200			200
Supplies	70			70
Youth Band Night				
Acts	450		58	392
Contract Labor	210		27	183
Food & Beverage	159		20	139
Expenses				
Advertising	36,033			28,827
Alarm Monitoring	264			165
Automobile Expenses	521			339
Bank Fees	24			
Cash Over/Short	-275			
Contract Labor	1,039			
Credit Card Fees	163			163
Decorations	1,076			1,076
Insurance	19,066			12,183
Late Fees & Penalties	10			
Meals - Business	117			
Membership Dues	90			
Postage & Delivery	2,168			1,626
Rent	2,063			1,800
Repairs & Maintenance	6,807			2,437
Subscriptions & Publications	1,823			912
Supplies	9,406			1,002
Telephone	13,178			6,208
Uniforms	30			30
`04 Cash Basis Adjustment				-3,315
`03 Cash Basis Adjustment				8,678
Total	\$ 203,658	\$ 0	\$ 7,954	\$ 164,232

Federal Statements

Statement 9 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Closely held stock: 50,000 Shares Praise Productions, Inc. common stock	\$ 257,207	\$ 357,710	Market	\$ 49,526
Closely held stock: 500,000 Shares Holy Grounds, Inc. common stock		208,890	Market	12,675
Total	<u>\$ 257,207</u>	<u>\$ 566,600</u>		<u>\$ 62,201</u>

Statement 10 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment

Description	Beginning Net Book	End Cost/Basis	End Accum Deprec	Net Fair Mkt Value
Buildings & Equipment	\$ 976,867	\$ 1,016,554	\$ 90,557	\$ 939,241
Land	205,000	205,000		205,000
Total	<u>\$ 1,181,867</u>	<u>\$ 1,221,554</u>	<u>\$ 90,557</u>	<u>\$ 1,144,241</u>

Statement 11 - Form 990-PF, Part II, Line 15 - Other Assets

Description	Beginning of Year	End of Year	Fair Market Value
Deposits	\$	\$ 48,690	\$ 48,690
Total	<u>\$ 0</u>	<u>\$ 48,690</u>	<u>\$ 48,690</u>

Statement 12 - Form 990-PF, Part II, Line 22 - Other Liabilities

Description	Beginning of Year	End of Year
Payroll Taxes Payable	\$ 2,925	\$ 3,188
Sales Taxes Payable	1,567	95
Clearing A/C	3,584	
Intercompany Payable	1,497	309
Total	<u>\$ 9,573</u>	<u>\$ 3,592</u>

Statement 13 - Form 990-PF, Part IX-A, Line 1 - Summary of Direct Charitable Activities

The foundation staffed and maintained the Ridgway Christian Center dedicated to Christian evangelizing, preaching, teaching, worship and related Christian recreation activities for youth and adults. In addition to attendance at specific programs and events held at the Christian Center, on average 5 - 10 people utilized the center and its resources on a daily basis from the period 07/01/04 to 06/30/05.

Statement 14 - Form 990-PF, Part IX-A, Line 2 - Summary of Direct Charitable Activities

The foundation hosted and sponsored 3 Christian based concerts and 1 Christian based comedy event. These events fostered Christian praise and worship. An estimated 500 people attended these combined events.

Statement 15 - Form 990-PF, Part IX-A, Line 3 - Summary of Direct Charitable Activities

The foundation hosted and or sponsored 10 fellowship events dedicated to ministering to and teaching the Christian community. Approximately 875 people attended these combined events.

Federal Statements**Form 990-PF, Part XV, Line 1a - Managers Who Contributed Over 2% or \$5,000**

<u>Name of Manager</u>	<u>Amount</u>
Victoria Hearst	<u>816,036</u>
Total	<u><u>816,036</u></u>

Federal Statements

Statement 16 - Form 990-PF, Part XVI-A, Line 1 - Program Service Revenue

Description	Business Code	Unrelated Amount	Exclusion Code	Exclusion Amount	Related Income
Back to School Celebration		\$		\$	\$
Brim Speakers Conference					
Cowboy Up Concert					
CMA Rally					700
Gaza Speakers Program					
Seder Passover Meal					
Night Vision 2k5 Concert					300
Katina's Concert					2,640
Youth Center					1,031
Wedding Accomodation	721000	195	1		
John Rood Speakers Event					
Chapel of Hope Choir					
Comedy Night					1,640
Kid's Watch					
Thanksgiving Dinner					
Sunday Radio Broadcasts					
Valentines Dance					
Youth Band Night					105
Facility Rental					330
Total		\$ 195		\$ 0	\$ 6,746

Federal Asset Report

Form 990, Page 1

Asset	Description	Date In Service	Cost	Bus %	Sec 179	Sec 168(k)	Basis for Depr	Per Conv	Meth	Prior	Current
5-year GDS Property:											
95	Motorola Radios (6)	5/26/05	5,693				5,693	5	HY S/L	0	569
			<u>5,693</u>				<u>5,693</u>			<u>0</u>	<u>569</u>
Prior MACRS:											
11	Time & Document Recorder	3/01/02	309				309	7	MQ S/L	101	44
17	42" Cabinet	3/01/02	643				643	7	MQ S/L	211	92
18	Stage & Monitor Sound Equip	3/04/02	2,960				2,960	7	MQ S/L	969	423
19	DJ Booth Sound Equipment	3/04/02	2,763				2,763	7	MQ S/L	905	394
20	Front of House-Sound Equipment	3/04/02	18,062				18,062	7	MQ S/L	5,913	2,580
21	Desk	3/05/02	400				400	7	MQ S/L	131	57
22	Desk	3/05/02	400				400	7	MQ S/L	131	57
23	Desk	3/05/02	400				400	7	MQ S/L	131	57
24	Avaya Digital Phone System	3/08/02	4,390				4,390	5	MQ S/L	2,013	878
25	Silk Arrangement w/Copper Pot	3/11/02	358				358	7	MQ S/L	117	51
27	HP 1GH 60GHS Computer	3/19/02	852				852	5	MQ S/L	391	171
28	9' x 18' Storage Unit	4/08/02	1,473				1,473	7	HY S/L	465	211
29	12' Stepladder	4/19/02	267				267	7	HY S/L	85	38
30	Floor Covering-Carpet & Rugs	4/19/02	3,952				3,952	7	HY S/L	1,247	564
31	Adirondack Furniture-Lectern	4/22/02	419				419	7	HY S/L	132	60
32	Box Lockers	4/22/02	400				400	7	HY S/L	126	57
33	FOH Light Controller (Light Board)	4/29/02	1,000				1,000	7	HY S/L	316	143
34	Retractable 10" Diagonal Video Screen	4/29/02	1,000				1,000	7	HY S/L	316	143
35	Sony Dual Tape Recorder	4/30/02	268				268	7	HY S/L	85	39
36	19" TV/VCR/DVD combo unit	5/14/02	431				431	7	HY S/L	131	61
38	Lights & Light Board	6/01/02	5,502				5,502	7	HY S/L	1,605	786
39	Cornerstone Desk including Center Drawer	6/01/02	321				321	7	HY S/L	93	46
41	HP52IN, XP1600 CPU & KDS Monitor	6/06/02	960				960	5	HY S/L	392	192
42	HP51IN, C1, 3G CPU & Monitor	6/14/02	855				855	5	HY S/L	349	171
43	HP52IN, XP1600 CPU & Monitor	6/14/02	1,016				1,016	5	HY S/L	414	203
44	Chair	6/15/02	309				309	7	HY S/L	90	44
46	Bronze Anodized Window. Sound Booth	6/20/02	1,450				1,450	7	HY S/L	423	207
47	Sound Equipment Cabinet	6/20/02	730				730	7	HY S/L	212	105
48	Projection System	6/24/02	11,000				11,000	7	HY S/L	3,208	1,572
49	Desk with computer return	6/24/02	1,283				1,283	7	HY S/L	375	184
50	Two drawer file cabinet	6/24/02	256				256	7	HY S/L	75	36
53	Ottoman	6/24/02	462				462	7	HY S/L	136	66
54	Sofa	6/24/02	1,131				1,131	7	HY S/L	330	161
55	Loveseat	6/24/02	1,079				1,079	7	HY S/L	315	154
58	Sound Equip 1 Lexicon MPX 200	7/11/02	553				553	7	HY S/L	152	79
59	Radios & Headsets	8/02/02	785				785	7	HY S/L	215	112
62	Hoover Steam Vacuum	1/21/03	300				300	7	HY S/L	67	43
65	Desk w/ drawer	7/03/02	300				300	7	HY S/L	83	43
66	Columbine Drapery	8/15/02	3,830				3,830	7	HY S/L	1,049	547
67	Auditorium Chairs (250)	9/09/02	10,700				10,700	7	HY S/L	2,675	1,528
68	Reclining Sofa	1/06/03	1,100				1,100	7	HY S/L	242	157
69	Recliner	1/06/03	700				700	7	HY S/L	154	100
70	Wing Chair	2/06/03	309				309	7	HY S/L	61	44
76	Security & fire alarm system	2/24/03	7,696				7,696	7	HY S/L	1,511	1,100
79	Canon PC 1060 Digital Copier	10/30/02	700				700	5	HY S/L	245	140
80	Brother Intellifax 2800	10/30/02	400				400	5	HY S/L	140	80
82	Signage-Platinum Sign Company	8/02/02	4,463				4,463	7	HY S/L	1,222	637
84	Martin Yale Folding Machine	4/02/03	913				913	7	HY S/L	146	131
85	Dimmer for Lighting System	5/22/03	392				392	7	HY S/L	63	56
86	Computer for Victoria	8/21/03	900				900	5	MQ S/L	158	180
87	Radio Phones	10/21/03	805				805	5	MQ S/L	101	161
88	Computer (Joan Potter)	1/27/04	1,330				1,330	5	MQ S/L	100	266
89	Sound Equipment	4/19/04	3,225				3,225	5	MQ S/L	81	645
90	Speakers & Cables	5/13/04	718				718	5	MQ S/L	18	143
91	Flag Pole	8/07/03	369				369	7	MQ S/L	46	53
92	Printer/Fax/Copier	3/29/04	564				564	5	MQ S/L	42	113
94	Bulding (Lot 27 120 Redcliff)	6/15/04	845,000				845,000	39	MMS/L	880	21,125
			<u>953,153</u>				<u>953,153</u>			<u>31,384</u>	<u>37,530</u>
Other Depreciation:											
93	Land (Lot 27 120 Redcliff)	6/15/04	205,000				205,000	0	-- Land	0	0

Federal Asset Report

Form 990, Page 1

Asset	Description	Date In Service	Cost	Bus %	Sec 179	Sec 168(k)	Basis for Depr	Per Conv Meth	Prior	Current
Total Other Depreciation			205,000				205,000		0	0
Total ACRS and Other Depreciation			205,000				205,000		0	0
Listed Property:										
83	1999 Ford Aerostar Van	1/30/03	11,000	A			11,000	5 HY S/L	3,025	2,200
			11,000				11,000		3,025	2,200
Grand Totals			1,174,846				1,174,846		34,409	40,299
Less: Dispositions			0				0		0	0
Net Grand Totals			1,174,846				1,174,846		34,409	40,299

Federal Asset Report

Youth Center

Asset	Description	Date In Service	Cost	Bus %	Sec 179	Sec 168(k)	Basis for Depr	Per Conv	Meth	Prior	Current
5-year GDS Property:											
41	Climbing Wall Video Game	10/30/04	2,000				2,000	5	HY S/L	0	200
42	Skee Ball Video Games (3)	10/30/04	1,350				1,350	5	HY S/L	0	135
43	G-Karts Video Game	10/30/04	800				800	5	HY S/L	0	80
44	Awesome Toss 'em Video Game	10/30/04	200				200	5	HY S/L	0	20
45	Ch Basketball Video Game	10/30/04	225				225	5	HY S/L	0	23
46	Sega Title Fight Video Game	10/30/04	750				750	5	HY S/L	0	75
47	Alpine Surfer Video Game	12/17/04	2,995				2,995	5	HY S/L	0	300
48	Lost World Video Game	12/17/04	4,825				4,825	5	HY S/L	0	483
			<u>13,145</u>				<u>13,145</u>			<u>0</u>	<u>1,316</u>
Prior MACRS:											
1	8 Foot Ultimate Game	2/24/04	431				431	5	MQ S/L	32	86
2	Dome Hockey Game	2/24/04	398				398	5	MQ S/L	30	80
3	Lost World Game	6/18/04	1,695				1,695	5	MQ S/L	42	128
	Traded: 12/17/04										
4	Trophy Hunting Game	6/18/04	2,799				2,799	5	MQ S/L	70	560
5	Ms. Packman/Galaga Game	6/18/04	2,999				2,999	5	MQ S/L	75	600
6	Hydro Thunder Game	6/18/04	6,390				6,390	5	MQ S/L	160	1,278
7	Ripley's Believe it or Not Game	6/18/04	3,795				3,795	5	MQ S/L	95	759
8	Basketball Hoop	6/20/04	300				300	5	MQ S/L	8	60
12	5 Micron 1.5 GH Hard Drive w/17" Mointor	3/01/02	9,041				9,041	5	MQ S/L	4,143	1,808
13	1 HP Laser Jet 1200SE Printer	3/01/02	465				465	5	MQ S/L	213	93
14	3 APC Smart UPS 620-620VA Battery Back	3/01/02	949				949	5	MQ S/L	434	190
15	2 Micron 1.5GH, 256MG Ram, 20G hd w/1'	3/01/02	3,314				3,314	5	MQ S/L	1,519	663
16	1 Micron 1.5GH, 256MG Ram, 20G HD w/	3/01/02	1,764				1,764	5	MQ S/L	809	353
26	Deer Decoration	3/11/02	601				601	7	MQ S/L	196	86
40	Computer desk	6/04/02	321				321	7	HY S/L	93	46
			<u>35,262</u>				<u>35,262</u>			<u>7,919</u>	<u>6,790</u>
	Grand Totals		48,407				48,407			7,919	8,106
	Less: Dispositions		<u>1,695</u>				<u>1,695</u>			<u>42</u>	<u>128</u>
	Net Grand Totals		<u>46,712</u>				<u>46,712</u>			<u>7,877</u>	<u>7,978</u>

Praise Him Ministries, Inc.
03-0410199
Tax Year Ended June 30, 2005

Form 990-PF, Part I, Line 16, Column (a)

Name of Provider	Type of Service Provided	Amount Paid
Line 16a, Legal Fees:		
Peterson Dymond & Reagor, LLP	General corporate counsel, program name copyright.	7,267.60
Total		7,267.60

Name of Provider	Type of Service Provided	Amount Paid
Line 16b, Accounting Fees:		
Louis R. Weiss	Non-profit accounting and process consulting. Review of 990 PF preparations.	3,008.75
Middleton & Richards, LLC, CPAs	Non-profit accounting and process consulting. Preparation of form 990 PF. Accounting, bookkeeping and payroll services.	18,299.25
QuickBooks Payroll Service	Payroll direct deposit fees	44.00
Total		21,352.00

Name of Provider	Type of Service Provided	Amount Paid
Line 16c, Other Professional Fees:		
CBI Records	Background and security investigations.	20.55
Barton & Associates	Background and security investigations.	850.90
Doug Macfarlane Architect, LLC	Building addition design, planning and representation fees.	3,220.00
Total		4,091.45

Praise Him Ministries, Inc.

03-0410199

Tax Year Ending: June 30, 2005

Statement 17 – Form 990-PF, Part XV, Line 3, Grants and Contributions
Paid During the Year or Approved for Future Payment

<u>Recipient</u>	<u>Amount</u>	<u>Purpose</u>
Good News Jail & Prison Ministry	\$600	Provide assistance for ministry to carry the Christian Faith to prisoners.
FORS/PTA	100	Support for annual parent teacher association Thanksgiving fundraising event.
Ridgway Area Chamber of Commerce	250	Support for annual Christmas community event.
Total	\$950	

Transferor's Section 351 Statement

Transferor Name: Praise Him Ministries, Inc.
Transferor ID Number: 03-0410199
Year Ending: June 30, 2005

This statement is being filed with transferor's income tax return for the tax year of the exchange ending June 30, 2005.

This statement is filed under Reg. 1.351-3(a) to disclose the asset transfer to the following controlled corporation:

Transferee Name: Holy Grounds Coffee Shop & Cafe, Inc.
Transferee ID No.: 20-1238334
Transferee Address: 120 RedCliff Dr.
Ridgway, CO 81432
Tax Year Ending: June 30, 2005

The exchange took place July 7, 2004.

1. Property transferred by the taxpayer to the controlled corporation:

Description of Property	Adjusted Basis	FMV
Cash	\$150.00	\$150.00
Fixed Assets, net of Accumulated Depreciation	19,780.39	19,780.39
Total	<u>\$19,930.39</u>	<u>\$19,930.39</u>

2. Stock received by the taxpayer from the controlled corporation:

Description of stock: No par, voting common stock.

Number of Shares Received	FMV per share on the exchange date	FMV of stock issued in the exchange to:
500,000	\$.03986078	\$19,930.39

3. Securities received by the taxpayer from the controlled corporation:

Not Applicable

Transferor's Section 351 Statement

Transferor Name: Praise Him Ministries, Inc.
Transferor ID Number: 03-0410199
Year Ending: June 30, 2005

4. Amount of money paid in the exchange to the transferors:
Not Applicable
5. Information on other property passing to the transferors in the exchange:
Not Applicable
6. Information with respect to each of the transferor's liabilities assumed by the corporation.
Not Applicable
7. Taxpayer maintains permanent records showing the information listed above.