

1998

This Form is Open to Public Inspection

990

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

Department of the Treasury Internal Revenue Service

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

A For the 1998 calendar year, OR tax year period beginning 9/1, 1998, and ending 8/31, 19 99

B Check if: [X] Change of address [ ] Initial return [ ] Final return [ ] Amended return (required also for state reporting)
C Name of organization: GENTLE WIND RETREAT
Number and street (or P.O. box if mail is not delivered to street address): 118 PISCATAQUA RD.
Room/suite:
City or town, state or country, and ZIP+4: DURHAM NH 03824
D Employer identification number: 22-2514354
E Telephone number: 603-868-5871
F Check [ ] if exemption application is pending

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

H(a) Is this a group return filed for affiliates? [ ] Yes [X] No
I If either box in H is checked "Yes," enter four-digit group exemption number (GEN) :

(b) If "Yes," enter the number of affiliates for which this return is filed:
(c) Is this a separate return filed by an organization covered by a group ruling? [ ] Yes [X] No
J Accounting method: [ ] Cash [X] Accrual [ ] Other (specify) :

K Check here [ ] if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if it received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.
Note: Form 990-EZ may be used by organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at end of year.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Specific Instructions on page 13.)

Table with 21 rows and 4 columns. Rows include: 1 Contributions, gifts, grants, and similar amounts received; 2 Program service revenue including government fees and contracts; 3 Membership dues and assessments; 4 Interest on savings and temporary cash investments; 5 Dividends and interest from securities; 6a Gross rents; 6b Less: rental expenses; 6c Net rental income, or (loss); 7 Other investment income; 8a Gross amount from sale of assets other than inventory; 8b Less: cost or other basis and sales expenses; 8c Gain or (loss); 8d Net gain or (loss); 9 Special events and activities; 9a Gross revenue; 9b Less: direct expenses other than fundraising expenses; 9c Net income or (loss) from special events; 10a Gross sales of inventory, less returns and allowances; 10b Less: cost of goods sold; 10c Gross profit or (loss) from sales of inventory; 11 Other revenue; 12 Total revenue; 13 Program services; 14 Management and general; 15 Fundraising; 16 Payments to affiliates; 17 Total expenses; 18 Excess or (deficit) for the year; 19 Net assets or fund balances at beginning of year; 20 Other changes in net assets or fund balances; 21 Net assets or fund balances at end of year.

ENVELOPE POSTMARK DATE DEC 22 1999

SCANNED JAN 22 2000

RECEIVED DEC 27 1999

3 NE

**Part II Statement of Functional Expenses**

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See Specific Instructions on page 17.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____)				
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc.	153,932	115,449		38,483
26	Other salaries and wages				
27	Pension plan contributions				
28	Other employee benefits				
29	Payroll taxes	16,259	13,007		3,252
30	Professional fundraising fees				
31	Accounting fees	2,680		2,680	
32	Legal fees				
33	Supplies				
34	Telephone	31,902	25,522		6,380
35	Postage and shipping	27,394	21,915		5,479
36	Occupancy - UTILITIES	13,084	10,467		2,617
37	Equipment rental and maintenance				
38	Printing and publications				
39	Travel	21,299	1,369		19,930
40	Conferences, conventions, and meetings				
41	Interest	16,402	16,402		
42	Depreciation, depletion, etc. (attach schedule)	48,604	48,604		
43	Other expenses (itemize): a				
b	SEE ATTACHED	329,875	250,914	0	78,961
c					
d					
e					
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	661,431	503,649	2,680	155,102

**Reporting of Joint Costs.**—Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation?  Yes  No  
 If "Yes," enter (i) the aggregate amount of these joint costs \$ \_\_\_\_\_; (ii) the amount allocated to Program services \$ \_\_\_\_\_; (iii) the amount allocated to Management and general \$ \_\_\_\_\_; and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_

**Part III Statement of Program Service Accomplishments** (See Specific Instructions on page 20.)

What is the organization's primary exempt purpose? ▶	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a. <u>EDUCATIONAL RESEARCH</u> GENTLE WIND RETREAT HAS CONDUCTED EXTENSIVE RESEARCH ON MENTAL AND EMOTIONAL WELL BEING AND THE HEALING OF TRAUMA. THE ORGANIZATION HAS DEVELOPED HEALING INSTRUMENTS AS A RESULT OF THIS RESEARCH (Grants and allocations \$ _____)	503,649
b. _____ (Grants and allocations \$ _____)	
c. _____ (Grants and allocations \$ _____)	
d. _____ (Grants and allocations \$ _____)	
e. Other program services (attach schedule) (Grants and allocations \$ _____)	
f. Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶	503,649

**Part IV Balance Sheets** (See Specific Instructions on page 20.)

		(A) Beginning of year		(B) End of year	
<b>Note:</b> Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.					
<b>Assets</b>	45	Cash—non-interest-bearing	21,081	45	270,027
	46	Savings and temporary cash investments	1,067	46	210,517
	47a	Accounts receivable	21,450	47c	21,450
	47b	Less: allowance for doubtful accounts			
	48a	Pledges receivable		48c	
	48b	Less: allowance for doubtful accounts			
	49	Grants receivable		49	
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a	Other notes and loans receivable (attach schedule)		51c	
	51b	Less: allowance for doubtful accounts			
	52	Inventories for sale or use		52	
	53	Prepaid expenses and deferred charges		53	
	54	Investments—securities (attach schedule)		54	
	55a	Investments—land, buildings, and equipment: basis		55c	0
	55b	Less: accumulated depreciation (attach schedule)	565,501		
	56	Investments—other (attach schedule)		56	
	57a	Land, buildings, and equipment: basis	1,538,445	57c	1,232,091
	57b	Less: accumulated depreciation (attach schedule)	306,354		
	58	Other assets (describe _____)	430,425	58	
59	<b>Total assets</b> (add lines 45 through 58) (must equal line 74)	1,046,904	59	1,734,085	
<b>Liabilities</b>	60	Accounts payable and accrued expenses	4,332	60	23,521
	61	Grants payable		61	
	62	Deferred revenue		62	
	63	Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a	Tax-exempt bond liabilities (attach schedule)		64a	
	64b	b Mortgages and other notes payable (attach schedule)	56,238	64b	252,439
	65	Other liabilities (describe _____)		65	
66	<b>Total liabilities</b> (add lines 60 through 65)	60,570	66	275,960	
<b>Net Assets or Fund Balances</b>	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.		986,334	67	1,458,125
	67	Unrestricted			
	68	Temporarily restricted			
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.		70	71	72
	69	Permanently restricted			
	70	Capital stock, trust principal, or current funds			
	71	Paid-in or capital surplus, or land, building, and equipment fund			
	72	Retained earnings, endowment, accumulated income, or other funds			
73	<b>Total net assets or fund balances</b> (add lines 67 through 69 OR lines 70 through 72; column (A) must equal line 19 and column (B) must equal line 21)	986,334	73	1,458,125	
74	<b>Total liabilities and net assets / fund balances</b> (add lines 66 and 73)	1,046,904	74	1,734,085	

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

**Part IV-A** Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See Specific Instructions, page 22.)

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

a Total revenue, gains, and other support per audited financial statements. ▶ a N/A

b Amounts included on line a but not on line 12, Form 990:

(1) Net unrealized gains on investments \$ \_\_\_\_\_

(2) Donated services and use of facilities \$ \_\_\_\_\_

(3) Recoveries of prior year grants \$ \_\_\_\_\_

(4) Other (specify): \_\_\_\_\_ \$ \_\_\_\_\_

Add amounts on lines (1) through (4) ▶ b \_\_\_\_\_

c Line a minus line b. ▶ c \_\_\_\_\_

d Amounts included on line 12, Form 990 but not on line a:

(1) Investment expenses not included on line 6b, Form 990 \$ \_\_\_\_\_

(2) Other (specify): \_\_\_\_\_ \$ \_\_\_\_\_

Add amounts on lines (1) and (2) ▶ d \_\_\_\_\_

e Total revenue per line 12, Form 990 (line c plus line d) ▶ e \_\_\_\_\_

a Total expenses and losses per audited financial statements. ▶ a N/A

b Amounts included on line a but not on line 17, Form 990:

(1) Donated services and use of facilities \$ \_\_\_\_\_

(2) Prior year adjustments reported on line 20, Form 990 \$ \_\_\_\_\_

(3) Losses reported on line 20, Form 990 \$ \_\_\_\_\_

(4) Other (specify): \_\_\_\_\_ \$ \_\_\_\_\_

Add amounts on lines (1) through (4) ▶ b \_\_\_\_\_

c Line a minus line b. ▶ c \_\_\_\_\_

d Amounts included on line 17, Form 990 but not on line a:

(1) Investment expenses not included on line 6b, Form 990 \$ \_\_\_\_\_

(2) Other (specify): \_\_\_\_\_ \$ \_\_\_\_\_

Add amounts on lines (1) and (2) ▶ d \_\_\_\_\_

e Total expenses per line 17, Form 990 (line c plus line d) ▶ e \_\_\_\_\_

**Part V** List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see Specific Instructions on page 22.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
MARY MILLER 118 PISCATAQUA RD DURHAM NH 03824	PRESIDENT - 40 hours	27,528	0	0
CAROL MILLER 118 PISCATAQUA RD DURHAM NH 03824	SECRETARY - 40 hours	25,783	0	0
SHELLY MILLER 118 PISCATAQUA RD DURHAM NH 03824	TREASURER - 40 hours	24,205	0	0
JOAN CARREIRO 118 PISCATAQUA RD DURHAM NH 03824	DIRECTOR - 40 hours	24,261	0	0
PAMELA RANHEIM 118 PISCATAQUA RD DURHAM NH 03824	DIRECTOR - 40 hours	25,592	0	0
JOHN MILLER 118 PISCATAQUA RD DURHAM NH 03824	DIRECTOR - 40 hours	26,563	0	0
MARGARET THOMAS 10 PRINCE AVE KITTERY ME 03904	DIRECTOR	0	0	0
VIRGINIA PUMMER 10 PRINCE AVE, KITTERY ME 03904	DIRECTOR	0	0	0
JAMES BERGIN ARI BOX 3215 BLUE HILL ME 04614	DIRECTOR	0	0	0
JUDY GARVEY ARI BOX 3215 BLUE HILL ME 04614	DIRECTOR	0	0	0

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations?  Yes  No  
If "Yes," attach schedule—see Specific Instructions on page 22.

**ADDITIONAL OFFICER**

GLOAIA JEAN HOSTETLER  
10 PRINCE AVE. KITTERY ME 03904

DIRECTOR

0 0 0

Part VI Other Information (See Specific Instructions on page 23.)

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	X	
78b	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	X	
79	If "Yes," has it filed a tax return on Form 990-T for this year?		X
80a	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?		X
81a	If "Yes," enter the name of the organization and check whether it is <input type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt.		
81a	Enter the amount of political expenditures, direct or indirect, as described in the instructions for line 81.	81a	0
81b	Did the organization file Form 1120-POL for this year?		X
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X
82b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions for reporting in Part III.)	82b	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
84b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		N/A
85a	501(c)(4), (5), or (6) organizations.—a Were substantially all dues nondeductible by members?		N/A
85b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		N/A
85c	Dues, assessments, and similar amounts from members	85c	
85d	Section 162(e) lobbying and political expenditures	85d	
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	
85g	Does the organization elect to pay the section 6033(e) tax on the amount in 85f?	85g	
85h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	
86a	501(c)(7) organizations.—Enter: a Initiation fees and capital contributions included on line 12	86a	
86b	Gross receipts, included on line 12, for public use of club facilities.	86b	
87a	501(c)(12) organizations.—Enter: a Gross income from members or shareholders	87a	
87b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership? If "Yes," complete Part IX	88	X
89a	501(c)(3) organizations.—Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>0</u> ; section 4912 <u>0</u> ; section 4955 <u>0</u>		
89b	501(c)(3) and 501(c)(4) organizations.—Did the organization engage in any section 4958 excess benefit transaction during the year? If "Yes," attach a statement explaining each transaction	89b	X
89c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958.		
89d	Enter: Amount of tax on line 89c, above, reimbursed by the organization.		
90a	List the states with which a copy of this return is filed	90a	
90b	Number of employees employed in the pay period that includes March 12, 1998 (See instructions.)	90b	
91	The books are in care of <u>SHELY MILLER</u> Telephone no. <u>(603) 868-5871</u> Located at <u>118 PISCATAQUA RD. DURHAM NH</u> ZIP + 4 <u>03824</u>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year <u>92</u>		

**Part VII Analysis of Income-Producing Activities** (See Specific Instructions on page 27.)

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
Enter gross amounts unless otherwise indicated.					
93 Program service revenue:					
a HEALING					187,168
b BOOKS, SEMINAR, OTHER					43,518
c					
d					
e					
f Medicare/Medicaid payments . . . . .					
g Fees and contracts from government agencies					
94 Membership dues and assessments . . . . .					
95 Interest on savings and temporary cash investments			14	1529	
96 Dividends and interest from securities . . . . .					
97 Net rental income or (loss) from real estate:					
a debt-financed property . . . . .	531110	(30)		(1463)	
b not debt-financed property . . . . .			16		
98 Net rental income or (loss) from personal property					
99 Other investment income . . . . .					
100 Gain or (loss) from sales of assets other than inventory	531110	(16,508)	18	(173,877)	
101 Net income or (loss) from special events . . . . .					
102 Gross profit or (loss) from sales of inventory . . . . .					
103 Other revenue: a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E)) . . . . .		(16,538)		(173,811)	230,686
105 Total (add line 104, columns (B), (D), and (E)) . . . . .					40,337

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

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See Specific Instructions on page 28.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93a	HEALING INSTRUMENTS DEVELOPED TO RESTORE AND REGENERATE A PERSON'S ENERGETIC STRUCTURE. THESE INSTRUMENTS WERE DEVELOPED FROM RESEARCH AND TESTING OF NEWER, MORE EFFECTIVE TOOLS AND TECHNIQUES FOR THE HEALING OF TRAUMA AS DESCRIBED IN THE ORGANIZATION'S APPLICATION FOR TAX EXEMPTION
93b	EDUCATIONAL MATERIALS AND SEMINARS GIVEN TO INCREASE AWARENESS OF EMOTIONAL WELL BEING

**Part IX Information Regarding Taxable Subsidiaries** (Complete this Part if the "Yes" box on line 88 is checked.)

Name, address, and employer identification number of corporation or partnership	Percentage of ownership interest	Nature of business activities	Total income	End-of-year assets
	%			
	%			
	%			
	%			

This return, including accompanying schedules and statements, and to the best of my knowledge of preparer (other than officer) is based on all information of which preparer has any knowledge.

**SCHEDULE A  
(Form 990)**

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

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

OMB No. 1545-0047

**1998**

Department of the Treasury  
Internal Revenue Service

▶ **Must be completed by the above organizations and attached to their Form 990 or 990-EZ.**  
See separate instructions.

Name of the organization

*GENTLE WIND RETREAT*

Employer identification number

*22-2514354*

**Part I**

**Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
(See instructions on page 1. List each one. If there are none, enter "None.")

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

**Part II**

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

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

**Part III Statements About Activities**

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? . . . . . If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		X
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any of its trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary:		
a Sale, exchange, or leasing of property? . . . . .	X	
b Lending of money or other extension of credit? . . . . .		X
c Furnishing of goods, services, or facilities? . . . . .	X	
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? . . . . .	X	
e Transfer of any part of its income or assets? . . . . . If the answer to any question is "Yes," attach a detailed statement explaining the transactions.		X
3 Does the organization make grants for scholarships, fellowships, student loans, etc.? . . . . .		X
4a Do you have a section 403(b) annuity plan for your employees? . . . . .		X
b Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs qualify to receive payments. (See instructions on page 2.)		

**Part IV Reason for Non-Private Foundation Status** (See instructions on pages 2 through 4.)

The organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

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

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

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

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



**Part IV-A Support Schedule** (Complete only if you checked a box on line 10, 11, or 12.) *Use cash method of accounting.*  
 Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) ▶	(a) 1997	(b) 1996	(c) 1995	(d) 1994	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	405,082	336,694	237,845	250,477	1,230,098
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc., purpose	176,953	45,413	3,329	161	225,856
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	16	62	207	153	438
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	582,051	382,169	241,381	250,791	1,456,392
24 Line 23 minus line 17	405,098	336,756	238,052	250,630	1,230,536
25 Enter 1% of line 23	5,821	3,822	2,414	2,508	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24.					26a
b Attach a list (which is not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1994 through 1997 exceeded the amount shown in line 26a. Enter the sum of all these excess amounts.					26b
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c
d Add: Amounts from column (e) for lines: 18 _____ 19 _____					26d
22 _____ 26b _____					26e
e Public support (line 26c minus line 26d total)					26f
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					%
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," attach a list to show the name of, and total amounts received in each year from, each "disqualified person." Enter the sum of such amounts for each year:					
(1997) 189,595 (1996) 204,340 (1995) 184,464 (1994) 230,654					
b For any amount included in line 17 that was received from a nondisqualified person, attach a list to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year:					
(1997) 0 (1996) 0 (1995) 0 (1994) 0					
c Add: Amounts from column (e) for lines: 15 1,230,098 16 0					27c 1,455,954
17 225,856 20 0 21 0					27d 809,053
d Add: Line 27a total 809,053 and line 27b total 0					27e 646,901
e Public support (line 27c total minus line 27d total)					27f 1,456,392
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)					27g 44.4 %
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27h 0 %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1994 through 1997, attach a list (which is not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 15. (See instructions on page 4.)					

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

N/A

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

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

NIA

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

**Limits on Lobbying Expenditures**

(The term "expenditures" means amounts paid or incurred.)

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

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

**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.  
 See the instructions for lines 45 through 50 on page 7.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 1998	(b) 1997	(c) 1996	(d) 1995	(e) Total
45	Lobbying nontaxable amount				
46	Lobbying ceiling amount (150% of line 45(e))				
47	Total lobbying expenditures				
48	Grassroots nontaxable amount				
49	Grassroots ceiling amount (150% of line 48(e))				
50	Grassroots lobbying expenditures				

**Part VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A) (See instructions on page 8.)

NIA

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

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



Gentle Wind Retreat  
1998  
Attachment to Form 990

Part 1 - line 8 - Sale of securities:

Gross proceeds from sale of 25,000 shares of Milacron, Inc.	448,060
Cost basis	<u>460,938</u>
Net gain/loss	<u>-12,878</u>

Part 1 - line 8 - Sale of other assets:

Gross proceeds from sale of Blue Hill property	410,000.00
Cost basis plus expense of sale:	
Purchase price plus improvements	699,145
Costs of sale	25,541
Accumulated depreciation	<u>-137,179</u>
Total basis	<u>587,507.00</u>
Net gain/loss	<u>-177,507.00</u>

Part II - line 43 - other expenses

	<u>Total</u>	<u>Program services</u>	<u>Fundraising</u>
Bank charges	9,801	7,841	1,960
Computer expense	2,744	2,744	
Contract labor	20,128	20,128	
Consultant expenses	20,700	0	20,700
Miscellaneous	16,079	16,079	
Food	63,437	63,437	
Various fundraising	2,781	0	2,781
Insurance	5,991	5,991	
Professional fee	3,103	3,103	
Internet	854	171	683
Maintenance and repairs	9,967	9,967	
Office	37,061	26,136	10,925
Property tax	7,232	7,232	
Program expense	31,565	31,565	
Refunds	1,165	1,165	
Boat expense	100	100	
Darkroom expense	381	381	
Electronic expense	12,432	12,432	
Golf expense	8,399	8,399	
Radio control expense	5,450	5,450	
Weather & train expense	2,237	2,237	
Healing expense	8,525	6,394	2,131
Seminars	26,296	715	25,581
Shop expense	12,618	8,833	3,785
Copy expense	<u>20,829</u>	<u>10,414</u>	<u>10,415</u>
	<u>329,875</u>	<u>250,914</u>	<u>78,961</u>

Gentle Wind Retreat  
1998  
Attachment to Form 990

<u>Part IV - line 57a &amp; b:</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>
Land - Kittery	50,117	0
Building & Improvement-Kittery	319,399	69,285
Land - 118 Piscataqua-Durham	179,340	0
Building & Improvement-118 Piscataqua-Durham	322,207	4,857
Land - 114 Piscataqua-Durham	109,205	0
Building & Improvement-118 Piscataqua-Durham	48,213	602
Computer & equipment	455,924	205,293
Vehicles and boats	<u>54,040</u>	<u>26,317</u>
	<u>1,538,445</u>	<u>306,354</u>

Part IV - line 64b - Mortgages and Notes Payable:

Dovenmuehle Mortgage, Inc.	245,756
A. Garvey	<u>6,683</u>
	<u>252,439</u>

Form 4562

Depreciation and Amortization (Including Information on Listed Property)

OMB No. 1545-0172

1998

Attachment Sequence No. 67

Department of the Treasury Internal Revenue Service (99)

See separate instructions.

Attach this form to your return.

Name(s) shown on return

GENTLE WIND RETREAT

Identifying number

22-2514354

Business or activity to which this form relates

Form 990 - Part II - line 42

Part I Election To Expense Certain Tangible Property (Section 179) (Note: If you have any "listed property," complete Part V before you complete Part I.)

Table with 5 rows for Section 179 election. Line 1: \$18,500; Line 3: \$200,000.

Table with 3 columns: (a) Description of property, (b) Cost (business use only), (c) Elected cost.

Table with 13 rows for Section 179 election continuation. Line 7: 7; Line 8: 8; Line 9: 9; Line 10: 10; Line 11: 11; Line 12: 12; Line 13: 13.

Note: Do not use Part II or Part III below for listed property (automobiles, certain other vehicles, cellular telephones, certain computers, or property used for entertainment, recreation, or amusement). Instead, use Part V for listed property.

Part II MACRS Depreciation For Assets Placed in Service ONLY During Your 1998 Tax Year (Do Not Include Listed Property.)

Section A - General Asset Account Election

14 If you are making the election under section 168(l)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check this box. See page 3 of the instructions

Section B - General Depreciation System (GDS) (See page 3 of the instructions.)

Table with 7 columns: (a) Classification of property, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Includes rows for 3-year, 5-year, 7-year, 10-year, 15-year, 20-year, 25-year property, Residential rental property, and Nonresidential real property.

Section C - Alternative Depreciation System (ADS): (See page 5 of the instructions.)

Table with 7 columns: (a) Class life, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Includes rows for 12-year and 40-year property.

Part III Other Depreciation (Do Not Include Listed Property.) (See page 6 of the instructions.)

Table with 3 rows for Other Depreciation. Line 17: 29,682; Line 18: 18; Line 19: 19.

Part IV Summary (See page 6 of the instructions.)

Table with 3 rows for Summary. Line 20: 20; Line 21: 48,604; Line 22: 22.

Gentle Wind Retreat  
1998  
Attachment to Form 990-Schedule A

Part III - line 2a

Volunteers are tenants of the organization's building

Part III - line 2c

The organization provides food and lodging for research staff and employees

Part III - line 2d

The organization pays salaries to officers. See Form 990 - Part V for detail