

Form

# CT-12F

For Foreign Charities

## Charitable Activities Section Oregon Department of Justice

1515 SW 5th Avenue, Suite 410  
Portland, OR 97201-5451  
Email: charitable.activities@doj.state.or.us  
Website: http://www.doj.state.or.us

VOICE (971) 673-1880  
TTY (800) 735-2900  
FAX (971) 673-1882

For Accounting Periods Beginning in:

# 2013

### Section I. General Information

1. **Registration #:** 24130 Cross Through Incorrect Items and Correct Here:  
(See instructions for change of name or accounting period.)

**Three Angels Broadcasting, Inc.** Registration #:

PO Box 220 Organization Name:

West Frankfort IL 62896 Address:

**Phone:** (618) 627-4651 **FAX:** (618) 627-4678 City, State, Zip:

**Period Beginning:** 1/1/2013 **Period Ending:** 12/31/2013 Phone: Fax: Amended Report?

Email: Period Beginning: / / Period Ending: / /

2. Did a certified public accountant audit your financial records? - If yes, attach a copy of the auditor's report, financial statements, accompanying notes, schedules, or other documents supplementing the report or financial statements.  Yes  No
3. Is the organization a party to a contract involving person-to-person, advertising, vending machine or telephone fund-raising in Oregon?  Yes  No  
If yes, write the name of the fund-raising firm(s) who conducts the campaign(s): \_\_\_\_\_
4. Has the organization or any of its officers, directors, trustees, or key employees ever signed a voluntary agreement with any government agency, such as a state attorney general, secretary of state, or local district attorney, or been a party to legal action in any court or administrative agency regarding charitable solicitation, administration, management, or fiduciary practices? If yes, attach explanation of each such agreement or action. See instructions  Yes  No
5. During this reporting period, did the organization amend its articles of incorporation, bylaws, or trust documents, OR did the organization receive a determination letter from the Internal Revenue Service relating to its tax-exempt status? If yes, attach a copy of the amended document or letter.  Yes  No
6. Is the organization ceasing operations in Oregon and is this the final report? (If yes, see instructions on how to close your registration.)  Yes  No
7. Provide contact information for the person responsible for retaining the organization's records.

Name	Position	Phone	Mailing Address & Email Address
Brian Hamilton	Treasurer	618-627-4651	PO Box 220 West Frankfort IL 62896 brian.hamilton@3abn.org

8. List of Officers, Directors, Trustees and Key Employees – List each person who held one of these positions at any time during the year even if they did not receive compensation. Attach additional sheets if necessary. If an attached IRS form includes substantially the same compensation information, the phrase "See IRS Form" may be entered in lieu of completing that section.

(A) Name, mailing address, daytime phone number and email address	(B) Title & average weekly hours devoted to position	(C) Compensation (enter \$0 if position unpaid)
Name: _____ Address: _____ Phone: (____) _____ Email: _____		
Name: _____ Address: _____ Phone: (____) _____ Email: _____	See IRS Form	
Name: _____ Address: _____ Phone: (____) _____ Email: _____		

RECEIVED  
NOV 17 2014  
DEPARTMENT OF JUSTICE  
PORTLAND LEGAL



Book Value of Oregon Assets FY 2013

FA No	Equip	Location	Amount
2765	Downlink	Brookings, OR	7,801.90
2766	Downlink	Canyonville OR	9,170.26
2768	Downlink	Chirstmas Valley OR	16,685.00
2772	Downlink	Florence OR	16,710.00
2773	Downlink	Glide, OR	6,086.12
2775	Downlink	John Day OR	16,685.00
2776	Downlink	Lake View OR	17,044.65
		Total	90,182.93

Oregon Revenue 1,095,334

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# Return of Organization Exempt From Income Tax

OMB No. 1545-0047

## 2013

Open to Public Inspection

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter Social Security numbers on this form as it may be made public.

▶ Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Department of the Treasury  
Internal Revenue Service

**A** For the 2013 calendar year, or tax year beginning January 1, 2013, and ending December 31, 2013

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

**C** Name of organization Three Angels Broadcasting Network, Inc  
 Doing Business As \_\_\_\_\_  
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite  
3391 Charley Good Rd, P.O. Box 220  
 City or town, state or province, country, and ZIP or foreign postal code  
West Frankfort, IL 62896

**D** Employer identification number  
37-1179056

**E** Telephone number  
618-627-4651

**G** Gross receipts \$ 17,064,341

**F** Name and address of principal officer: James W Gilley  
 Same as C above

**H(a)** Is this a group return for subordinates?  Yes  No  
**H(b)** Are all subordinates included?  Yes  No  
 If "No," attach a list. (see instructions)

**H(c)** Group exemption number ▶

**I** Tax-exempt status:  501(c)(3)  501(c) ( ) ◀ (insert no.)  4947(a)(1) or  527

**J** Website: ▶

**K** Form of organization:  Corporation  Trust  Association  Other ▶

**L** Year of formation: 1985 **M** State of legal domicile: IL

### Part I Summary

Activities & Governance	<b>1</b> Briefly describe the organization's mission or most significant activities: <u>The Mission of 3ABN is to proclaim the gospel of salvation through Jesus Christ, and herald His soon return. We do this through the medium of television, radio, and internet. It is also our mission to continue the healing ministry of Christ through health programing.</u>		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<u>3</u>	<u>14</u>
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<u>4</u>	<u>8</u>
	<b>5</b> Total number of individuals employed in calendar year 2013 (Part V, line 2a)	<u>5</u>	<u>168</u>
	<b>6</b> Total number of volunteers (estimate if necessary)	<u>6</u>	<u>18</u>
	<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 2a	<u>7a</u>	<u>0</u>
<b>b</b> Net unrelated business taxable income from Form 990-T, line 24	<u>7b</u>	<u>0</u>	
Revenue	<b>8</b> Contributions and grants (Part VIII, line 1h)	<u>27,070,368</u>	<u>15,238,063</u>
	<b>9</b> Program service revenue (Part VIII, line 2g)	<u>1,718,154</u>	<u>1,112,062</u>
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<u>4,778</u>	<u>-7,665</u>
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<u>-316,524</u>	<u>252,005</u>
	<b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<u>28,476,776</u>	<u>16,594,465</u>
Expenses	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1–3)	<u>609,655</u>	<u>864,438</u>
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)		
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	<u>4,843,712</u>	<u>5,083,768</u>
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)		
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶		
	<b>17</b> Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	<u>10,077,384</u>	<u>9,779,948</u>
<b>18</b> Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	<u>15,530,751</u>	<u>15,728,154</u>	
<b>19</b> Revenue less expenses. Subtract line 18 from line 12	<u>12,946,025</u>	<u>866,311</u>	
Net Assets or Fund Balances	<b>20</b> Total assets (Part X, line 16)	<u>97,799,008</u>	<u>105,949,049</u>
	<b>21</b> Total liabilities (Part X, line 26)	<u>71,103,621</u>	<u>78,387,351</u>
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	<u>26,695,387</u>	<u>27,561,698</u>

### Part II Signature Block

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.

**Sign Here**

Signature of officer: James W. Gilley Date: 11-3-2014  
 James W. Gilley - President  
 Type or print name and title

**Paid Preparer Use Only**

Print/Type preparer's name: \_\_\_\_\_ Preparer's signature: \_\_\_\_\_ Date: \_\_\_\_\_  
 Check  if self-employed PTIN: \_\_\_\_\_  
 Firm's name ▶: \_\_\_\_\_ Firm's EIN ▶: \_\_\_\_\_  
 Firm's address ▶: \_\_\_\_\_ Phone no.: \_\_\_\_\_

May the IRS discuss this return with the preparer shown above? (see instructions)  Yes  No

**Part III Statement of Program Service Accomplishments**

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission:

The mission of 3ABN is to proclaim the gospel of salvation through Jesus Christ, and herald His soon return. We do this through the medium of television, radio, and internet. It is also our mission to continue the healing ministry of Christ through health and recovery programs that teach people a better way of life.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?  Yes  No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: ) (Expenses \$ 12,265,368 including grants of \$ 864,438 ) (Revenue \$ 16,594,465 )

Production and distribution of religious programming for electronic distribution (television, radio, and internet) throughout the world.

4b (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4c (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4d Other program services (Describe in Schedule O.) (Expenses \$ including grants of \$ ) (Revenue \$ )

4e Total program service expenses 12,265,368

**Part IV Checklist of Required Schedules**

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A . . . . .	✓	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? . . . . .	✓	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I . . . . .		✓
4	<b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II . . . . .		✓
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III . . . . .		✓
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I . . . . .		✓
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II . . . . .		✓
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III . . . . .		✓
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV . . . . .		✓
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V . . . . .		✓
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI . . . . .	✓	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII . . . . .	✓	
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII . . . . .		✓
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX . . . . .	✓	
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X . . . . .	✓	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X . . . . .		✓
12 a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII . . . . .	✓	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional . . . . .		✓
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E . . . . .		✓
14 a	Did the organization maintain an office, employees, or agents outside of the United States? . . . . .	✓	
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV . . . . .	✓	
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV . . . . .	✓	
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV . . . . .		✓
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions) . . . . .		✓
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II . . . . .		✓
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III . . . . .		✓
20 a	Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H . . . . .		✓
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? . . . . .		

**Part IV Checklist of Required Schedules (continued)**

		Yes	No
21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	✓	
22	Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		✓
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>		✓
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		✓
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
24b			
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
24c			
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
24d			
25a	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		✓
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		✓
25b			✓
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If so, complete Schedule L, Part II</i>		✓
26			✓
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		✓
27			✓
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	✓	
28a		✓	
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	✓	
28b		✓	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	✓	
28c		✓	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	✓	
29		✓	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		✓
30			✓
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		✓
31			✓
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		✓
32			✓
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		✓
33			✓
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>		✓
34			✓
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?		✓
35a			✓
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
35b			
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		✓
36			✓
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		✓
37			✓
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O	✓	
38		✓	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

Main body of the form containing questions 1a through 14b and corresponding response boxes with checkmarks and numerical values.

**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions. Check if Schedule O contains a response or note to any line in this Part VI

**Section A. Governing Body and Management**

	Yes	No
<b>1a</b> Enter the number of voting members of the governing body at the end of the tax year . . . . .	1a	14
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
<b>b</b> Enter the number of voting members included in line 1a, above, who are independent . . . . .	1b	8
<b>2</b> Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .	2	<input checked="" type="checkbox"/>
<b>3</b> Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person? . . . . .	3	<input checked="" type="checkbox"/>
<b>4</b> Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . . . .	4	<input checked="" type="checkbox"/>
<b>5</b> Did the organization become aware during the year of a significant diversion of the organization's assets? . . . . .	5	<input checked="" type="checkbox"/>
<b>6</b> Did the organization have members or stockholders? . . . . .	6	<input checked="" type="checkbox"/>
<b>7a</b> Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? . . . . .	7a	<input checked="" type="checkbox"/>
<b>b</b> Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? . . . . .	7b	<input checked="" type="checkbox"/>
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b> The governing body? . . . . .	8a	<input checked="" type="checkbox"/>
<b>b</b> Each committee with authority to act on behalf of the governing body? . . . . .	8b	<input checked="" type="checkbox"/>
<b>9</b> Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O . . . . .	9	<input checked="" type="checkbox"/>

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
<b>10a</b> Did the organization have local chapters, branches, or affiliates? . . . . .	10a	<input checked="" type="checkbox"/>
<b>b</b> If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? . . . . .	10b	
<b>11a</b> Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? . . . . .	11a	<input checked="" type="checkbox"/>
<b>b</b> Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
<b>12a</b> Did the organization have a written conflict of interest policy? If "No," go to line 13 . . . . .	12a	<input checked="" type="checkbox"/>
<b>b</b> Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .	12b	<input checked="" type="checkbox"/>
<b>c</b> Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done . . . . .	12c	<input checked="" type="checkbox"/>
<b>13</b> Did the organization have a written whistleblower policy? . . . . .	13	<input checked="" type="checkbox"/>
<b>14</b> Did the organization have a written document retention and destruction policy? . . . . .	14	<input checked="" type="checkbox"/>
<b>15</b> Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
<b>a</b> The organization's CEO, Executive Director, or top management official . . . . .	15a	<input checked="" type="checkbox"/>
<b>b</b> Other officers or key employees of the organization . . . . .	15b	<input checked="" type="checkbox"/>
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
<b>16a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . . . .	16a	<input checked="" type="checkbox"/>
<b>b</b> If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? . . . . .	16b	

**Section C. Disclosure**

- 17** List the states with which a copy of this Form 990 is required to be filed ► CA IL OR
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.  
 Own website     Another's website     Upon request     Other (explain in Schedule O)
- 19** Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► Brian Hamilton 3391 Charley Good Rd, PO Box 220, West Frankfort, IL 62896 (618)627-4651

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Kenneth Denslow - Trustee	.5	✓								
(2) Bruce Fiarli - Trustee	.5	✓								
(3) Ellsworth McKee - Trustee	.5	✓								
(4) Pam Rhodes - Trustee	.5	✓								
(5) James Stevens - Trustee	.5	✓								
(6) Dr Walter Thompson - Trustee	.5	✓								
(7) Max Trevino - Trustee	.5	✓								
(8) Carmelita Troy	.5	✓								
(9) James W Gilley - Chairman, President	40		✓	✓			74,792			
(10) Mollie Steenson - VP & Secretary	40		✓	✓			70,688			
(11) Brian Hamilton - Treasurer	40		✓	✓			69,421			
(12) Danny Shelton - Founder & Trustee	40		✓				77,643			
(13) Yvonne Lewis - Trustee	40		✓				39,011			
(14) C A Murry - Trustee	40		✓				54,571			

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)**

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) Moses Primo - Key Employee	40				✓			64,151		
(16)										
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
<b>1b Sub-total</b>								450,277		
<b>c Total from continuation sheets to Part VII, Section A</b>								0		
<b>d Total (add lines 1b and 1c)</b>								450,277		

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **0**

	Yes	No
<b>3</b> Did the organization list any <b>former</b> officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		✓
<b>4</b> For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>		✓
<b>5</b> Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		✓

**Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
RR Satellite Communications, 4 Hagoren St Omer, 84965 Israel	Satellite Airtime	1,737,469
Blue Cross Blue Shield, PO Box 1186, Chicago, IL 60690-1186	Healthcare Cost	1,308,842
Aldis Systems, Inc, 119 N 2nd Street, Minneapolis, MN 55401	Production Equipment	733,505
Grass Valley USA, LLC, PO Box 3554, Carol Stream, IL 60132	Production Equipment	606,720
Intelsat Corporation, PO Box 7247-8912, Philadelphia, PA 19170-8912	Satellite Airtime	572,110

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **25**

**Part VIII Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1a</b> Federated campaigns . . . . .	<b>1a</b>					
	<b>b</b> Membership dues . . . . .	<b>1b</b>					
	<b>c</b> Fundraising events . . . . .	<b>1c</b>					
	<b>d</b> Related organizations . . . . .	<b>1d</b>					
	<b>e</b> Government grants (contributions)	<b>1e</b>					
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	<b>1f</b>	15,238,063				
	<b>g</b> Noncash contributions included in lines 1a-1f: \$		648,899				
	<b>h</b> Total. Add lines 1a-1f . . . . .			15,238,063			
<b>Program Service Revenue</b>	<b>2a</b> Program Distribution			<b>Business Code</b>			
				900099	1,112,062	1,112,062	
	<b>b</b>						
	<b>c</b>						
	<b>d</b>						
	<b>e</b>						
	<b>f</b> All other program service revenue .						
<b>g</b> Total. Add lines 2a-2f . . . . .				1,112,062			
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) . . . . .			3,032	3,032		
	<b>4</b> Income from investment of tax-exempt bond proceeds						
	<b>5</b> Royalties . . . . .			6,483	6,483		
	<b>6a</b> Gross rents . . . . .	(i) Real	(ii) Personal				
		265,305					
		<b>b</b> Less: rental expenses . . . . .	17,178				
	<b>c</b> Rental income or (loss) . . . . .	248,127					
	<b>d</b> Net rental income or (loss) . . . . .			248,127	248,127		
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		428,333	3,965				
		<b>b</b> Less: cost or other basis and sales expenses . . . . .	437,615	5,380			
		<b>c</b> Gain or (loss) . . . . .	(9,282)	(1,415)			
	<b>d</b> Net gain or (loss) . . . . .			(10,697)	(10,697)		
	<b>8a</b> Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18 . . . . .	<b>a</b>					
		<b>b</b> Less: direct expenses . . . . .		<b>b</b>			
<b>c</b> Net income or (loss) from fundraising events . . . . .							
<b>9a</b> Gross income from gaming activities. See Part IV, line 19 . . . . .	<b>a</b>						
	<b>b</b> Less: direct expenses . . . . .		<b>b</b>				
	<b>c</b> Net income or (loss) from gaming activities . . . . .						
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . .	<b>a</b>		870				
	<b>b</b> Less: cost of goods sold . . . . .		11,117				
	<b>c</b> Net income or (loss) from sales of inventory . . . . .			(10,247)	(10,247)		
<b>Miscellaneous Revenue</b>			<b>Business Code</b>				
<b>11a</b> Other income . . . . .			38,405	38,405			
<b>b</b> Sift Interest Agreements . . . . .			(30,763)	(30,763)			
<b>c</b>							
<b>d</b> All other revenue . . . . .							
<b>e</b> Total. Add lines 11a-11d . . . . .			7,642				
<b>12</b> Total revenue. See instructions. . . . .			16,594,465	1,356,402	0	0	

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	24,476	24,476		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16	839,962	839,962		
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	450,277	157,733	292,544	0
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0	0	0	0
7 Other salaries and wages	3,017,819	2,424,415	593,404	0
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	1,357,080	1,136,281	220,799	0
10 Payroll taxes	258,592	207,744	50,848	0
11 Fees for services (non-employees):				
a Management				
b Legal	243,111	0	243,111	0
c Accounting	68,260	0	68,260	0
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)				
12 Advertising and promotion	312,714	244,172	68,542	0
13 Office expenses	1,049,343	734,312	315,031	0
14 Information technology				
15 Royalties				
16 Occupancy	5,304,935	4,941,065	363,870	0
17 Travel	641,397	407,017	234,380	0
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	57,846	0	57,846	0
20 Interest	56,743	0	56,743	0
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	992,714	992,714	0	0
23 Insurance	463,624	0	463,624	0
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a	589,261	155,477	433,784	0
b				
c				
d				
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	15,728,154	12,265,368	3,462,786	0
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**

Check if Schedule O contains a response or note to any line in this Part X

		(A)		(B)
		Beginning of year		End of year
<b>Assets</b>	<b>1</b> Cash—non-interest-bearing . . . . .	166,467	<b>1</b>	346,478
	<b>2</b> Savings and temporary cash investments . . . . .	212,011	<b>2</b>	830,901
	<b>3</b> Pledges and grants receivable, net . . . . .	417,245	<b>3</b>	246,026
	<b>4</b> Accounts receivable, net . . . . .	910,016	<b>4</b>	1,023,788
	<b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .			
		926	<b>5</b>	
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L . . . . .			
			<b>6</b>	
	<b>7</b> Notes and loans receivable, net . . . . .	130,495	<b>7</b>	94,000
	<b>8</b> Inventories for sale or use . . . . .	3,193,860	<b>8</b>	3,383,575
	<b>9</b> Prepaid expenses and deferred charges . . . . .	189,522	<b>9</b>	209,620
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	<b>10a</b> 36,501,506		
	<b>b</b> Less: accumulated depreciation . . . . .	<b>10b</b> 26,815,307	8,430,743	<b>10c</b> 9,686,199
	<b>11</b> Investments—publicly traded securities . . . . .	2,699,722	<b>11</b>	3,550,712
	<b>12</b> Investments—other securities. See Part IV, line 11 . . . . .	22,925,000	<b>12</b>	22,925,000
	<b>13</b> Investments—program-related. See Part IV, line 11 . . . . .		<b>13</b>	
<b>14</b> Intangible assets . . . . .		<b>14</b>		
<b>15</b> Other assets. See Part IV, line 11 . . . . .	58,523,001	<b>15</b>	63,852,750	
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	97,799,008	<b>16</b>	105,949,049	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	2,038,656	<b>17</b>	4,496,623
	<b>18</b> Grants payable . . . . .		<b>18</b>	
	<b>19</b> Deferred revenue . . . . .	10,500	<b>19</b>	12,500
	<b>20</b> Tax-exempt bond liabilities . . . . .		<b>20</b>	
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .		<b>21</b>	
	<b>22</b> Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .	26,057	<b>23</b>	19,882
	<b>24</b> Unsecured notes and loans payable to unrelated third parties . . . . .		<b>24</b>	
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D . . . . .	69,028,408	<b>25</b>	73,858,346
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 . . . . .	71,103,621	<b>26</b>	78,387,351
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets . . . . .	8,145,133	<b>27</b>	6,046,761
	<b>28</b> Temporarily restricted net assets . . . . .	18,550,254	<b>28</b>	21,514,937
	<b>29</b> Permanently restricted net assets . . . . .		<b>29</b>	
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds . . . . .		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund . . . . .		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds . . . . .		<b>32</b>	
<b>33</b> <b>Total net assets or fund balances</b> . . . . .	26,695,387	<b>33</b>	27,561,698	
<b>34</b> <b>Total liabilities and net assets/fund balances</b> . . . . .	97,799,008	<b>34</b>	105,949,049	

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	16,594,465
2	Total expenses (must equal Part IX, column (A), line 25)	2	15,728,154
3	Revenue less expenses. Subtract line 2 from line 1	3	866,311
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	26,695,387
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	27,561,698

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		✓
b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	✓	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	✓	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		✓
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

**Public Charity Status and Public Support**

OMB No. 1545-0047

**2013**

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 990 or Form 990-EZ.  
▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Open to Public  
Inspection

Name of the organization

Three Angels Broadcasting Network, Inc

Employer identification number

37-1179056

**Part I Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1  A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).
- 2  A school described in section 170(b)(1)(A)(ii). (Attach Schedule E.)
- 3  A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
- 4  A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state: \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II.)
- 6  A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 8  A community trust described in section 170(b)(1)(A)(vii). (Complete Part II.)
- 9  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 exempt 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). (Complete Part III.)
- 10  An organization organized and operated exclusively to test for public safety. See section 509(a)(4).
- 11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h.
  - a  Type I    b  Type II    c  Type III—Functionally integrated    d  Type III—Non-functionally integrated
  - e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
  - f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
  - g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
    - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? 

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		
    - (ii) A family member of a person described in (i) above? 

	Yes	No
11g(ii)		
    - (iii) A 35% controlled entity of a person described in (i) or (ii) above? 

	Yes	No
11g(iii)		
  - h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
<b>Total</b>									

**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**  
 (Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") . . . . .						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
3 The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
4 <b>Total.</b> Add lines 1 through 3 . . . . .						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) . . . . .						
6 <b>Public support.</b> Subtract line 5 from line 4.						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4 . . . . .						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .						
9 Net income from unrelated business activities, whether or not the business is regularly carried on . . . . .						0
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . . . . .						
11 <b>Total support.</b> Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions) . . . . .					12	
13 <b>First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> . . . . .						<input type="checkbox"/>

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f)) . . . . .	14	%
15 Public support percentage from 2012 Schedule A, Part II, line 14 . . . . .	15	%
16a <b>33 1/3% support test—2013.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization . . . . .		<input type="checkbox"/>
b <b>33 1/3% support test—2012.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization . . . . .		<input type="checkbox"/>
17a <b>10%-facts-and-circumstances test—2013.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . .		<input type="checkbox"/>
b <b>10%-facts-and-circumstances test—2012.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . .		<input type="checkbox"/>
18 <b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions . . . . .		<input type="checkbox"/>

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	13,261,885	14,394,680	13,011,535	26,755,330	15,238,063	82,661,493
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose . . . . .	1,280,285	1,801,022	1,762,914	1,826,398	1,362,774	8,033,393
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .			39,937	315,039	0	354,976
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
<b>6 Total.</b> Add lines 1 through 5 . . . . .	14,542,170	16,195,702	14,814,386	28,896,767	16,600,837	91,049,862
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons . . . . .	600,404	494,878	535,892	594,400	892,931	3,118,505
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year . . . . .	591,789	1,498,033	664,818	42,534	1,028,011	3,825,185
<b>c</b> Add lines 7a and 7b . . . . .	1,192,193	1,992,911	1,200,710	636,934	1,920,942	6,943,690
<b>8 Public support</b> (Subtract line 7c from line 6.) . . . . .						84,106,172

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
<b>9</b> Amounts from line 6 . . . . .	14,542,170	16,195,702	14,814,386	28,896,767	16,600,837	91,049,862
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .	40,483	36,535	97,112	49,873	54,102	278,105
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 . . . . .						0
<b>c</b> Add lines 10a and 10b . . . . .	40,483	36,535	97,112	49,873	54,102	278,105
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on . . . . .						0
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . . . . .						0
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.) . . . . .	14,582,653	16,232,237	14,911,498	28,946,640	16,654,939	91,327,967
<b>14 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here . . . . . <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f)) . . . . .	<b>15</b>	92.09 %
<b>16</b> Public support percentage from 2012 Schedule A, Part III, line 15 . . . . .	<b>16</b>	92.08 %

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f)) . . . . .	<b>17</b>	.30 %
<b>18</b> Investment income percentage from 2012 Schedule A, Part III, line 17 . . . . .	<b>18</b>	.35 %

- 19a 33 1/3% support tests—2013.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization
- b 33 1/3% support tests—2012.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization
- 20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions



SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990.

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

Open to Public Inspection

Name of the organization

Employer identification number

Three Angels Broadcasting Network, Inc

37-1179056

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 3 columns: Line number, (a) Donor advised funds, (b) Funds and other accounts. Includes questions 1-6 regarding donor advised funds and their reporting.

Part II Conservation Easements.

Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Table with 3 columns: Line number, Description, Held at the End of the Tax Year. Includes questions 1-9 regarding conservation easements and their monitoring.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Table with 3 columns: Line number, Description, Amount. Includes questions 1a, 1b, 2, a, b regarding art and historical treasures.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)**

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a  Public exhibition
  - b  Scholarly research
  - c  Preservation for future generations
  - d  Loan or exchange programs
  - e  Other .....
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

**Part IV Escrow and Custodial Arrangements.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No
- b If "Yes," explain the arrangement in Part XIII and complete the following table:
- |                                 | Amount |
|---------------------------------|--------|
| c Beginning balance             | 1c     |
| d Additions during the year     | 1d     |
| e Distributions during the year | 1e     |
| f Ending balance                | 1f     |
- 2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?  Yes  No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

**Part V Endowment Funds.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment ▶ \_\_\_\_\_ %
  - b Permanent endowment ▶ \_\_\_\_\_ %
  - c Temporarily restricted endowment ▶ \_\_\_\_\_ %
- The percentages in lines 2a, 2b, and 2c should equal 100%.
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- |   | Yes    | No |
|---|--------|----|
| (i) unrelated organizations   | 3a(i)  |    |
| (ii) related organizations  | 3a(ii) |    |
| b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? | 3b     |    |
- 4 Describe in Part XIII the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		613,060		613,060
b Buildings		7,680,979	2,951,479	4,729,500
c Leasehold improvements				
d Equipment		28,207,467	23,863,828	4,343,639
e Other				
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				9,686,199

**Part VII Investments—Other Securities.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other Unitrust Property Held For Sale	22,925,000	End of Year Market Value
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶	22,925,000	

**Part VIII Investments—Program Related.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

**Part IX Other Assets.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) Charitable Gift Annuities	14,276,266
(2) Deposits	279,114
(3) Revocable Trusts	49,097,370
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	63,652,750

**Part X Other Liabilities.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) Annuity Liability	14,092,130
(3) Revocable Trust Liability	49,097,370
(4) Trade Deposits	3,000
(5) Unitrust Liability	10,665,846
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	73,858,346

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

<b>1</b>	Total revenue, gains, and other support per audited financial statements . . . . .		<b>1</b>	16,622,761
<b>2</b>	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
<b>a</b>	Net unrealized gains (losses) on investments . . . . .	<b>2a</b>		
<b>b</b>	Donated services and use of facilities . . . . .	<b>2b</b>		
<b>c</b>	Recoveries of prior year grants . . . . .	<b>2c</b>		
<b>d</b>	Other (Describe in Part XIII.) . . . . .	<b>2d</b>	28,296	
<b>e</b>	Add lines 2a through 2d . . . . .	<b>2e</b>		28,296
<b>3</b>	Subtract line 2e from line 1 . . . . .	<b>3</b>		16,594,465
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>		
<b>b</b>	Other (Describe in Part XIII.) . . . . .	<b>4b</b>		
<b>c</b>	Add lines 4a and 4b . . . . .	<b>4c</b>		0
<b>5</b>	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.) . . . . .	<b>5</b>		16,594,465

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

<b>1</b>	Total expenses and losses per audited financial statements . . . . .		<b>1</b>	15,756,450
<b>2</b>	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
<b>a</b>	Donated services and use of facilities . . . . .	<b>2a</b>		
<b>b</b>	Prior year adjustments . . . . .	<b>2b</b>		
<b>c</b>	Other losses . . . . .	<b>2c</b>		
<b>d</b>	Other (Describe in Part XIII.) . . . . .	<b>2d</b>	28,296	
<b>e</b>	Add lines 2a through 2d . . . . .	<b>2e</b>		28,296
<b>3</b>	Subtract line 2e from line 1 . . . . .	<b>3</b>		15,728,154
<b>4</b>	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>		
<b>b</b>	Other (Describe in Part XIII.) . . . . .	<b>4b</b>		
<b>c</b>	Add lines 4a and 4b . . . . .	<b>4c</b>		0
<b>5</b>	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.) . . . . .	<b>5</b>		15,728,154

**Part XIII Supplemental Information.**

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

990 Part XI 2d

990 Part VIII Line 10B - Cost of Goods Sold, \$11,117

990 Part VIII Line 6B - Rental Expense, \$17,179

990 Part XII 2d

990 Part VIII Line 10B - Cost of Goods Sold, \$11,117

990 Part VIII Line 6B - Rental Expense, \$17,179



**SCHEDULE F  
(Form 990)**

**Statement of Activities Outside the United States**

OMB No. 1545-0047

**2013**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 14b, 15, or 16.  
▶ Attach to Form 990. ▶ See separate instructions.  
▶ Information about Schedule F (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization

Employer identification number

Three Angels Broadcasting Network, Inc

37-1179056

**Part I** General Information on Activities Outside the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 14b.

1 For grantmakers. Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?  Yes  No

2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.

3 Activities per Region. (The following Part I, line 3 table can be duplicated if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) Central America	2	2	TV Broadcasting		124,496
(2) East Asia & Pacific	3	9	TV Production/Broadcastg		142,716
(3) Russia	1	35	TV Production/Broadcastg		565,699
(4) South America	1	0	TV Broadcasting		850
(5) Sub-Saharan Africa	1	3	TV/Radio Broadcasting		6,200
(6)					
(7)					
(8)					
(9)					
(10)					
(11)					
(12)					
(13)					
(14)					
(15)					
(16)					
(17)					
<b>3a</b> Sub-total . . . . .	8	49			839,961
<b>b</b> Total from continuation sheets to Part I . . . . .	0	0			0
<b>c</b> Totals (add lines 3a and 3b)	8	49			839,961

**Part II** Grants and Other Assistance to Organizations or Entities Outside the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
			Martinique	TV Production			11,746	TV Broadcasting Equip	Cost
			Panama	Production Center	112,750	Wire Transfer			
			Australia	Misc Supplies	6,481	Wire Transfer			
			Papua New Guinea	TV Production			14,740	TV Broadcasting Equip	Cost
			Philippines	Operations	121,496	Wire Transfer			
			Russia	Operations	565,699	Wire Transfer			
			Peru	TV Broadcasting			850	TV Broadcasting Equip	Cost
			Uganda	TV Broadcasting	5,050	Wire Transfer	1,150	TV Broadcasting Equip	Cost

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter ▶ 8

3 Enter total number of other organizations or entities ▶ 0

**Part III** Grants and Other Assistance to Individuals Outside the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 16.  
 Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

**Part IV Foreign Forms**

- 1 Was the organization a U.S. transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* . . . . .  Yes  No
  
- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)* . . . . .  Yes  No
  
- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations. (see Instructions for Form 5471)* . . . . .  Yes  No
  
- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)* . . . . .  Yes  No
  
- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons With Respect To Certain Foreign Partnerships. (see Instructions for Form 8865)* . . . . .  Yes  No
  
- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713)* . . . . .  Yes  No



**SCHEDULE I  
(Form 990)**

**Grants and Other Assistance to Organizations,  
Governments, and Individuals in the United States**

OMB No. 1545-0047

**2013**

Open to Public  
Inspection

Department of the Treasury  
Internal Revenue Service

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.

▶ Attach to Form 990.

▶ Information about Schedule I (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization

Employer identification number

Three Angels Broadcasting Network, Inc

37-1179056

**Part I General Information on Grants and Assistance**

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?  Yes  No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

**Part II Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) True Step Ministries 12467 S Cloverdale Rd Kuna, ID 83634	84-1374437		24,000				Operating Grant
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶ 1

3 Enter total number of other organizations listed in the line 1 table ▶ 0



**SCHEDULE L**  
**(Form 990 or 990-EZ)**

**Transactions With Interested Persons**

OMB No. 1545-0047

**2014**

Open To Public Inspection

Department of the Treasury  
Internal Revenue Service

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.  
▶ Attach to Form 990 or Form 990-EZ.  
▶ Information about Schedule L (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization: **Three Angels Broadcasting Network, Inc**  
Employer identification number: **37-1179056**

**Part I Excess Benefit Transactions** (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only).  
Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958. . . . . ▶ \$ \_\_\_\_\_

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ \$ \_\_\_\_\_

**Part II Loans to and/or From Interested Persons.**  
Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

1	(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
				To	From			Yes	No	Yes	No	Yes	No
				(1)									
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													

Total . . . . . ▶ \$ \_\_\_\_\_

**Part III Grants or Assistance Benefiting Interested Persons.**  
Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

1	(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					



**SCHEDULE M  
(Form 990)**

**Noncash Contributions**

OMB No. 1545-0047

**2013**

Open To Public Inspection

Department of the Treasury  
Internal Revenue Service

- ▶ Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
- ▶ Attach to Form 990.
- ▶ Information about Schedule M (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization

Employer identification number

Three Angels Broadcasting Network, Inc

37-1179056

**Part I Types of Property**

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art—Works of art . . . . .				
2 Art—Historical treasures . . . . .				
3 Art—Fractional interests . . . . .				
4 Books and publications . . . . .				
5 Clothing and household goods . . . . .				
6 Cars and other vehicles . . . . .	✓	3	81,640	Sales proceeds
7 Boats and planes . . . . .				
8 Intellectual property . . . . .				
9 Securities—Publicly traded . . . . .	✓	2	15,628	Market Value
10 Securities—Closely held stock . . . . .				
11 Securities—Partnership, LLC, or trust interests . . . . .				
12 Securities—Miscellaneous . . . . .				
13 Qualified conservation contribution—Historic structures . . . . .				
14 Qualified conservation contribution—Other . . . . .				
15 Real estate—Residential . . . . .	✓	1	25,000	Realtor Appraisal
16 Real estate—Commercial . . . . .				
17 Real estate—Other . . . . .				
18 Collectibles . . . . .	✓	102	526,631	Sales Proceeds
19 Food inventory . . . . .				
20 Drugs and medical supplies . . . . .				
21 Taxidermy . . . . .				
22 Historical artifacts . . . . .				
23 Scientific specimens . . . . .				
24 Archeological artifacts . . . . .				
25 Other ▶ ( . . . . . )				
26 Other ▶ ( . . . . . )				
27 Other ▶ ( . . . . . )				
28 Other ▶ ( . . . . . )				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . . . 29

	Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 - 28, that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period? . . . . .		✓
b If "Yes," describe the arrangement in Part II.		
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions? . . . . .		✓
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? . . . . .		✓
b If "Yes," describe in Part II.		
33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.		



**SCHEDULE O  
(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2013**

Open to Public  
Inspection

Name of the organization

**Three Angels Broadcasting Network, Inc**

Employer identification number

**37-1179056**

**Form 990, Part III, Line 1 - Organization Mission**

The mission of 3ABN is to proclaim the gospel of salvation through Jesus Christ, and herald His soon return. We do this through the medium of television, radio, and internet. It is also our mission to continue the healing ministry of Jesus Christ through health and recovery programs that teach people a better way of life.

**Form 990 Part VI, Line 11b - Form 990 Review Process**

The 990 informational return and supporting schedules are reviewed by the Board of Trustees at the first Board Meeting following the filing of the return.

**Form 990 Part VI, Line 12c - Explanation of Monitoring Enforcement of Conflicts**

All Board members, officers and key employees are required to review 3ABN's conflict of interest policy and sign a compliance statement. Any actual or potential conflict of interest is to be disclosed and the Board must make a decision concerning the conflict.

**Form 990, Part VI, Line 15a - Compensation Review and Approval Process - CEO, top Management**

All Officer remuneration is set by action of the Board of Trustees and falls within the remuneration guidelines of the North American Division of Seventh-day Adventist. Once each year all other employees wages and benefits are reviewed by the Board.

**Form 990, Part VI, Line 15b - Compensation Review & Approval Process - Officers & Key employees**

All Officers remuneration is set by action of the Board of Trustees and falls within the remuneration guidelines of the North American Division of Seventh-day Adventist. Once each year all other employee wages and benefits are reviewed by the Board.

**Form 990, Part VI, Line 19 - Other Organization Documents Publicly Available**

the 3ABN annual financial statements, 990 informational return, supporting schedules and governing documents are provide to all who make a written request.



**THREE ANGELS BROADCASTING NETWORK, INC.**  
**FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**DECEMBER 31, 2013**

**RECEIVED**  
**NOV 17 2014**  
DEPARTMENT OF JUSTICE  
PORTLAND LEGAL

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# GRAY HUNTER STENN LLP

A PARTNERSHIP OF PROFESSIONAL CORPORATIONS

CERTIFIED PUBLIC ACCOUNTANTS

2602 WEST DEYOUNG ST., P.O. BOX 1728

MARION, ILLINOIS 62959-7928

(618) 993-2647 FAX (618) 993-3981

MARION, ILLINOIS  
QUINCY, ILLINOIS

OAK BROOK, ILLINOIS  
SYCAMORE, ILLINOIS

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Three Angels Broadcasting Network, Inc.

We have audited the accompanying financial statements of Three Angels Broadcasting Network, Inc. (a nonprofit organization) which comprise the statement of financial position as of December 31, 2013, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### ***Basis for Qualified Opinion***

As discussed in Note 14 to the financial statements, the Organization does not report its investment in Three Angels T.V. and Radio Broadcast Network (Russia). All payments made to this branch are expensed when paid. In our opinion, accounting principles generally accepted in the United States of America require the branch be accounted for on a consolidated basis. The effects of that departure on the financial statements are not reasonably determinable.

The Organization's financial statements do not disclose a presentation of summarized financial data for 3ABN Philippines, Inc. This information is not available to the Organization. In our opinion, disclosure of this information is required to conform with accounting principles generally accepted in the United States of America.

In connection with the recording of real estate revocable trusts, the fair values of the trusts were based on internal estimates performed by the Organization. We were unable to obtain sufficient evidential matter in connection with the estimates of fair value.

### ***Qualified Opinion***

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraphs, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Three Angels Broadcasting Network, Inc. as of December 31, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other-Matter***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Program Service Expenses and Schedule of Supporting Service Expenses on pages 14 and 15 respectively, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraphs, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Gray Hunter Stern LLP*

Marion, Illinois  
September 25, 2014

**THREE ANGELS BROADCASTING NETWORK, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2013**

**ASSETS**

<b>Current Assets</b>	
Cash	\$ -
Contributions receivable	246,026.14
Accounts receivable, net of allowance for uncollectible accounts of \$130,483.29	531,245.72
Investments	221,390.90
Employee advances	3,957.03
Notes receivable	9,000.00
Inventory	506,772.40
Prepaid expenses	209,620.37
Charitable gift annuities	661,794.37
Beneficial interest in charitable remainder unitrust	21,441.56
Assets held for sale	<u>2,678,803.10</u>
<b>Total Current Assets</b>	<b>\$ <u>5,090,051.59</u></b>
<b>Non-Current Assets</b>	
Cash restricted to investment in capital assets	\$ 1,177,378.99
Notes receivable	85,000.00
Investments	26,254,321.31
Deposits	279,113.75
Revocable trusts	48,857,369.92
Charitable gift annuities	13,614,471.50
Beneficial interest in charitable remainder unitrust	467,143.67
Assets held for sale	198,000.00
Property and equipment, less accumulated depreciation	<u>9,686,198.73</u>
<b>Total Non-Current Assets</b>	<b>\$ <u>100,618,997.87</u></b>
<b>Total Assets</b>	<b>\$ <u>105,709,049.46</u></b>

**LIABILITIES AND NET ASSETS**

<b>Current Liabilities</b>	
Accounts payable	\$ 1,573,877.06
Accrued wages and vacation pay	278,524.17
Accrued sales and payroll taxes	10,969.31
Accrued real estate tax	145,484.04
Deferred revenue	12,500.00
Current portion of long-term debt	2,475,909.16
Funds due to other ministries	17,768.67
Charitable gift annuities	661,794.37
Liabilities under unitrust agreements	<u>213,043.45</u>
<b>Total Current Liabilities</b>	<b>\$ <u>5,389,870.23</u></b>
<b>Long-term Liabilities</b>	
Long-term debt	\$ 13,972.71
Refundable advances	48,857,369.92
Charitable gift annuities	13,430,335.43
Liabilities under unitrust agreements	10,452,803.10
Other long-term liabilities	<u>3,000.00</u>
<b>Total Long-term Liabilities</b>	<b>\$ <u>72,757,481.16</u></b>
<b>Total Liabilities</b>	<b>\$ <u>78,147,351.39</u></b>
<b>Net Assets</b>	
Unrestricted	\$ 7,472,594.00
Temporarily restricted	<u>20,089,104.07</u>
<b>Total Net Assets</b>	<b>\$ <u>27,561,698.07</u></b>
<b>Total Liabilities and Net Assets</b>	<b>\$ <u>105,709,049.46</u></b>

See accompanying notes.

**THREE ANGELS BROADCASTING NETWORK, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Revenues and Other Support</b>			
Contributions	\$ 9,809,355.56	\$ 3,697,020.87	\$ 13,506,376.43
Charitable gift annuities	1,463,337.26	-	1,463,337.26
Unitrust contributions	-	270,823.04	270,823.04
Airtime and production fees	1,112,062.00	-	1,112,062.00
Rental income	265,305.21	-	265,305.21
Investment income	3,032.40	-	3,032.40
Insurance proceeds	22,883.99	-	22,883.99
Gain (loss) on disposal of assets	(1,415.20)	-	(1,415.20)
Net unrealized and realized gains and (losses) on investments	(11,593.37)	-	(11,593.37)
Change in value of split-interest agreements	(878,910.65)	848,147.92	(30,762.73)
Other	22,711.87	-	22,711.87
Net assets released from restrictions	<u>3,277,141.54</u>	<u>(3,277,141.54)</u>	<u>-</u>
<b>Total Revenues and Other Support</b>	<b><u>\$ 15,083,910.61</u></b>	<b><u>\$ 1,538,850.29</u></b>	<b><u>\$ 16,622,760.90</u></b>
<b>Expenses</b>			
Program service			
Television and radio broadcasting	\$ 11,935,523.68	\$ -	\$ 11,935,523.68
Supporting service			
Management and general	<u>3,820,926.20</u>	<u>-</u>	<u>3,820,926.20</u>
<b>Total Expenses</b>	<b><u>\$ 15,756,449.88</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 15,756,449.88</u></b>
Change in Net Assets	\$ (672,539.27)	\$ 1,538,850.29	\$ 866,311.02
Net assets, beginning of year	<u>8,145,133.27</u>	<u>18,550,253.78</u>	<u>26,695,387.05</u>
Net assets, end of year	<b><u>\$ 7,472,594.00</u></b>	<b><u>\$ 20,089,104.07</u></b>	<b><u>\$ 27,561,698.07</u></b>

See accompanying notes.

**THREE ANGELS BROADCASTING NETWORK, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

- 5 -

<b>Cash Flows from Operating Activities:</b>	
Cash received from contributions	\$ 13,686,132.77
Cash received from airtime and production fees	1,017,606.89
Rental receipts	268,305.21
Interest received	3,032.40
Other receipts	45,595.86
Cash paid to employees and suppliers	(3,642,215.99)
Cash paid for program service	(10,219,251.26)
Interest paid	(56,584.98)
Cash paid for school subsidy	(85,502.33)
Cash paid for rental and miscellaneous expense	(27,330.71)
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 989,787.86</b>
<b>Cash Flows from Investing Activities:</b>	
Purchases of property and equipment	\$ (2,240,857.87)
Proceeds from sales of property and equipment	3,964.80
Purchases of gift annuity assets	(3,603,495.51)
Proceeds from sale of gift annuity assets	539,438.64
Proceeds from sales of investments	820,412.22
Proceeds from assets held for sale	848,576.38
Net change in notes receivable	36,494.62
Transfer of restricted contributions to restricted cash	(1,705,226.53)
Release of restricted cash for designated purposes	1,505,084.43
Replenishment of restricted cash for non-designated purposes	(598,759.41)
<b>Net Cash Used by Investing Activities</b>	<b>\$ (4,394,368.23)</b>
<b>Cash Flows from Financing Activities:</b>	
Repayment of borrowings from revocable trusts	\$ (1,164,470.87)
Borrowings from revocable trusts	400,000.00
Proceeds from new loans	2,470,000.00
Repayment of loans	(6,175.29)
Contributions restricted for investment in equipment	1,705,226.53
<b>Net Cash Provided by Financing Activities</b>	<b>\$ 3,404,580.37</b>
Net decrease in cash and cash equivalents	\$ -
Cash and cash equivalents at December 31, 2012	-
Cash and cash equivalents at December 31, 2013	\$ -
<b>Reconciliation of Decrease in Net Assets to Net Cash Provided by Operating Activities:</b>	
Increase in net assets	\$ 866,311.02
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	992,714.25
Loss on disposal of fixed assets	1,415.20
Provision for bad debts	20.00
Change in value of split-interest agreements	30,762.73
Contributions restricted to investment in equipment	(1,705,226.53)
Net unrealized and realized gains and losses on investments	11,593.37
Donated assets	(2,377,814.61)
Increase in accounts receivable	(93,455.11)
Decrease in employee advances	886.19
Decrease in contribution receivable	169,908.59
Decrease in contribution receivable - bequests	1,310.20
Increase in inventory	(213,273.26)
Decrease in deposits	1,567.50
Increase in prepaid expense	(20,455.88)
Increase in assets held for sale	(9,749.45)
Increase in accounts payable	699,244.17
Decrease in funds due to other ministries	(2,916.82)
Increase in accrued wages, taxes and other	56,051.09
Increase in accrued real estate tax	60.00
Increase in deferred revenue	2,000.00
Increase in unitrust gift liability	438,676.96
Increase in charitable gift annuity liability	2,140,158.25
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 989,787.86</b>

See accompanying notes.

**THREE ANGELS BROADCASTING NETWORK, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES**

- a. Nature and purpose of operations. Three Angels Broadcasting Network, Inc. is an Illinois nonprofit corporation chartered March 26, 1985. Its purpose is exclusively religious in nature and includes, but is not limited to, the development, planning, promotion, production, and direction in cooperation with various Seventh-day Adventist organizations, all types of Seventh-day Adventist programming for electronic transmission for television, radio, and other media broadcasting throughout the world.

The Organization's primary funding sources are individual and corporate contributions.

- b. Principles of presentation. These financial statements are intended to present the financial position, results of operations and cash flows of Three Angels Broadcasting Network, Inc. in conformity with U.S. generally accepted accounting principles.
- c. Use of estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
- d. Property, equipment and depreciation. Three Angels Broadcasting Network, Inc. reports gifts of land, buildings and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent of explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated assets are placed in service. The Organization's policy is to capitalize fixed assets with a cost of \$1,000.00 or more. Purchased fixed assets are carried at cost. Donated fixed assets are carried at fair market value as of the contribution date. Depreciation is computed using the straight-line method over the assets' estimated useful lives. Maintenance and repairs are charged to operations when incurred. Betterments and renewals are capitalized.
- e. Cash and cash equivalents. For purposes of reporting cash flows, cash and cash equivalents include unrestricted cash on hand, unrestricted cash in banks, and unrestricted cash invested in money market funds.
- f. Tax status. The Internal Revenue Service has determined that Three Angels Broadcasting Network, Inc. is an exempt organization within the meaning of Section 501(c)(3) of the Internal Revenue Code. The Organization files information returns in the federal jurisdiction and Illinois. The federal and state information returns prior to 2011 are closed.

- g. Inventories. Inventories are stated at the lower of cost or market, determined by the FIFO method. Inventory on hand includes programming items, literature, and various promotional items. Shipping costs on inventory are included in cost of goods sold.
- h. Accounts receivable. Accounts receivable are recorded at their net realizable values. The Organization provides an allowance for uncollectible accounts. The allowance for accounts receivable is based upon management's assessment of the collectability of specific customer accounts and the aging of the accounts receivable. The aging of the accounts receivable is reviewed on an annual basis for accounts deemed to be uncollectible.
- i. Restricted support. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are classified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**2. PROPERTY AND EQUIPMENT**

Fixed assets and accumulated depreciation at December 31, 2013 are summarized as follows:

Land	\$ 613,060.41
Land improvements	548,828.44
Buildings	6,406,570.10
Houses	725,580.07
Downlink equipment	9,263,627.14
Broadcast and office equipment	15,101,862.14
Vehicles	1,994,231.36
Construction in progress	<u>1,847,746.10</u>
Total	\$ 36,501,505.76
Accumulated Depreciation	<u>(26,815,307.03)</u>
Fixed Assets - Net	<u>\$ 9,686,198.73</u>

Depreciation expense for the year ended December 31, 2013 was \$992,714.25.

**3. INVESTMENTS**

Fair values of the investments were provided by dealer or bank quotes, or appraisals. Fair values and unrealized gains (losses) are summarized as follows:

<u>Investments held for charitable trusts:</u>	<u>Book Value</u>	<u>Fair Value</u>	<u>Gross Unrealized Gain</u>	<u>Gross Unrealized Loss</u>
Money market accounts	\$ 34,963.86	\$ 34,963.86	\$ -	\$ -
Government securities	51,880.50	50,528.00	-	1,352.50
Mutual funds	2,189,928.79	2,410,983.94	221,055.15	-
Equities	288,949.17	344,736.41	55,787.24	-
Real Estate	23,634,500.00	23,634,500.00	-	-
Total Investments	<u>\$ 26,200,222.32</u>	<u>\$ 26,475,712.21</u>	<u>\$ 276,842.39</u>	<u>\$ 1,352.50</u>

Assets measured at fair value at December 31, 2013, are comprised of the following:

Measured at fair value on a recurring basis

Money market accounts	\$ 34,963.86
Government securities	50,528.00
Mutual funds	2,410,983.94
Equities	344,736.41
	<u>\$ 2,841,212.21</u>

Measured at fair value on a non-recurring basis

Real estate	\$ 23,634,500.00
Total	<u>\$ 26,475,712.21</u>

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Accounting standards establish a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities include debt and equity securities that are traded in an active exchange market, as well as U.S. Treasury securities.

Level 2 – Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 2 assets and liabilities include debt securities with quoted prices that are traded less frequently than exchange-traded instruments. This category generally includes certain U.S. Government and agency mortgage-backed debt securities and corporate debt securities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments and real estate whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation. This category generally includes certain private debt and equity investments.

As of December 31, 2013, fair value measurements were determined by reference to the following inputs within the fair value hierarchy:

	<u>12/31/13</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Money market accounts	\$ 34,963.86	\$ 34,963.86	\$ -	\$ -
Government securities	50,528.00	50,528.00	-	-
Mutual funds	2,410,983.94	2,410,983.94	-	-
Equities	344,736.41	344,736.41	-	-
Real estate	23,634,500.00	-	709,500.00	22,925,000.00
Total	<u>\$ 26,475,712.21</u>	<u>\$ 2,841,212.21</u>	<u>\$ 709,500.00</u>	<u>\$ 22,925,000.00</u>

The following schedule summarizes the investment return and its classification in the statement of activities for the year ending December 31, 2013:

<u>Operating investments:</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Interest income	\$ 3,032.40	-	\$ 3,032.40
Net realized and unrealized gains (losses)	(11,593.37)	-	(11,593.37)
Total Investment Return	<u>\$ (8,560.97)</u>	<u>\$ -</u>	<u>\$ (8,560.97)</u>

Investment return on assets held for charitable trusts is included in the change in value of split interest agreements on the Statement of Activities.

#### 4. LEASED PROPERTY

Three Angels Broadcasting Network, Inc. leases transponder services, and various parcels of land, for the establishment of downlink installations under operating leases expiring in various years through 2022.

Minimum future rental payments under non-cancelable operating leases having remaining terms in excess of one year as of December 31, 2013 for each of the next five years and in the aggregate are:

2014	\$ 2,528,993.85
2015	1,718,071.02
2016	1,266,506.55
2017	860,662.57
2018 and beyond	<u>379,409.32</u>
Total minimum future rental payments	<u>\$ 6,753,643.31</u>

Total minimum future rental payments have not been reduced by \$87,500.00 of sub-lease rentals to be received in the future under non-cancelable sub-leases.

Rental expense for the year ended December 31, 2013 was approximately \$3,968,337.25. These costs are included in various expense categories.

#### 5. LONG-TERM DEBT

Following is a summary of long-term debt at December 31, 2013:

	<u>Interest Rate</u>	<u>Balance</u>	
		<u>Short Term</u>	<u>Long Term</u>
Morgan Stanley Line of Credit	Floating	\$2,470,000.00	\$ -
Honda Financial	0.9%	<u>5,909.16</u>	<u>13,972.71</u>
Total		<u>\$2,475,909.16</u>	<u>\$ 13,972.71</u>

The Morgan Stanley loan is a line of credit with a maximum available amount of \$7,181,724.67 as of December 31, 2013. Collateral pledged for this line of credit are the securities held for the Three

Angels Broadcasting Network, Inc. revocable cash trusts. This loan account is a demand loan facility. Accordingly, the bank may demand full or partial payment of all or a portion of any advance in its sole and absolute discretion and without cause at any time.

The Honda Financial loan is payable in monthly installments of \$492.43 through June, 2017, secured by a Honda Odyssey.

Interest Expense for notes payable during the year ended December 31, 2013 was \$56,584.98.

Following are maturities of long-term debt for each of the next four years:

2014	\$2,475,909.16
2015	5,909.16
2016	5,909.16
2017	2,154.39
	<u>\$2,489,881.87</u>

**6. TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following purposes at December 31, 2013:

Capital assets	\$ 2,026,572.50
Operations	316,317.87
Special projects and other	1,456,110.26
Charitable unitrusts	<u>16,290,103.44</u>
Total	<u>\$ 20,089,104.07</u>

**7. RELEASE OF TEMPORARILY RESTRICTED NET ASSETS**

Net assets were released from restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

Purpose restrictions accomplished:

Capital Assets	\$ 1,505,084.43
Operations	1,202,157.02
Special projects and other	278,495.09
Transponder fees	<u>291,405.00</u>
Total net assets released from restrictions	<u>\$ 3,277,141.54</u>

**8. DONATED ASSETS**

During the year ended December 31, 2013, the Organization received donated assets valued at \$1,668,314.61. The assets received are recorded at fair market value and are included in contribution revenue.

The Organization also received real estate in a charitable remainder unitrust valued at \$709,500.00, of which \$270,823.04 is included in unitrust contributions.

## 9. ADVERTISING COSTS

Advertising costs are charged to operations when incurred. Advertising costs for the year ended December 31, 2013 were \$68,541.52.

## 10. SPLIT-INTEREST AGREEMENTS

Three Angels Broadcasting Network, Inc. is the beneficiary of several irrevocable charitable remainder unitrust agreements under which the assets funding the trusts were transferred to the Organization. Under these agreements, the Organization is to pay certain amounts for specified periods of time to the donors. The assets received are recorded at fair market value in the financial statements. The liabilities under unitrust agreements are recorded at the present value of expected future cash flows to be paid to the donors. Discount rates range from 5.0% to 7.4% in calculating the present value of the liabilities under unitrust agreements. The present value calculations are based upon single or joint life expectancy as applicable.

The Organization is the beneficiary of two charitable remainder unitrusts under which a third party maintains control of the trust assets. Under these agreements, the Organization will receive their portion of the trust assets upon the death of the donors. The beneficial interest in the charitable remainder unitrusts has been recorded, at the present value of the estimated future distributions, in the financial statements.

The Organization is the beneficiary of several revocable cash trust and property trust agreements. Assets received under revocable trust agreements are recorded as assets and refundable advances at fair value when received. Contribution revenue for the assets received is recognized when the agreements become irrevocable or when the assets are distributed to the Organization for its unconditional use. It is the Organization's policy, upon revocation, to remit the amounts deposited, plus any accrued, unpaid, or capitalized interest on the account, including situations where the account value has decreased below the amounts deposited.

The Organization is the beneficiary of several charitable gift annuities under which the assets funding the agreements were transferred to the Organization. Under these agreements the Organization is to pay fixed amounts for specified periods of time to the donors. The assets received are recorded at fair market value in the financial statements. The annuity liabilities are recorded at the present value of expected future cash flows to be paid to the annuity beneficiaries. Various discount rates are used in calculating the present values of the annuity liabilities. Present value calculations on some annuities are based upon single life expectancy, while others are based upon double life expectancy.

By Board action December 5, 2007, the Organization internally assigned company owned buildings and real estate with a historical cost of \$7,387,380.00 to the annuities asset account.

California requires gift annuity assets be maintained in separate reserve funds adequate to meet future payments under outstanding California annuity agreements. The Organization has separately invested funds sufficient to meet the California reserve requirements. A summary of gift annuity assets at December 31, 2013 is as follows:

<u>Level 1 Inputs:</u>	<u>Cost</u>	<u>Fair Value</u>
California	\$ 3,441,964.35	\$ 3,430,727.44
All other states	<u>10,850,617.39</u>	<u>10,845,538.43</u>
Total	<u>\$14,292,581.74</u>	<u>\$14,276,265.87</u>

California requires that 50% of the required reserves be maintained in specified governmental fixed income investments. The remaining 50% can be invested in securities traded on the New York and American Stock Exchanges, regional exchanges, and NASDAQ.

### 11. CONTRIBUTIONS RECEIVABLE

Contributions receivable represent December 31, 2013 contributions received in January, 2014.

### 12. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Organization's financial instruments, none of which are held for trading purposes, include cash, investments, accounts receivable, contributions receivable, notes receivable, charitable gift annuities, accounts payable, notes payable, funds due to other ministries, accrued expenses, and liabilities under unitrust agreements. The Organization estimates that the fair values of all financial instruments at December 31, 2013, other than investments which are recorded at fair value, do not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position. The estimates, however, are not necessarily indicative of the amounts that the Organization could realize in a current market exchange.

### 13. RELATED PARTY TRANSACTIONS

The Organization regularly engages in transactions with various related parties. Following is a summary of related party transactions for the year ending December 31, 2013:

	<u>Due From</u>	<u>Due To</u>	<u>Sales To</u>	<u>Purchases From</u>	<u>Contributions To</u>	<u>Contributions From</u>
Employee advances	\$ 3,957.03	\$ -	\$ -	\$ -	\$ -	\$ -
Three Angels T.V. and Radio						
Broadcast (Russia)	-	-	-	-	565,699.12	-
3ABN Philippines, Inc.						
(Philippines)	-	-	-	-	121,495.00	-
DLS Publishing, Inc.	-	22,766.23	-	57,093.50	-	-
MOIPTV	-	100,000.00	-	307,769.91	-	-
Board Directors	-	-	-	-	-	180,676.26
<b>Total</b>	<b>\$ 3,957.03</b>	<b>\$ 122,766.23</b>	<b>\$ -</b>	<b>\$ 364,863.41</b>	<b>\$ 687,194.12</b>	<b>\$ 180,676.26</b>

3ABN Philippines, Inc. (Philippines) is a separate legal entity. Three Angels Broadcasting Network, Inc. exercises control over this entity by providing the majority of their revenue. See Note 14 regarding Three Angels T.V. and Radio Broadcast Network (Russia).

### 14. BRANCH

The Organization established a branch of Three Angels Broadcasting Network, Inc. in Nizhny Novgorod, Russia. The official name of the branch is Three Angels TV & Radio Broadcasting Network. The branch is not a separate legal entity, and acts on behalf, by order, and under the responsibility of the Organization. The Organization pays for the majority of operating costs and capital improvements of the branch. All of these costs are expensed as incurred by the Organization. Transactions of the branch are not included in these financial statements.

**15. CONCENTRATION OF CREDIT RISK**

The Organization maintains cash balances at several banks. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000.00.

**16. DONOR RESTRICTED FUNDS**

The Organization has not maintained an appropriate amount of cash and cash equivalents to comply with donor imposed restrictions. As of December 31, 2013, remaining contributions designated for long-term purposes, or received with donor imposed restrictions limiting their use to special projects totaled \$1,851,572.50. The Organization's cash balance as of December 31, 2013, which has been reclassified to Cash Restricted to Investment in Capital Assets in the Statement of Financial Position, totals \$1,177,378.99. This shortfall of \$674,193.51 resulted from the Organization's use of these funds for current operations.

**17. SUBSEQUENT EVENTS**

The date to which events occurring after December 31, 2013, the date of the most recent Statement of Financial Position, have been evaluated for possible adjustment to the financial statements or disclosure is September 25, 2014, which is the date on which the financial statements were available to be issued.

**SUPPLEMENTARY INFORMATION**

**THREE ANGELS BROADCASTING NETWORK, INC.  
SCHEDULE OF PROGRAM SERVICE EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**Television and Radio Broadcasting Expenses**

Airtime	\$ 2,924,908.68
Auto	63,204.28
Broadcast services	266,513.68
Cable	1,681.17
Contract labor	108,803.68
Cost of goods sold and given away - Satellite equipment	11,117.39
Cost of goods given away - Other	332,205.16
Depreciation	992,714.25
Downlink	1,243,455.14
Dues and subscriptions	4,865.50
Music production	79,445.57
Newsletter	244,172.07
Postage	403,147.20
Registration	76,031.36
Special projects	726,550.53
Supplies - broadcasting	155,794.30
Telephone	326,298.81
Travel and entertainment	343,812.32
Utilities	239,908.53
Wages and benefits	<u>3,390,894.06</u>
<b>Total Television and Radio Broadcasting Expenses</b>	<b><u>\$ 11,935,523.68</u></b>

**THREE ANGELS BROADCASTING NETWORK, INC.  
SCHEDULE OF SUPPORTING SERVICE EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

<b>Management and General Expenses</b>	
Advertising and promotion	\$ 68,541.52
Auto	43,140.48
Bad debts	20.00
Bank and credit card fees	89,253.29
Camp meeting	46,774.57
Contract labor	4,400.00
Insurance	463,624.10
Interest	56,584.98
Love gifts	9,924.04
Miscellaneous	20,984.98
Postage	56,135.64
Professional fees	311,370.31
Rental	6,345.73
Repair and maintenance - Buildings	55,406.39
Repair and maintenance - Equipment	177,977.52
School subsidy	85,502.33
Special projects	137,887.15
Supplies - office	133,233.09
Taxes - real estate	141,318.48
Travel and entertainment	191,239.96
Trust promotion	28,386.55
Wages and benefits	<u>1,692,875.09</u>
<b>Total Management and General Expenses</b>	<b><u>\$ 3,820,926.20</u></b>