

Return of Organization Exempt from Income Tax

2002

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2002 calendar year, or tax year beginning 2002, and ending

- B** Check if applicable
- Address change
 - Name change
 - Initial return
 - Final return
 - Amended return
 - Application pending

Please use IRS label or print or type See specific instructions

Friendship Trays, Inc
2401-A Distribution Street
Charlotte, NC 28203

D Employer Identification Number
56-1201496

E Telephone number
(704) 333-9229

F Accounting method. Cash Accrual
 Other (specify) _____

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ)

- H and I are not applicable to section 527 organizations
- H (a)** Is this a group return for affiliates? Yes No
- H (b)** If 'Yes' enter number of affiliates _____
- H (c)** Are all affiliates included? Yes No
(If 'No,' attach a list See instructions)
- H (d)** Is this a separate return filed by an organization covered by a group ruling? Yes No
- I** Enter 4-digit GEN _____
- M** Check if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)

G Web site: N/A

J Organization type (check only one) 501(c) 3 (insert no) 4947(a)(1) or 527

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 the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12: 1,870,603

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

1	Contributions, gifts, grants, and similar amounts received				
	a	Direct public support	1a	568,438.	
	b	Indirect public support	1b	10,457	
	c	Government contributions (grants)	1c		
	d	Total (add lines 1a through 1c) (cash \$ 578,895 noncash \$ _____)	1d	578,895.	
2	Program service revenue including government fees and contracts (from Part VII, line 93)		2	892,869	
3	Membership dues and assessments		3		
4	Interest on savings and temporary cash investments		4	12,918	
5	Dividends and interest from securities		5	7,693	
6a	Gross rents		6a		
	b	Less rental expenses	6b		
	c	Net rental income or (loss) (subtract line 6b from line 6a)	6c		
7	Other investment income (describe _____)		7		
8a	Gross amount from sales of assets other than inventory		(A) Securities		8d
			348,000	8a	
	b Less cost or other basis and sales expenses		348,189	8b	7,247
			-189	8c	-1,229
d	Net gain or (loss) (combine line 8c, columns (A) and (B))		8d	-1,418	
9	Special events and activities (attach schedule)				
9a	Gross revenue (not including \$ _____ of contributions reported on line 1a)		9a	24,210.	
	b	Less direct expenses other than fundraising expenses	9b	15,682	
	c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c	8,528	
10a	Gross sales of inventory, less returns and allowances		10a		
	b	Less cost of goods sold	10b		
	c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c		
11	Other revenue (from Part VII, line 10)		11		
12	Total revenue (add lines 1, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)		12	1,499,485	
13	Program services (from line 44, column (B))		13	1,138,809	
14	Management and general (from line 44, column (C))		14	61,889	
15	Fundraising (from line 44, column (D))		15	82,135	
16	Payments to affiliates (attach schedule)		16		
17	Total expenses (add lines 16 and 44, column (A))		17	1,282,833	
18	Excess or (deficit) for the year (subtract line 17 from line 12)		18	216,652	
19	Net assets or fund balances at beginning of year (from line 73, column (A))		19	1,616,648.	
20	Other changes in net assets or fund balances (attach explanation) See Statement 3		20	-114,803	
21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)		21	1,718,497	

G13

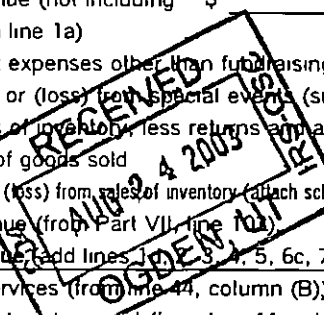
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SCANNED SEP 11 2003

MEMBERS

EXPENSES

ASSETS



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

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 (att sch) (cash \$ _____ non-cash \$ _____)				
23	Specific assistance to individuals (att sch)				
24	Benefits paid to or for members (att sch)				
25	Compensation of officers, directors, etc				
26	Other salaries and wages				
27	Pension plan contributions				
28	Other employee benefits				
29	Payroll taxes				
30	Professional fundraising fees				
31	Accounting fees				
32	Legal fees				
33	Supplies				
34	Telephone				
35	Postage and shipping				
36	Occupancy				
37	Equipment rental and maintenance				
38	Printing and publications				
39	Travel				
40	Conferences, conventons, and meetings				
41	Interest				
42	Depreciation, depletion, etc (attach schedule)				
43	Other expenses not covered above (itemize)				
a	See attached schedule	1,282,833	1,138,809	61,889	82,135
b	-----				
c	-----				
d	-----				
e	-----				
44	Total functional expenses (add lines 22-43) Organizations completing columns (B) (D), carry these totals to lines 13 - 15	1,282,833	1,138,809	61,889	82,135

Joint Costs Check if you are following SOP 98 2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If 'Yes,' enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to program services \$ _____, (iii) the amount allocated to management and general \$ _____, and (iv) the amount allocated to fundraising \$ _____

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? Provide meals to individuals	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts but optional for others)
a Provide balanced meals to individuals who are unable because of age or infirmity, to obtain or prepare their own (Grants and allocations \$ _____)	1,138,809.
b ----- (Grants and allocations \$ _____)	
c ----- (Grants and allocations \$ _____)	
d ----- (Grants and allocations \$ _____)	
e Other program services (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), program services)	1,138,809.

Part IV Balance Sheets (See Instructions)

Note		(A) Beginning of year		(B) End of year
ASSETS	45 Cash – non-interest-bearing		45	
	46 Savings and temporary cash investments	640,336.	46	501,003
	47a Accounts receivable	47a 52,503		
	b Less allowance for doubtful accounts	47b	47c	52,503
	48a Pledges receivable	48a 36,245		
	b Less allowance for doubtful accounts	48b	48c	36,245
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a Other notes & loans receivable (attach sch)	51a		
	b Less allowance for doubtful accounts	51b	51c	
	52 Inventories for sale or use		52	379
	53 Prepaid expenses and deferred charges		53	
	54 Investments – securities (attach schedule)	<input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	54	1,079,778
	55a Investments – land, buildings, & equipment basis	55a		
	b Less accumulated depreciation (attach schedule)	55b	55c	
56 Investments – other (attach schedule)		56		
57a Land, buildings, and equipment basis	57a 556,548			
b Less accumulated depreciation (attach schedule) Statement 4	57b 467,365	57c	89,183	
58 Other assets (describe ▶ _____)		58		
59 Total assets (add lines 45 through 58) (must equal line 74)	1,618,063.	59	1,759,091	
LIABILITIES	60 Accounts payable and accrued expenses	1,415	60	40,594
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a Tax-exempt bond liabilities (attach schedule)		64a	
	b Mortgages and other notes payable (attach schedule)		64b	
	65 Other liabilities (describe ▶ _____)		65	
66 Total liabilities (add lines 60 through 65)	1,415.	66	40,594	
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
	67 Unrestricted	718,253.	67	923,126
	68 Temporarily restricted	24,674	68	21,524
	69 Permanently restricted	873,721	69	773,847
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)	1,616,648	73	1,718,497
	74 Total liabilities and net assets/fund balances (add lines 66 and 73)	1,618,063	74	1,759,091

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.

BAA

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

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	1,399,682.
b	Amounts included on line a but not on line 12, Form 990		
(1)	Net unrealized gains on investments \$ -114,803		
(2)	Donated services and use of facilities \$ 15,000		
(3)	Recoveries of prior year grants \$		
(4)	Other (specify)		
	----- \$		
	Add amounts on lines (1) through (4)	b	-99,803
c	Line a minus line b	c	1,499,485
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	1,499,485

a	Total expenses and losses per audited financial statements.	a	1,297,833
b	Amounts included on line a but not on line 17, Form 990		
(1)	Donated services and use of facilities \$ 15,000.		
(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	15,000.
c	Line a minus line b	c	1,282,833
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	1,282,833

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated, see instructions)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
Julie Duckworth 3031 Morning Mist Lane Charlotte, NC 28273	Executive Direc 40	51,550	4,135.	0.
Jan Loring 4318 Arbor Way Charlotte, NC 28211	Treasurer None	0.	0	0
Kelly Vass 524 Bertonley Avenue Charlotte, NC 28211	Secretary Volunteer	0	0	0
Mary Ciminelli 2421 Brightmoor ridge Matthews, NC 28078	President-Elect Volunteer	0	0	0
Rhodes Dodson 8607 Fox Chase Lane Charlotte,, NC 28269	President None	0	0	0.
Scheduled -----	Directors 40	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 instructions

Part VI Other Information (See instructions)

		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	b If 'Yes,' has it filed a tax return on Form 990-T for this year?		N/A
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement		X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc. to any other exempt or nonexempt organization?		X
81a	b If 'Yes,' enter the name of the organization <u>N/A</u> and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
81a	Enter direct or indirect political expenditures See line 81 instructions	81a	0
81b	b 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	b If 'Yes,' you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III)	82b	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	b 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	b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		N/A
85a	85 501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?		N/A
85b	b Did the organization make only in-house lobbying expenditures of \$2,000 or less?		N/A
85c	c Dues, assessments, and similar amounts from members	85c	N/A
85d	d Section 162(e) lobbying and political expenditures	85d	N/A
85e	e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A
85f	f Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
85g	g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		N/A
85h	h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		N/A
86a	86 501(c)(7) organizations Enter a Initiation fees and capital contributions included on line 12	86a	N/A
86b	b Gross receipts, included on line 12, for public use of club facilities	86b	N/A
87a	87 501(c)(12) organizations Enter a Gross income from members or shareholders	87a	N/A
87b	b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87b	N/A
88	88 At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX		X
89a	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	b 501(c)(3) and 501(c)(4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction		X
	c Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0
	d Enter Amount of tax on line 89c, above, reimbursed by the organization		0
90a	90a List the states with which a copy of this return is filed <u>None</u>		
90b	b Number of employees employed in the pay period that includes March 12, 2002 (See instructions)	90b	0
91	91 The books are in care of <u>Julie Duckworth</u> Telephone number <u>(704) 333-2112</u> Located at <u>2401-A Distribution St, Charlotte, NC</u> ZIP + 4 <u>28203</u>		
92	92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the tax year		N/A

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

Note: Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513 or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a Sale of meals					892,869.
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts			14	12,918	
96 Dividends & interest from securities			14	7,693	
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	-1,418	
101 Net income or (loss) from special events			1	8,528	
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))				27,721	892,869
105 Total (add line 104, columns (B), (D), and (E))					920,590

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 instructions)

Line No	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
93	Program service revenue is from sale of meals to individuals who are unable to prepare or obtain balanced meals on their own

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

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See instructions)

- a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)

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.

Preparer: *[Signature]* Date: 8/14/03

SCHEDULE A
(Form 990 or 990-EZ)

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

OMB No 1545-0047

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust
Supplementary Information — (See separate instructions.)

2002

Department of the Treasury
Internal Revenue Service

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

Name of the organization Friendship Trays, Inc	Employer identification number 56-1201496
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Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See instructions List each one If there are none, enter 'None')

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

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

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

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

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

Part III Statements About Activities (See instructions)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ <u>N/A</u> (Must equal amounts on line 38, Part VI A, or line I of Part VI-B.) 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 substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions)		
a Sale, exchange, or leasing of property?		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?		X
3 Does the organization make grants for scholarships, fellowships, student loans, etc? (See Note below)		X
4 Do you have a section 403(b) annuity plan for your employees?		X
Note 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		

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

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

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

(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)

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) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	619,431.	857,295	526,049	1,051,408	3,054,183
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	516,158	424,718.	477,283	488,424	1,906,583
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	28,485	18,729	9,761	5,913	62,888
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	1,164,074	1,300,742	1,013,093	1,545,745	5,023,654
24 Line 23 minus line 17	647,916.	876,024	535,810	1,057,321	3,117,071
25 Enter 1% of line 23	11,641	13,007	10,131	15,457	
26 Organizations described on lines 10 or 11 a Enter 2% of amount in column (e), line 24					26a 62,341
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1998 through 2001 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.					26b 295,123.
c Total support for section 509(a)(1) test. Enter line 24, column (e)					26c 3,117,071
d Add Amounts from column (e) for lines	18 62,888	19	26b 295,123		
	22			26d	358,011
e Public support (line 26c minus line 26d total)					26e 2,759,060
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 88.51 %
27 Organizations described on line 12: N/A					
a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' Do not file this list with your return. Enter the sum of such amounts for each year.					
(2001) _____ (2000) _____ (1999) _____ (1998) _____					
b For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year.					
(2001) _____ (2000) _____ (1999) _____ (1998) _____					
c Add Amounts from column (e) for lines	15 _____	16 _____			27c
	17 _____	20 _____	21 _____		
d Add Line 27a total _____ and line 27b total _____					27d
e Public support (line 27c total minus line 27d total)					27e
f Total support for section 509(a)(2) test. Enter amount from line 23, column (e)					27f
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h %
28 Unusual Grants For an organization described in line 10, 11, or 12 that received any unusual grants during 1998 through 2001, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.					

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

		N/A	
		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If 'Yes,' please describe, if 'No,' please explain (If you need more space, attach a separate statement) ----- ----- -----		
32	Does the organization maintain the following		
	a Records indicating the racial composition of the student body, faculty, and administrative staff?		
	b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
	c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
	d Copies of all material used by the organization or on its behalf to solicit contributions? If you answered 'No' to any of the above, please explain (If you need more space, attach a separate statement) ----- -----		
33	Does the organization discriminate by race in any way with respect to		
	a Students' rights or privileges?		
	b Admissions policies?		
	c Employment of faculty or administrative staff?		
	d Scholarships or other financial assistance?		
	e Educational policies?		
	f Use of facilities?		
	g Athletic programs?		
	h Other extracurricular activities? If you answered 'Yes' to any of the above, please explain (If you need more space, attach a separate statement) ----- ----- -----		
34a	Does the organization receive any financial aid or assistance from a governmental agency?		
	b Has the organization's right to such aid ever been revoked or suspended? If you answered 'Yes' to either 34a or b, please explain using an attached statement		
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If 'No,' attach an explanation		

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

N/A

Check **a** if the organization belongs to an affiliated group Check **b** if you checked 'a' and 'limited control' provisions apply

Limits on Lobbying Expenditures

(The term 'expenditures' means amounts paid or incurred)

		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)		
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 –		
	Not over \$500,000		
	Over \$500,000 but not over \$1,000,000		
	Over \$1,000,000 but not over \$1,500,000		
	Over \$1,500,000 but not over \$17,000,000		
	Over \$17,000,000		
	The lobbying nontaxable amount is –		
	20% of the amount on line 40		
	\$100,000 plus 15% of the excess over \$500,000		
	\$175,000 plus 10% of the excess over \$1,000,000		
	\$225,000 plus 5% of the excess over \$1,500,000		
	\$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)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4 -Year Averaging Period				
	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
45	Lobbying nontaxable amount				
46	Lobbying ceiling amount (150% of line 45(e))				
47	Total lobbying expenditures				
48	Grassroots non taxable amount				
49	Grassroots ceiling amount (150% of line 48(e))				
50	Grassroots lobbying expenditures				

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

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

- 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)

Yes	No	Amount

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

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See instructions)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

a Transfers from the reporting organization to a noncharitable exempt organization of

Table with 3 columns: Question, Yes, No. Rows include 51 a (i), a (ii), b (i), b (ii), b (iii), b (iv), b (v), b (vi), and c.

- (i) Cash
(ii) Other assets
b Other transactions
(i) Sales or exchanges of assets with a noncharitable exempt organization
(ii) Purchases of assets from a noncharitable exempt organization
(iii) Rental of facilities, equipment, or other assets
(iv) Reimbursement arrangements
(v) Loans or loan guarantees
(vi) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

d If the answer to any of the above is 'Yes,' complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Row 1 contains 'N/A'.

52a Is the organization directly or indirectly affiliated with or related to, one or more tax exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

Yes No (X)

b If 'Yes,' complete the following schedule

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. Row 1 contains 'N/A'.

FRIENDSHIP TRAYS, INC.**STATEMENT OF FUNCTIONAL EXPENSES****Year Ended December 31, 2002**

	<u>Program Services</u>	<u>Management & General</u>	<u>Fund Raising</u>	<u>Total</u>
Salaries and Related Expenses				
Salaries	\$ 275,800	\$ 40,484	\$ 30,632	\$ 346,916
Payroll taxes and benefits	50,164	4,625	4,629	59,418
Total	<u>325,964</u>	<u>45,109</u>	<u>35,261</u>	<u>406,334</u>
Other Expenses				
Subsidy	247,410	-	-	247,410
Food	356,205	-	-	356,205
Communications	11,267	1,175	37,909	50,351
Supplies	36,831	2,879	576	40,286
Occupancy	19,926	1,650	660	22,236
Travel, meetings, and seminars	11,161	-	1,931	13,092
Insurance	11,038	1,424	1,739	14,201
Repairs and maintenance	19,151	600	145	19,896
Bad debts	23,227	-	-	23,227
Professional fees	470	2,250	2,250	4,970
Telephone	3,481	2,785	696	6,962
Miscellaneous	1,180	1,134	-	2,314
Dues and subscriptions	608	486	522	1,616
Bank and credit card	705	680	-	1,385
Public relations	155	-	17	172
Total	<u>742,815</u>	<u>15,063</u>	<u>46,445</u>	<u>804,323</u>
TOTAL EXPENSES BEFORE DEPRECIATION	<u>1,068,779</u>	<u>60,172</u>	<u>81,706</u>	<u>1,210,657</u>
Depreciation	<u>70,030</u>	<u>1,717</u>	<u>429</u>	<u>72,176</u>
TOTAL EXPENSES	<u>\$ 1,138,809</u>	<u>\$ 61,889</u>	<u>\$ 82,135</u>	<u>\$ 1,282,833</u>

Friendship Trays Active Board Roster Revised 4/2/03

Last Name	Given Name	Preferred FST Mailing Address	City	ZIP	Phone (O)	Phone (H)	Fax	E-Mail	Class
1 Adams	Mr Bryan	329 Cherokee Place		28207	375-6022	347-5997	375-6024	badams-vrad@carolina rr com	2005
2 Baker	Dr Carol	301 Billingsley Rd		28211	336-3258	599-9278	336-3361	bakercr@co mecklenburg nc us	Ex Officio
3 Blum	Ms Linda	3016 Idlewood Circle		28209		372-9047		lindablum@carolina rr com	2006
4 Ciminelli	Mrs Mary	2421 Brightmoor Ridge	Mathews	28105	841-0986	841-0986	844-0716	scm95@aol com	2005
5 Cochrane	Mr Gene	Suite 3500 - 100 N Tryon St	Note 1	28202	969-2130	364-0142	376-9336	gcochrane@ide org	2003
6 Cress	Mrs Kathleen	635 Vendue Place		28226		366-8118		landkress@yahoo com	2003
7 Deal	Mrs Judy Ann	1241 Princeton Avenue		28209		375-3126		hdeal1@bellsouth net	2005****
8 Dial	Mr Waller	2012 St John Street		28216		392-3804			2004 **
9 Dillon	Mr Mark	Suite 210 - 4201 Congress St	Note 2	28209	553-8006	333-8606	553-9610	mdillon@carrollfinancial com	2003 **
10 Dodson	Mr Rhodes	8607 Fox Chase Lane		28269		598-0156		rhodes229@aol com	2003
12 Elliot	Ms Ann	Apt 1401, 5100 Sharon Road		28210		571-7841		matanteeliot@aol com	Emeriti
13 Goldthorpe	Mr Ted F	2420-104 Roswell Avenue		28209		333-6872		Tgoldthorpe@bellsouth net	2005
14 Gribble	Mrs Laila	Unit 608, 2222 Selwyn Ave		28207		375-3969		lgribble@earthlink net	Emeriti
15 Holland	Mr Ed	8815 Oxfordshire Court	Huntersville	28078	392-0392	875-0708		eholland@fmbc-charlotte org	2006
16 Holt	Ms Jennie	2014 Norton Road		28207		375-6331	376-7914	jennieathome@aol com	2005
17 Loring	Mrs Jan	4318 Arbor Way		28211		364-6876	364-6876	cjloring@aol com	2003 *
18 Mulligan	Rev Father Joe	7334 Meadow Glen Drive		28227		545-0642			2002 ***
19 Oldham	Mr Guilford	2921 Idlewood Circle		28209		333-6079			Emeriti
20 Ranson	Mr Russell	1615 Coventry Road		28211	442-1000	366-3993	442-1200	rranson@bellsouth net	2003 **
21 Robertson	Mr Bill	16407 Ranger Trail	Huntersville	28078		892-8604		robertsonjw@msn com	2003 *
22 Vass	Mrs Kelly	524 Bertonley Avenue		28211		365-9712	365-9712	kvrd@carolina rr com	2004 **
Note 1	Add to Address	The Duke Endowment						Class of 2003 = 7	
Note 2	Add to Address	Carroll Financial Associates						Class of 2004 = 2	
Advise Kelly Vass of Changes								Class of 2005 = 5	
								Class of 2006=2	
								Eligible to Vote = 16	
								Quorum = 9	
								Not Eligible to Vote = 4	
								Emeriti = 3	
*		Denotes Those Filing Unexpired Term, Eligible To Serve Additionally Two 3 Year Terms							
**		Denotes Those Completing Second Term On Board, Not Eligible For Reappointment Until One Year Off Board							
***		Serving on a Year-At-A-Time Basis, Began Service 1/99							
****		Serving a Two Year Term Approved by the Board							

Friendship Trays, Inc.

56-1201496

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

Publicly Traded Securities

Gross Sales Price 348,000
Cost or Other Basis 348,189

Total Gain (Loss) Publicly Traded Securities \$ -189

Other Assets

Description: Various equipment and furniture
Date Acquired: Various
How Acquired: Purchase
Date Sold: Various
To Whom Sold:
Gross Sales Price: 6,018
Cost or Other Basis: 7,247
Depreciation: 0.

Gain (Loss) -1,229.

Total Gain (Loss) Other Assets \$ -1,229

Total Net Gain (Loss) From Noninventory Sales \$ -1,418

Statement 2
Form 990, Part I, Line 9
Net Income (Loss) from Special Events

Special Events	Gross Receipts	Less Contributions	Gross Revenue	Less Direct Expenses	Net Income (Loss)
Golf tournament	24,210	0	24,210	15,682	8,528
Total	\$ 24,210	\$ 0	\$ 24,210	\$ 15,682	\$ 8,528

Statement 3
Form 990, Part I, Line 20
Other Changes in Net Assets or Fund Balances

Unrealized loss on investments

Total \$ -114,803

Friendship Trays, Inc.

56-1201496

Statement 4
Form 990, Part IV, Line 57
Land, Buildings, and Equipment

<u>Category</u>	<u>Basis</u>	<u>Accum Deprec</u>	<u>Book Value</u>
Automobiles / Transportation Equipment	\$ 25,504	\$ 16,500	\$ 9,004
Machinery and Equipment	192,707.	124,149	68,558
Improvements	338,337	326,716.	11,621
Total	<u>\$ 556,548</u>	<u>\$ 467,365</u>	<u>\$ 89,183</u>

Application for Extension of Time to File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

▶ File a separate application for each return

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
 - If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)
- Note** Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time — Only submit original (no copies needed)
Note Form 990-T corporations requesting an automatic 6-month extension — check this box and complete Part I only

All other corporations (including Form 990 C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041

Type or print File by the due date for filing your return See instructions	Name of Exempt Organization Friendship Trays, Inc.	Employer identification number 56-1201496
	Number, street, and room or suite number If a P O box, see instructions 2401-A Distribution Street	
	City town or post office For a foreign address, see instructions	state ZIP code
	Charlotte, NC 28203	

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

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

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

1 I request an automatic 3-month (6-month, for **990-T corporation**) extension of time until 8/15, 20 03, to file the exempt organization return for the organization named above. The extension is for the organization's return for

- ▶ calendar year 20 02 or
- ▶ tax year beginning _____, 20 _____, and ending _____, 20 _____

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

3a If this application is for Form 990 BL, 990-PF, 990 T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions \$ 0.

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit \$ 0.

c **Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions \$ 0.

Signature and Verification

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 and that I am authorized to prepare this form

Signature ▶ Phillip A. Wish CPA Title ▶ C DeWitt Foard & Co, PA, CPAs
128 S Tryon St., Suite 1700
Charlotte, NC 28202 Date ▶ 5/12/03

BAA For Paperwork Reduction Act Notice, see instructions Form 8868 (12-2000)