



Wall Watchers

The Independent Source for Ministry Ratings

FEDERAL TAX FORM 990 and SCHEDULE A
Fiscal Year ending June 30, 2000

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

1999

Department of the Treasury Internal Revenue Service

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

This Form is Open to Public Inspection

A For the 1999 calendar year, OR tax year period beginning July 1, 1999, and ending June 30, 2000

- B Check if:
Change of address
Initial return
Final return
Amended return (required also for state reporting)

C Name of organization: Wall Watchers
Number and street (or P.O. box if mail is not delivered to street address): 2514 Plantation Center Drive
City or town, state or country, and ZIP+4: Matthews, NC 28105

D Employer identification number: 56 2091339
E Telephone number: (704) 841-7828
F Check if exemption application is pending

G Type of organization - Exempt under section 501(c)(3) (insert number 3) OR section 4947(a)(1) nonexempt charitable trust
Note: Section 501(c)(3) exempt organizations and 4947(a)(1) nonexempt charitable trusts MUST attach a completed Schedule A (Form 990).

H(a) Is this a group return filed for affiliates? No
(b) If "Yes," enter the number of affiliates for which this return is filed: N/A
(c) Is this a separate return filed by an organization covered by a group ruling? No
I If either box in H is checked "Yes," enter four-digit group exemption number (GEN): N/A
J Accounting method: Accrual

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

Note: Form 990-EZ may be used by organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at end of year.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Specific Instructions on page 15.)

Table with 21 rows and multiple columns. Rows include Revenue (1-12), Expenses (13-17), and Net Assets (18-21). Total revenue is 408,573 and total expenses is 261,755, resulting in net assets of 146,818.

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 Specific Instructions on page 19.)

<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
22	Grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____)	22			
23	Specific assistance to individuals (attach schedule)	23			
24	Benefits paid to or for members (attach schedule).	24			
25	Compensation of officers, directors, etc.	25	56,929	28,465	28,464
26	Other salaries and wages	26	107,254	87,093	20,161
27	Pension plan contributions	27			
28	Other employee benefits	28	9,703		9,703
29	Payroll taxes	29	10,927	7,612	3,315
30	Professional fundraising fees	30			
31	Accounting fees	31			
32	Legal fees	32	955		955
33	Supplies	33	3,264		3,264
34	Telephone	34	4,041	2,020	2,021
35	Postage and shipping	35	706	600	106
36	Occupancy	36	2,117	1,800	317
37	Equipment rental and maintenance	37			
38	Printing and publications	38	3,923		3,923
39	Travel	39	10,331	3,397	6,934
40	Conferences, conventions, and meetings	40	3,947	3,947	
41	Interest	41			
42	Depreciation, depletion, etc. (attach schedule)	42	14,677	7,769	6,908
43	Other expenses (itemize): a	43a	32,981	22,068	10,913
	b	43b			
	c	43c			
	d	43d			
	e	43e			
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15	44	261,755	164,771	96,984

Reporting of Joint Costs. Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation? 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 Specific Instructions on page 22.)

What is the organization's primary exempt purpose? See Statement 5		Program Service Expenses <small>(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)</small>
a	MinistryWatch - See Statement 6 _____ _____ (Grants and allocations \$ _____)	148,294
b	thegoodsteward.com - See Statement 7 _____ _____ (Grants and allocations \$ _____)	16,477
c	_____ _____ (Grants and allocations \$ _____)	
d	_____ _____ (Grants and allocations \$ _____)	
e	Other program services (attach schedule) (Grants and allocations \$ _____)	
f	Total of Program Service Expenses (should equal line 44, column (B), Program services)	164,771

Part IV Balance Sheets (See Specific Instructions on page 22.)

		(A) Beginning of year		(B) End of year	
Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.					
Assets	45	Cash—non-interest-bearing	8,275	45	10,888
	46	Savings and temporary cash investments		46	454,467
	47a	Accounts receivable			
	b	Less: allowance for doubtful accounts		47c	
	48a	Pledges receivable			
	b	Less: allowance for doubtful accounts		48c	
	49	Grants receivable		49	
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a	Other notes and loans receivable (attach schedule).			
	b	Less: allowance for doubtful accounts		51c	
	52	Inventories for sale or use		52	
	53	Prepaid expenses and deferred charges	5,498	53	3,634
	54	Investments—securities (attach schedule)	300,000	54	70,008
	55a	Investments—land, buildings, and equipment: basis			
b	Less: accumulated depreciation (attach schedule).		55c		
56	Investments—other (attach schedule)		56		
57a	Land, buildings, and equipment: basis	29,508			
b	Less: accumulated depreciation (attach schedule). See Statement 3.	<8,848>	57c	20,660	
58	Other assets (describe ► System Development Capitalized Costs)	1,710	58	69,419	
59	Total assets (add lines 45 through 58) (must equal line 74)	460,482	59	629,076	
Liabilities	60	Accounts payable and accrued expenses	7,496	60	10,174
	61	Grants payable		61	
	62	Deferred revenue		62	
	63	Loans from officers, directors, trustees, and key employees (attach schedule).		63	
	64a	Tax-exempt bond liabilities (attach schedule)		64a	
	b	Mortgages and other notes payable (attach schedule)		64b	
	65	Other liabilities (describe ► Deferred Compensation)		65	8,738
66	Total liabilities (add lines 60 through 65)	7,496	66	18,912	
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	452,986	67	610,164
	68	Temporarily restricted		68	
	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)	452,986	73	610,164	
74	Total liabilities and net assets / fund balances (add lines 66 and 73)	460,482	74	629,076	

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part VI Other Information (See Specific Instructions on page 25.)		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		<input checked="" type="checkbox"/>
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.		<input checked="" type="checkbox"/>
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		<input checked="" type="checkbox"/>
78b	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		<input checked="" type="checkbox"/>
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?		<input checked="" type="checkbox"/>
81a	Enter the amount of political expenditures, direct or indirect, as described in the instructions for line 81. 81a 0		
81b	Did the organization file Form 1120-POL for this year?		<input checked="" type="checkbox"/>
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?	<input checked="" type="checkbox"/>	
82b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions for reporting in Part III.) 82b 21,000		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	<input checked="" type="checkbox"/>	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	<input checked="" type="checkbox"/>	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		<input checked="" type="checkbox"/>
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) organizations. 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 in 85f? N/A		
85h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? N/A		
86a	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12 N/A		
86b	Gross receipts, included on line 12, for public use of club facilities. N/A		
87a	501(c)(12) orgs. Enter: a Gross income from members or shareholders. 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		
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		<input checked="" type="checkbox"/>
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 0 ; section 4912 0 ; section 4955 0		
89b	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction.		<input checked="" type="checkbox"/>
	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958. 0		
	Enter: Amount of tax on line 89c, above, reimbursed by the organization. 0		
90a	List the states with which a copy of this return is filed North Carolina		
90b	Number of employees employed in the pay period that includes March 12, 1999 (See inst.) 1		
91	The books are in care of Chris Hempe Telephone no. (704) 841-7828 Located at 2514 Plantation Center Drive Matthews, NC ZIP + 4 28105		
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 Specific Instructions on page 29.)

	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	
Enter gross amounts unless otherwise indicated.					
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	15,388	
96 Dividends and 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 personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	368,185	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				383,573	
105 Total (add line 104, columns (B), (D), and (E))					383,573

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

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See Specific Instructions on page 30.)

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).
	N/A

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See Specific Instructions on page 30.)

(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	%			
	%			
	%			
	%			

Please Sign Here 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. (Important: See General Instruction U, on page 14.)

Signature of officer: *Mark Long* Date: 9/26/00 Type or print name and title: **Mark Long, President**

Paid Preparer's Use Only Preparer's signature: _____ Date: _____ Check if self-employed Preparer's SSN or PTIN: _____
 Firm's name (or yours if self-employed) and address: _____ EIN: _____ ZIP + 4: _____



**SCHEDULE A
(Form 990)**

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information—(See separate instructions.)

OMB No. 1545-0047

1999

Department of the Treasury
Internal Revenue Service

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

Name of the organization Wall Watchers	Employer identification number 56 2091339
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Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
None				
.....				
.....				
.....				
.....				
.....				
.....				
.....				
.....				
.....				
Total number of other employees paid over \$50,000 ▶	0			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 1 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

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

Part III Statements About Activities

	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? N/A If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ N/A 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 of its 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:		
a Sale, exchange, or leasing of property?		✓
b Lending of money or other extension of credit?		✓
c Furnishing of goods, services, or facilities? See Statement 10	✓	
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		✓
e Transfer of any part of its income or assets? If the answer to any question is "Yes," attach a detailed statement explaining the transactions.		✓
3 Does the organization make grants for scholarships, fellowships, student loans, etc.?		✓
4a Do you have a section 403(b) annuity plan for your employees?	✓	
b Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs qualify to receive payments. (See page 2 of the instructions.)		

Part IV Reason for Non-Private Foundation Status (See pages 2 through 4 of the instructions.) **See Statement 11**

- 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, page 4.)
 - 7** A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
 - 8** A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
 - 9** A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state ►**
 - 10** An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
 - 11a** An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
 - 11b** A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
 - 12** An organization that normally receives: **(1) more than 33 1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions, and **(2) no more than 33 1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
 - 13** An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: **(1)** lines 5 through 12 above; or **(2)** section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See page 4 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

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

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) *Use cash method of accounting.*

Note: *You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.*

Calendar year (or fiscal year beginning in) . ▶	(a) 1998	(b) 1997	(c) 1996	(d) 1995	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	505,002				505,002
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	18,142				18,142
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	38,437				38,437
23 Total of lines 15 through 22.	561,581				561,581
24 Line 23 minus line 17.	561,581				561,581
25 Enter 1% of line 23	5,616				
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24. . . . ▶					11,232
b Attach a list (which is not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1995 through 1998 exceeded the amount shown in line 26a. Enter the sum of all these excess amounts. . . . ▶					493,770
See Statement 12					
c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶					561,581
d Add: Amounts from column (e) for lines: 18 <u>18,142</u> 19 _____					
22 <u>38,437</u> 26b <u>493,770</u> ▶					550,349
e Public support (line 26c minus line 26d total) ▶					11,232
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) ▶					2 %
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," attach a list to show the name of, and total amounts received in each year from, each "disqualified person." Enter the sum of such amounts for each year: (1998) _____ (1997) _____ (1996) _____ (1995) _____					
b For any amount included in line 17 that was received from a nondisqualified person, attach a list to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) 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: (1998) _____ (1997) _____ (1996) _____ (1995) _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____					
17 _____ 20 _____ 21 _____ ▶					27c
d Add: Line 27a total _____ and line 27b total _____ ▶					27d
e Public support (line 27c total minus line 27d total). ▶					27e
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) . . . ▶					27f
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)). ▶					27g %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)). ▶					27h %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1995 through 1998, attach a list (which is not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 15. (See page 4 of the instructions.)					

Part V Private School Questionnaire (See page 4 of the instructions.)
 (To be completed **ONLY** by schools that checked the box on line 6 in Part IV) N/A

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?		
b	Admissions policies?		
c	Employment of faculty or administrative staff?		
d	Scholarships or other financial assistance?		
e	Educational policies?		
f	Use of facilities?		
g	Athletic programs?		
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
34a	Does the organization receive any financial aid or assistance from a governmental agency?		
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.		
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation		

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 6 of the instructions.) N/A
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

Check here **a** if the organization belongs to an affiliated group.
 Check here **b** if you checked "a" above and "limited control" provisions apply.

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term "expenditures" means amounts paid or incurred.)			
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— The lobbying nontaxable amount is—		
	Not over \$500,000 20% of the amount on line 40.	} 41	
	Over \$500,000 but not over \$1,000,000 . . \$100,000 plus 15% of the excess over \$500,000		
	Over \$1,000,000 but not over \$1,500,000 . \$175,000 plus 10% of the excess over \$1,000,000		
	Over \$1,500,000 but not over \$17,000,000 . \$225,000 plus 5% of the excess over \$1,500,000		
	Over \$17,000,000 \$1,000,000		
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. N/A
 See the instructions for lines 45 through 50 on page 7 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 1999	(b) 1998	(c) 1997	(d) 1996	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e)).					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities
 (For reporting only by organizations that did not complete Part VI-A) (See page 8 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b Paid staff or management (Include compensation in expenses reported on lines c through h).	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
c Media advertisements	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
d Mailings to members, legislators, or the public	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
e Publications, or published or broadcast statements	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
f Grants to other organizations for lobbying purposes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
g Direct contact with legislators, their staffs, government officials, or a legislative body	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
i Total lobbying expenditures (add lines c through h).			0

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

Wall Watchers
EIN: 56 2091339

Form 990
1999

Statement 1 - Part I ld

Schedule of Contributors

Information regarding contributions and similar receipts has been furnished to the Internal Revenue Service but is under inspection.

Wall Watchers
 EIN: 56 2091339

Form 990
 1999

Statement 2a - Part I 8c

Schedule of Investment Gains and Losses

Security	Aggregate \$ Price	Aggregate Cost Basis	Aggregate Gain/Loss
Transactions in Publicly Traded Securities	\$ 14,729,185	\$ 14,361,000	\$ 368,185
Net Gain on Investments	<u>\$ 14,729,185</u>	<u>\$ 14,361,000</u>	<u>\$ 368,185</u>

Statement 2b - Part IV 54

Schedule of Investments @ 6/30/00

Investment Type	Fair Market Value	Cost Basis	Unrealized Gain	Valuation Method
Publicly Traded Stocks	\$ 64,163	\$ 50,965	\$ 13,198	Fair Market Value
Mutual Funds	\$ 5,845	\$ 5,536	\$ 309	Fair Market Value
Total	<u>\$ 70,008</u>	<u>\$ 56,501</u>	<u>\$ 13,507</u>	

Statement 3- Part II 42

Schedule of Depreciation/Amortization Expense and Accumulated Depreciation/Amortization

<u>Asset Description</u>	FY 99-00	6/30/00		
	<u>Depreciation Expense</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Office Equipment	\$ 209	\$ 1,767	\$ 230	\$ 1,537
Computers	\$ 4,465	\$ 17,980	\$ 6,084	\$ 11,896
Telephone System	\$ 1,696	\$ 5,363	\$ 1,833	\$ 3,530
Office Furniture	\$ 538	\$ 4,398	\$ 701	\$ 3,697
Total Fixed Assets	\$ 6,908	\$ 29,508	\$ 8,848	\$ 20,660

<u>Asset Description</u>	FY 99-00	6/30/00		
	<u>Amortization Expense</u>	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>
System Development Costs*	\$ 7,769	\$ 77,188	\$ 7,769	\$ 69,419
Total Other Assets	\$ 7,769	\$ 77,188	\$ 7,769	\$ 69,419

Total Current Year Expense \$ 14,677

* System Development Costs consist of amounts paid for the construction of the ministry's three web sites and the database used to capture the information conveyed on MinistryWatch. These costs are being amortized on a straight-line basis over a three-year period.

Wall Watchers
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Form 990
1999

Statement 4- Part II 43

Schedule of Other Expenses

<u>Description</u>	<u>Total</u>	<u>Program Servi</u>	<u>Management & general</u>	<u>Fundraising</u>
Dues and Subscriptions	\$ 798	\$ 798	\$ -	-
Insurance	\$ 2,854	\$ -	\$ 2,854	-
Licenses and Permits	\$ 2,212	\$ -	\$ 2,212	-
Miscellaneous	\$ 1,539	\$ 638	\$ 901	-
Recruitment	\$ 4,128	\$ -	\$ 4,128	-
Technology Services	\$ 2,621	\$ 1,803	\$ 818	-
Editor	\$ 14,725	\$ 14,725	\$ -	-
Data Entry	\$ 4,104	\$ 4,104	\$ -	-
Total Other Expenses (line 43a)	\$ 32,981	\$ 22,068	\$ 10,913	-

Statement 5 - Part III

Wall Watchers is a nondenominational Christian research organization whose primary objective is to educate and inform the public in the areas of Biblical stewardship and nonprofit affairs. One of the primary means of conveying this information is through freely accessible web sites on the Internet.

Statement 6 - Part III a

MinistryWatch - Through the web site www.ministrywatch.com, Wall Watchers provides profiles of the nonprofits about which it has obtained information.

Specific accomplishments of this program in the fiscal year ended June 30, 2000, include:

- Initial contact was made with more than 400 large Christian ministries that will first be profiled on the MinistryWatch web site.
- A quantitative ratings system was developed to facilitate future comparisons of ministries in various dimensions of financial efficiency.
- Information about ministries was received and captured in the organization's database. This information consisted of Form 990s, audited financial statements, and descriptive information. Included in this information were such things as history, mission statement, statement of faith, and program description.
- A fully searchable, interactive web site to convey the information captured was built in cooperation with the organization's external software developers.
- Continued follow-up contact was attempted with ministries that had failed to provide the financial and descriptive information initially requested.
- Efforts were made to build relationships with other entities in the philanthropic sector. This was in line with the organization's goals of increasing donor awareness, promoting increased giving to churches, and improving accountability among nonprofits.

Statement 7 - Part III b

thegoodsteward.com. Through the web site www.thegoodsteward.com, Wall Watchers provides a centralized source of written articles and interactive tools through which the public can be educated in the areas of Biblical stewardship.

Specific accomplishments of this program in the fiscal year ended June 30, 2000, include:

- The web site www.thegoodsteward.com was launched, making the organization's database of stewardship articles freely available to the public at large.
- New authors were contacted and additional content was secured for the web site. New articles were posted to the web site on a regular basis and a newsletter was created to provide periodic updates to the site's subscribers.
- Initial efforts were made to promote this web site and the organization itself. To this end, the web site www.wallwatchers.com was designed and launched. This site provides more detailed information about Wall Watchers and its two programs.

Statement 8 - Part V

Part V - List of Officers, Directors, Trustees, and Key Employees

<u>Name and Address</u>	<u>Title and Hrs/Wk</u>	<u>Compensation</u>	<u>Employee Ben Plan Contrib</u>	<u>Expense Acct</u>
Howard Leonard 2514 Plantation Center Drive Matthews, NC 28105	Chairman of the Board Part Time	-	-	-
Carolynn Leonard 2514 Plantation Center Drive Matthews, NC 28105	Board Member Part Time	-	-	-
Mark Long 2514 Plantation Center Drive Matthews, NC 28105	President/ Board Member Full Time	56,929	-	-
Warren Smith 2514 Plantation Center Drive Matthews, NC 28105	Board Member Part Time	-	-	-
Missy Smith 2514 Plantation Center Drive Matthews, NC 28105	Board Member Part Time	-	-	-
Jeff Everett 2514 Plantation Center Drive Matthews, NC 28105	Board Member Part Time	-	-	-
Gillian Everett 2514 Plantation Center Drive Matthews, NC 28105	Board Member Part Time	-	-	-
Charlie Noble 2514 Plantation Center Drive Matthews, NC 28105	Board Member Part Time	-	-	-
Lynn Noble 2514 Plantation Center Drive Matthews, NC 28105	Board Member Part Time	-	-	-
Jerry Ledzinski 2514 Plantation Center Drive Matthews, NC 28105	Board Member Part Time	-	-	-
Martina Ledzinski 2514 Plantation Center Drive Matthews, NC 28105	Board Member Part Time	-	-	-
Bernie Lawrence 2514 Plantation Center Drive Matthews, NC 28105	Board Member Part Time	-	-	-
Pat Lawrence 2514 Plantation Center Drive Matthews, NC 28105	Board Member Part Time	-	-	-

Wall Watchers
EIN: 56 2091339

Form 990
1999

Statement 9 - Part I, line 20

Detail of Other changes in net assets

<u>Description</u>	<u>Amount</u>
Unrealized Gain on Investments Held at 6/30/00	\$ 13,507
Prior Year Adjustment*	\$ (3,147)
	<u>\$ 10,360</u>

* Adjustment to reduce net assets by amount of deferred compensation expense that should have been recorded as expense in FY 1998-1999. The liability shown on the balance sheet for deferred compensation reflects this additional expense.

Wall Watchers
EIN: 56 2091339

Schedule A
1999

Statement 10 - Part III

2c Use of facility - The Chairman of Wall Watchers is the owner of the facility used by
conduct its activities. This facility is made available at no cost to Wall Watchers.

Statement 11 - Part III 4b

Wall Watchers does not make grants or loans to individuals or organizations to carry out
purpose.

Wall Watchers
EIN: 56 2091339

Schedule A
1999

Statement 12 - Part IV-A 26b

Schedule of excess contributions (1995-1998)

Information regarding contributions and similar receipts has been furnished to the Internal Revenue Service but is under inspection.