

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

2002

Department of the Treasury
 Internal Revenue Service

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

calendar year 2002, or tax year beginning , 2002, and ending , 20

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

Use the IR label: 29 IG TQ 91-1656462 200312
 SIMPERMAN-CORETTE FOUNDATION
 Otherwise print ROY F SIMPERMAN
 or type: 5609 80TH AVE SE
 See Specific MERCEER ISLAND WA 98040-4831 P-40 P71
 Instructions

A Employer identification number
 91 : 165 6462
 B Telephone number (see page 10 of the instructions)
 (206) 236 0905

H Check type of organization: Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation
 I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$2,015,934
 J Accounting method: Cash Accrual Other (specify)
 (Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 10 of the instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule) Check <input type="checkbox"/> if the foundation is not required to attach Sch. B	90,000			
	2 Distributions from split-interest trusts				
	3 Interest on savings and temporary cash investments	253	253		
	4 Dividends and interest from securities	10,552	10,552		
	5a Gross rents				
	b (Net rental income or (loss))				
	6a Net gain or (loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)				
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11.	100,805	10,805			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)	282	282		282
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)				
	17 Interest				95
	18 Taxes (attach schedule) (see page 13 of the instructions)	95	95		95
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	35	35		35
	24 Total operating and administrative expenses. Add lines 13 through 23	412	412		412
	25 Contributions, gifts, grants paid	95,000			95,000
26 Total expenses and disbursements. Add lines 24 and 25	95,412	412		95,412	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	5,393				
b Net investment income (if negative, enter -0-)		10,393			
c Adjusted net income (if negative, enter -0-)					

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing			
	2 Savings and temporary cash investments	22,381	27,774	27,774
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7 Other notes and loans receivable (attach schedule) ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments—U.S. and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)	446,550	446,550	1,988,160
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment: basis ▶			
Less: accumulated depreciation (attach schedule) ▶				
12 Investments—mortgage loans				
13 Investments—other (attach schedule)				
14 Land, buildings, and equipment: basis ▶				
Less: accumulated depreciation (attach schedule) ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers—see page 16 of the instructions. Also, see page 1, item I)	468,931	474,324	2,015,934	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22)	0	0		
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ▶ <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Organizations that do not follow SFAS 117, check here ▶ <input type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	468,931	474,324	
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances (see page 16 of the instructions)	468,931	474,324	
31 Total liabilities and net assets/fund balances (see page 16 of the instructions)	468,931	474,324		

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	468,931
2 Enter amount from Part I, line 27a	2	5,393
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	474,324
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	474,324

Part IV Capital Gains and Losses for Tax on Investment Income

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

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

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(j) F.M.V. as of 12/31/69	(i) Adjusted basis as of 12/31/69	(k) Excess of col. (j) over col. (i), if any	
a			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss). { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 12 and 17 of the instructions). If (loss), enter -0- in Part I, line 8	3

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

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

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

Was the organization liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
If "Yes," the organization does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 17 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2001	105,733	2,064,493	5.12%
2000	101,401	2,154,281	4.69%
1999	50,764	1,586,868	3.18%
1998	63,138	1,277,276	4.94%
1997	47,266	923,596	5.12%

2 Total of line 1, column (d)	2	25.27
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	5.05
4 Enter the net value of noncharitable-use assets for 2002 from Part X, line 5	4	1,945,850
5 Multiply line 4 by line 3	5	98,265
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	104
7 Add lines 5 and 6	7	98,369
8 Enter qualifying distributions from Part XII, line 4	8	95,417

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 17.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 17 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling letter: (attach copy of ruling letter if necessary—see instructions)		
b	Domestic organizations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	208
c	All other domestic organizations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	
3	Add lines 1 and 2	3	208
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	208
6	Credits/Payments:		
a	2002 estimated tax payments and 2001 overpayment credited to 2002	6a	
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	208
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be: Credited to 2003 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
1b		X
If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the organization in connection with the activities.		
1c		X
d		
e		
2		X
3		X
4a		X
4b		X
5		X
6	X	
7		
8a		
8b	X	
9		X
10	X	
11	X	
12	The books are in care of <u>Key F Simperman</u> Telephone no. <u> </u> Located at <u>5609 80th Ave SE Mercer Is WA</u> ZIP+4 <u>98040</u>	
13	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year. <input type="checkbox"/> 13	

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

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

	Yes	No
<p>1 During the year did the organization (either directly or indirectly):</p> <p>(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(6) Agree to pay money or property to a government official? (Exception. Check "No" if the organization agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>		
<p>b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 19 of the instructions)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/></p>	1b	
<p>c Did the organization engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2002? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	1c	X
<p>2 Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):</p> <p>a At the end of tax year 2002, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2002? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ► 20, 20, 19, 19</p> <p>b Are there any years listed in 2a for which the organization is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 19 of the instructions.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► 20, 20, 19, 19</p> <p>1 Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>b If "Yes," did it have excess business holdings in 2002 as a result of (1) any purchase by the organization or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the organization had excess business holdings in 2002.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	2a	
<p>3b</p>	3b	
<p>4a Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes?</p> <p>b Did the organization make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2002? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	4a	X
<p>4b</p>	4b	
<p>5a During the year did the organization pay or incur any amount to:</p> <p>(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(3) Provide a grant to an individual for travel, study, or other similar purposes? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 20 of the instructions)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/></p> <p>c If the answer is "Yes" to question 5a(4), does the organization claim exemption from the tax because it maintained expenditure responsibility for the grant? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," attach the statement required by Regulations section 53.4945-5(d).</p>	5a	
<p>5b</p>	5b	
<p>6a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If you answered "Yes" to 6b, also file Form 8870.</p>	6a	
<p>6b</p>	6b	X

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Roy F. Simperman 5609 4th Ave SE MF, WA 98048	President 4 hrs / mo	0	0	0
Roy W. Simperman 24616 SE 3rd Pl Sammamish, WA	V.P. 8 hrs / yr	0	0	0
Jennifer Simperman 24616 SE 3rd Pl Sammamish WA	Director 8 hrs / yr	0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1—see page 20 of the instructions). If none, enter "NONE."

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

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

3 Five highest-paid independent contractors for professional services—(see page 20 of the instructions). If none, enter "NONE."

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

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

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1	
2	None
3	
4	

Part IX-B Summary of Program-Related Investments (see page 21 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.		Amount
1		
2	None	
All other program-related investments. See page 21 of the instructions.		
3		

Total. Add lines 1 through 3

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 21 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	1,947,249
b	Average of monthly cash balances	1b	27,929
c	Fair market value of all other assets (see page 22 of the instructions)	1c	n.a.
d	Total (add lines 1a, b, and c)	1d	1,975,178
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	-
3	Subtract line 2 from line 1d	3	1,975,178
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see page 22 of the instructions)	4	29,628
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,945,550
6	Minimum investment return. Enter 5% of line 5	6	97,293

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

1	Minimum investment return from Part X, line 6	1	97,293
2a	Tax on investment income for 2002 from Part VI, line 5	2a	208
2b	Income tax for 2002. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	208
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	97,085
4a	Recoveries of amounts treated as qualifying distributions	4a	
4b	Income distributions from section 4947(a)(2) trusts	4b	
c	Add lines 4a and 4b	4c	
5	Add lines 3 and 4c	5	97,085
6	Deduction from distributable amount (see page 23 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	97,085

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	95,412
b	Program-related investments—Total from Part IX-B	1b	-
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	-
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	-
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4. Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 24 of the instructions).	4	95,412
5		5	
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	95,412

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

Part XIII Undistributed Income (see page 24 of the instructions)

	(a) Corpus	(b) Years prior to 2001	(c) 2001	(d) 2002
1 Distributable amount for 2002 from Part XI, line 7				97,085
2 Undistributed income, if any, as of the end of 2001:				
a Enter amount for 2001 only				
b Total for prior years: 20____, 19____, 19____		—		
3 Excess distributions carryover, if any, to 2002:				
a From 1997				
b From 1998				
c From 1999				
d From 2000				2306
e From 2001				2698
f Total of lines 3a through e			5004	
4 Qualifying distributions for 2002 from Part XII, line 4: ▶ \$ 96,412				
a Applied to 2001, but not more than line 2a.			—	
b Applied to undistributed income of prior years (Election required—see page 24 of the instructions)		—		
c Treated as distributions out of corpus (Election required—see page 24 of the instructions)	—			
d Applied to 2002 distributable amount				97,085
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2002 (If an amount appears in column (d), the same amount must be shown in column (a).)	1673			1673
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	3331			
b Prior years' undistributed income. Subtract line 4b from line 2b		—		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4012(a) tax has been previously assessed		—		
d Subtract line 6c from line 6b. Taxable amount—see page 24 of the instructions		—		
e Undistributed income for 2001. Subtract line 4a from line 2a. Taxable amount—see page 24 of the instructions			—	
f Undistributed income for 2002. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2003.				—
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 24 of the instructions).				
8 Excess distributions carryover from 1997 not applied on line 5 or line 7 (see page 25 of the instructions).				
9 Excess distributions carryover to 2003. Subtract lines 7 and 8 from line 6a	3331			
10 Analysis of line 9:				
a Excess from 1998				
b Excess from 1999				
c Excess from 2000				633
d Excess from 2001				2698
e Excess from 2002				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2002, enter the date of the ruling 4942(j)(3) or 4942(j)(5)

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

- 2a** Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed
- b** 85% of line 2a
- c** Qualifying distributions from Part XII, line 4 for each year listed
- d** Amounts included in line 2c not used directly for active conduct of exempt activities
- e** Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c
- 3** Complete 3a, b, or c for the alternative test relied upon:
- a** "Assets" alternative test—enter:
- (1) Value of all assets
 - (2) Value of assets qualifying under section 4942(j)(3)(B)(i)
- b** "Endowment" alternative test— Enter $\frac{1}{2}$ of minimum investment return shown in Part X, line 6 for each year listed
- c** "Support" alternative test—enter:
- (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)
 - (2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)
 - (3) Largest amount of support from an exempt organization
 - (4) Gross investment income

Tax year	Prior 3 years			(e) Total
(a) 2002	(b) 2001	(c) 2000	(d) 1999	

Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year—see page 25 of the instructions.)

- 1 Information Regarding Foundation Managers:**
- a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)
- Roy F. Simperman*
- b** List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.
- None*
- 2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**
- Check here if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc. (see page 25 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.
- a** The name, address, and telephone number of the person to whom applications should be addressed:
- _____
- b** The form in which applications should be submitted and information and materials they should include:
- _____
- c** Any submission deadlines:
- _____
- d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:
- _____

Part XV Supplementary Information (continued)

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year	<i>See Attached Schedule</i>			
Total				
b Approved for future payment	<i>None</i>			
Total				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 26 of the instructions.)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f _____					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	253	
5 Net rental income or (loss) from real estate:			14	10,552	
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory					
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue: a _____					
b _____					
c _____					
d _____					
e _____					
Subtotal. Add columns (b), (d), and (e)				10,805	10,805
Total. Add line 12, columns (b), (d), and (e)				13	10,805

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No.

Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes). (See page 26 of the instructions.)

N/A

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

- 1** Did the 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:
- (1) Cash 1a(1) Yes No
- (2) Other assets 1a(2) Yes No
- b** Other Transactions:
- (1) Sales of assets to a noncharitable exempt organization 1b(1) Yes No
- (2) Purchases of assets from a noncharitable exempt organization 1b(2) Yes No
- (3) Rental of facilities, equipment, or other assets 1b(3) Yes No
- (4) Reimbursement arrangements 1b(4) Yes No
- (5) Loans or loan guarantees 1b(5) Yes No
- (6) Performance of services or membership or fundraising solicitations 1b(6) Yes No
- c** Sharing of facilities, equipment, mailing lists, other assets, or paid employees 1c Yes No
- 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.

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

- 2a** 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
- b** If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship

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 taxpayer or fiduciary) is based on all information of which preparer has any knowledge.

Signature of officer or trustee: [Signature] Date: 3/3/03 Title: President

Preparer's signature: _____ Date: _____ Check if self-employed Preparer's SSN or PTIN (See Signature on page 28 of the instructions.) _____

Firm's name (or yours if self-employed), address, and ZIP code: _____ EIN: _____ Phone no. () _____

A/C

	Current Year	Prior Year
ASSETS		
CASH		
1010 Checking Account-US Bank	21705.41	17854.53
1050 US Bancorp Securities	6068.10	4516.08
TOTAL CASH	27773.51	22380.61
MARKETABLE SECURITIES AT COST		
1200 Medtronic At Cost	446550.00	446550.00
TOTAL CURRENT ASSETS	474323.51	468930.61
CAPITALIZED ORGANIZATIONAL COSTS		
1500 Organizational Costs	3052.09	3052.09
1500.1 Amortized Organizational Costs	-3052.09	-3052.09
TOTAL ASSETS	474323.51	468930.61
LIABILITIES & OWNER'S EQUITY		
LIABILITIES		
SHAREHOLDER EQUITY		
2740 Retained Earnings	468930.61	474413.40
2750 YTD Net Income	5392.90	-5482.79
TOTAL SHAREHOLDERS EQUITY	474323.51	468930.61
TOTAL LIABILITY/OWNER EQUITY	474323.51	468930.61

Simpberman Corette Foundation
Comparative Income Statement
For the Period 01/01/02 Through 12/31/02

A/C	----- Current Year -----				----- Prior Year -----				
	Current Period	%	Year- To-Date	%	Current Period	%	Year- To-Date	%	
DONATIONS									
3000	Cash Donations-Simpberman	90000.00	99.97	90000.00	89.28	75000.00	99.95	90010.00	89.70
INTEREST INCOME									
5100	Interest Income-US Bank	18.05	0.02	252.78	0.25	24.75	0.03	733.41	0.73
DIVIDEND INCOME									
3200	Dividend Income-Medtronics	0.00	0.00	10464.00	10.38	0.00	0.00	9374.00	9.54
3202	Dividend Income-MMA US Bank	7.77	0.01	88.02	0.09	12.84	0.02	170.71	0.17
3203	Interest Income-MMA US Bank	0.00	0.00	0.00	0.00	0.00	0.00	57.34	0.06
TOTAL DIVIDEND INCOME		7.77	0.01	10552.02	10.47	12.84	0.02	9602.05	9.57
TOTAL DONATIONS & INCOME		90025.82	100.00	100804.80	100.00	75037.59	100.00	100345.46	100.00
GRANTS & EXPENSES									
4007	Grants-Lazarus House	10000.00	11.11	10000.00	9.92	5000.00	6.66	5000.00	4.96
4006	Grants-Sacred Heart Shelter	10000.00	11.11	10000.00	9.92	10000.00	13.33	10000.00	9.97
4007	Grants-St. Martin DePorres	0.00	0.00	0.00	0.00	10000.00	13.33	10000.00	9.97
4008	Grants-Damien High School	10000.00	11.11	10000.00	9.92	10000.00	13.33	10000.00	9.97
4009	Grants-Safe Space Domestic Pro	15000.00	16.66	15000.00	14.88	10000.00	13.33	10000.00	9.97
4014	Grants-Newman Center	0.00	0.00	0.00	0.00	0.00	0.00	25000.00	24.91
4015	Grants-Butte Family YMCA	10000.00	11.11	10000.00	9.92	5000.00	6.66	5000.00	4.96
4021	Grants-Burn Children Recovery	15000.00	16.66	15000.00	14.88	10000.00	13.33	10000.00	9.97
4027	Grants-Intermountain Child HS	20000.00	22.22	20000.00	19.84	20000.00	26.65	20000.00	19.93
4028	Grants-Montana Community Fndtn	5000.00	5.55	5000.00	4.96	0.00	0.00	0.00	0.00
TOTAL GRANTS		95000.00	105.53	95000.00	94.24	80000.00	106.61	105000.00	104.64
GENERAL EXPENSE									
6010	Legal Fees	0.00	0.00	281.90	0.28	0.00	0.00	622.00	0.62
6020	Filing Fees	0.00	0.00	35.00	0.03	0.00	0.00	35.00	0.03
6021	Notification Costs	0.00	0.00	0.00	0.00	0.00	0.00	26.25	0.03
TOTAL GENERAL EXPENSE		0.00	0.00	316.90	0.31	0.00	0.00	683.25	0.68
TOTAL GRANTS AND EXPENSES		95000.00	105.53	95316.90	94.55	80000.00	106.61	105683.25	105.32
TOTAL OPERATING INCOME		-4974.18	-5.53	5487.90	5.44	-4982.41	-6.61	-5337.79	-5.32
FEDERAL TAXES									

Date 04/24/03
12-02-0371

Simperman Corette Foundation
Comparative Income Statement
For the Period 01/01/02 Through 12/31/02

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	----- Current Year -----				----- Prior Year -----			
A/C	Current	%	Year-	%	Current	%	Year-	%
9000 Federal Taxes	Period		To-Date		Period		To-Date	
	0.00	0.00	95.00	0.09	0.00	0.00	145.00	0.14

NET INCOME AFTER TAX	-4974.18	-5.53	5392.90	5.35	-4962.41	-6.61	-5462.79	-5.46
	=====							

Organization	Address	Status	Purpose	Amount
Lazarus House	100 23rd Ave S Seattle, Wa 98144	501.c.3	Shelter	\$10,000.00
Damien High School	1401 Houghtailing St. Honolulu, Hawaii 96817	501.c.3	Financial Aid: needy students	\$10,000.00
Burn Children Recovery Foundation	2821 Hewitt Everett, WA 98201	501.c.3	Rehab Burned Children	\$15,000.00
Safe Space	PO Box 594 Butte, Montana 59701	501.c.3	Domestic Violence & Sexual Assault Programs	\$15,000.00
Sacred Heart Shelter	232 Warren Ave North Seattle, Wa 98109	501.c.3	Shelter, homeless women and children	\$10,000.00
Butte Family YMCA	405 West Park Street Butte, Montana 59701	501.c.3	Day Care	\$10,000.00
Intermountain Childrens' Home	500 Lamborn Helena, Montana 59601	501.c.3	Home for abused / neglected children	\$20,000.00
Montana Community Fndtn	101 North Last Chance Gulch Suite 211 Helena, MT 59601	501.c.3	Commnity social services	\$5,000.00
Total Grants				\$95,000.00

Asset Schedule: Simperman Corette Foundation: Calendar 2002				
Month	Cash Checking	MMA	Securities	Total
31-Dec-01	\$17,864.53	\$4,516.08	\$2,092,800.00	\$2,115,180.61
31-Jan-02	\$17,898.93	\$7,029.15	\$2,148,172.00	\$2,173,100.08
28-Feb-02	\$17,915.41	\$7,036.52	\$1,941,944.00	\$1,966,895.93
31-Mar-02	\$20,934.75	\$4,041.80	\$1,970,720.00	\$1,995,696.55
30-Apr-02	\$20,956.06	\$6,553.37	\$1,948,048.00	\$1,975,557.43
31-May-02	\$20,858.28	\$6,560.37	\$2,012,140.00	\$2,039,558.65
30-Jun-02	\$20,847.81	\$6,567.03	\$1,868,260.00	\$1,895,674.84
31-Jul-02	\$20,869.96	\$9,299.07	\$1,761,440.00	\$1,791,609.03
31-Aug-02	\$20,641.73	\$9,308.22	\$1,795,448.00	\$1,825,397.95
30-Sep-02	\$20,661.90	\$9,316.79	\$1,836,432.00	\$1,866,410.69
31-Oct-02	\$20,671.38	\$12,050.95	\$1,953,280.00	\$1,986,002.33
30-Nov-02	\$20,687.36	\$12,060.33	\$2,038,300.00	\$2,071,047.69
Totals	\$240,808.10	\$94,339.68	\$23,366,984.00	\$23,702,131.78
Mo. Average	\$20,067.34	\$7,861.64	\$1,947,248.67	\$1,975,177.65
5%				