



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



Return of Organization Exempt From Income Tax

OMB No 1545-0047

2012

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 2012 calendar year, or tax year beginning Jul 1, 2012, **and ending** Jun 30, 2013

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

C Name of organization GRACE TO YOU
 Doing Business As GRACIA A VOSOTROS
 Number and street (or P O box if mail is not delivered to street addr) 28001 HARRISON PARKWAY
 City, town or country VALENCIA State ZIP code + 4 CA 91355

D Employer identification number 95-3846510
E Telephone number (661) 295-5777

F Name and address of principal officer Phillip Johnson 28001 Harrison Pkwy Valencia CA 91355

G Gross receipts \$17,940,095.

H(a) Is this a group return for affiliates? Yes No
H(b) Are all affiliates included? If 'No,' attach a list (see instructions) Yes No

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

J Website: www.gty.org **H(e)** Group exemption number

K Form of organization Corporation Trust Association Other **L Year of formation** 1986 **M State of legal domicile** CA

Part II Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities	To teach biblical truth with clarity, taking advantage of mass communications to expand the sphere of John MacArthur's teaching ministry via: radio and TV programming; distributing Bible teaching materials; and maintaining a website.	
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	12
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	6
	5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	69
	6	Total number of volunteers (estimate if necessary)	6	150
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
7b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	14,504,729.	16,053,572.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	242,291.	260,487.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	9,917.	9,438.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	869,414.	655,131.
	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	15,626,351.	16,978,628.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	424,301.	451,661.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	5,224,389.	5,375,986.
	16b	Total fundraising expenses (Part IX, column (D), line 25)	0.	0.
Expenses	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	9,156,225.	9,665,004.
	18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	14,804,915.	15,492,651.
	19	Revenue less expenses Subtract line 18 from line 12	821,436.	1,485,977.
	20	Total assets (Part X, line 16)	Beginning of Current Year	End of Year
Net Assets of Fund Balances	21	Total liabilities (Part X, line 26)	13,012,573.	13,746,979.
	22	Net assets or fund balances. Subtract line 21 from line 20	2,112,799.	1,282,075.
			10,899,774.	12,464,904.

Part II Signature Block
 Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
 Signature of officer: *[Signature]* Date: 13 Nov 2013
 Phillip Johnson Executive Director

Paid Preparer Use Only
 Preparer's name: Rufus Harvey Date: 11/13/13
 Preparer's signature: *[Signature]* Check if self-employed PTIN: P00382279
 Firm's name: RUFUS HARVEY
 Firm's address: 28036 FLORENCE LN CANYON COUNTRY CA 91351-3813
 Firm's EIN: Phone no: (661) 252-4541

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No
 BAA For Paperwork Reduction Act Notice, see the separate instructions. TEEA0101 05/09/13 Form 990 (2012)

90-17 20

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III. [X]

1 Briefly describe the organization's mission

To spread the gospel of Jesus Christ by communicating the Bible to the world through the media.

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

If 'Yes,' describe these new services on Schedule O

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

If 'Yes,' describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4 a (Code) (Expenses \$ 5,067,227. including grants of \$ 39,055.) (Revenue \$ 0.)

"Grace To You" daily radio program. Our daily 30 minute program airs over 1,200 times per day across the United States.

4 b (Code) (Expenses \$ 5,213,524. including grants of \$ 5,000.) (Revenue \$ 663,753.)

Distribution of Bible teaching resources. Grace to You distributes hundreds of thousands of Bible teaching CDs, DVDs, and books at no charge. We also maintain a content-rich website which provides access to all of John MacArthur's sermons in audio, video and written form, free of charge. We also edit books by John MacArthur, and make them, along with CDs and DVDs of his messages available for sale.

4 c (Code) (Expenses \$ 1,824,681. including grants of \$ 407,606.) (Revenue \$ 235,430.)

International ministry. Gracia a Vosotros, the Spanish version of Grace to You, is broadcast in over 20 countries over 1000 times per day. Grace to You also supports foreign ministry partners in Canada, Europe and India. These ministry partners support their constituents in similar ways to Grace to You. Grace to You also supports some of the foreign translations of John MacArthur's books.

4 d Other program services (Describe in Schedule O)

(Expenses \$ 938,192. including grants of \$ 0.) (Revenue \$ 1,904.)

4 e Total program service expenses 13,043,624.

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules (continued)

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

BAA

Form 990 (2012)

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

Table with columns for question number, description, and Yes/No checkboxes. Includes questions 1a-1c, 2a-2b, 3a-3b, 4a-4b, 5a-5c, 6a-6b, 7a-7h, 8, 9a-9b, 10a-10b, 11a-11b, 12a-12b, 13a-13c, and 14a-14b.

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

Check if Schedule O contains a response to any question in this Part VI

Section A. Governing Body and Management

		Yes	No
1 a	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O	12	
1 b	Enter the number of voting members included in line 1a, above, who are independent	6	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?	X	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?		X
7 a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		X
7 b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or other persons other than the governing body?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8 a	The governing body?	X	
8 b	Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O		X

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

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

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed ▶ See Form 990, Page 6, Line 17 (continued)
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
 Own website Another's website Upon request Other (explain in Schedule O)
- 19** Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public during the tax year
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization
▶ Rufus Harvey 28001 Harrison Parkway, Valencia CA 91355 (661) 295-5777

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

Check if Schedule O contains a response to any question in this Part VII.

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) John F. MacArthur, Jr. President/Chairman	20.00	X		X				246,586.	0.	0.
(2) Phillip Johnson Exec Dir/Secretary	40.00	X		X				191,964.	0.	28,222.
(3) Kent Stainback Director	0.50	X						0.	0.	0.
(4) Dave Parsons Director	0.50	X						0.	0.	0.
(5) Robert Provost Director	0.50	X						0.	0.	0.
(6) Joe Aleppo Vice Chairman	1.00	X		X				0.	0.	0.
(7) Christopher Parkening Director	0.50	X						0.	0.	0.
(8) Mark MacArthur Director	0.50	X						0.	0.	0.
(9) Matthew MacArthur Treasurer	1.00	X		X				0.	0.	0.
(10) Al Sanders Director	0.50	X						0.	0.	0.
(11) Tom Pennington Director	0.50	X						0.	0.	0.
(12) Donald Green Director/Managing Director	12.00	X						116,517.	0.	15,117.
(13) Rufus Harvey Controller & CFO	40.00			X				147,389.	0.	25,299.
(14) Jay Flowers Dir of Communications	40.00				X			155,943.	0.	32,150.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) <u>Bill Fickett</u> Dir of Cust Serv & Tech	40.00				X			152,828.	0.	31,229.
(16) <u>Travis Allen</u> Managing Director	40.00					X		142,284.	0.	31,573.
(17) <u>Miguel Contreras</u> Director of GAV	40.00					X		140,741.	0.	24,831.
(18) -----										
(19) -----										
(20) -----										
(21) -----										
(22) -----										
(23) -----										
(24) -----										
(25) -----										
1 b Sub-total								1,294,252.	0.	188,421.
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								1,294,252.	0.	188,421.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **8**

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation

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

Part VIII Statement of Revenue

Check if Schedule O contains a response to any question in this Part VIII

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514		
CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS	1 a Federated campaigns	1 a					
	b Membership dues	1 b					
	c Fundraising events	1 c					
	d Related organizations	1 d					
	e Government grants (contributions) . .	1 e					
	f All other contributions, gifts, grants, and similar amounts not included above . .	1 f 16,053,572.					
	g Noncash contributions included in lns 1a-1f: \$	284,879.					
h Total. Add lines 1a-1f		16,053,572.					
PROGRAM SERVICE REVENUE	Business Code						
	2 a <u>Intn'l Offices Reimbursements</u>	900099	235,430.	235,430.	0.	0.	
	b <u>Payroll Reimbursements</u>	900099	604.	604.	0.	0.	
	c <u>Postage Reimbursements</u>	900099	23,153.	23,153.	0.	0.	
	d <u>Conference Revenue</u>	900099	1,300.	1,300.	0.	0.	
	e						
	f All other program service revenue . . .						
g Total. Add lines 2a-2f		260,487.					
OTHER REVENUE	3 Investment income (including dividends, interest and other similar amounts)		9,582.	0.	0.	9,582.	
	4 Income from investment of tax-exempt bond proceeds . .		0.	0.	0.	0.	
	5 Royalties		14,531.	0.	0.	14,531.	
	6 a Gross rents	(i) Real	0.				
		(ii) Personal	0.				
		b Less rental expenses	0.				
		c Rental income or (loss) . .	0.				
	d Net rental income or (loss)		0.	0.	0.	0.	
	7 a Gross amount from sales of assets other than inventory	(i) Securities	78,681.				
		(ii) Other	3,767.				
		b Less cost or other basis and sales expenses . . .	81,017.				
		c Gain or (loss)	-2,336.				
	d Net gain or (loss)		-144.	0.	0.	-144.	
	8 a Gross income from fundraising events (not including \$ 0. of contributions reported on line 1c) See Part IV, line 18.	a	0.				
		b Less direct expenses	b	0.			
c Net income or (loss) from fundraising events			0.	0.	0.	0.	
9 a Gross income from gaming activities See Part IV, line 19.	a	0.					
	b Less direct expenses	b	0.				
	c Net income or (loss) from gaming activities		0.	0.	0.	0.	
10 a Gross sales of inventory, less returns and allowances	a	1,512,416.					
	b Less cost of goods sold	b	878,875.				
	c Net income or (loss) from sales of inventory		633,541.	633,541.	0.	0.	
Miscellaneous Revenue		Business Code					
11 a <u>Expense Reimbursements</u>	900099	1,872.	1,872.	0.	0.		
b <u>Miscellaneous Revenue</u>	900099	5,187.	5,187.	0.	0.		
c							
d All other revenue							
e Total. Add lines 11a-11d		7,059.					
12 Total revenue. See instructions		16,978,628.	901,087.	0.	23,969.		

Part IX Statement of Functional Expenses

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

Check if Schedule O contains a response to any question in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States See Part IV, line 21	44,055.	44,055.		
2 Grants and other assistance to individuals in the United States See Part IV, line 22	0.	0.		
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	407,606.	407,606.		
4 Benefits paid to or for members	0.	0.		
5 Compensation of current officers, directors, trustees, and key employees	1,038,502.	562,524.	464,222.	11,756.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	1,292,160.	1,181,272.	106,060.	4,828.
7 Other salaries and wages	2,176,714.	1,703,054.	433,480.	40,180.
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)	126,809.	98,494.	26,096.	2,219.
9 Other employee benefits	500,695.	392,186.	100,760.	7,749.
10 Payroll taxes	241,106.	177,480.	60,006.	3,620.
11 Fees for services (non-employees)				
a Management	0.	0.	0.	0.
b Legal	39,512.	0.	39,512.	0.
c Accounting	45,205.	0.	45,205.	0.
d Lobbying	0.	0.	0.	0.
e Professional fundraising services See Part IV, line 17	0.			0.
f Investment management fees	0.	0.	0.	0.
g Other (If line 11g amt exceeds 10% of line 25, column (A) amt, list line 11g expenses on Sch O)	183,246.	168,960.	13,385.	901.
12 Advertising and promotion	2,400.	2,400.	0.	0.
13 Office expenses	2,469,444.	1,803,109.	477,083.	189,252.
14 Information technology	325,383.	228,888.	93,679.	2,816.
15 Royalties	6,033.	6,033.	0.	0.
16 Occupancy	293,694.	258,451.	32,306.	2,937.
17 Travel	136,772.	105,514.	28,471.	2,787.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.	0.	0.	0.
19 Conferences, conventions, and meetings	17,548.	10,707.	6,792.	49.
20 Interest	862.	0.	862.	0.
21 Payments to affiliates	0.	0.	0.	0.
22 Depreciation, depletion, and amortization	425,384.	346,176.	76,219.	2,989.
23 Insurance	101,536.	218.	101,318.	0.
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a Radio airtime & production	4,282,525.	4,240,755.	0.	41,770.
b TV air time & production	154,301.	152,974.	0.	1,327.
c Ministry Communication & Promotion	73,003.	61,029.	7,600.	4,374.
d Materials Distributed	1,091,739.	1,091,739.	0.	0.
e All other expenses	16,417.	0.	16,417.	0.
25 Total functional expenses. Add lines 1 through 24e.	15,492,651.	13,043,624.	2,129,473.	319,554.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input checked="" type="checkbox"/> if following SOP 98-2 (ASC 958-720).	6,049,105.	5,657,139.	153,872.	238,094.

Part X Balance Sheet

Check if Schedule O contains a response to any question in this Part X

		(A)		(B)	
		Beginning of year		End of year	
ASSETS	1	Cash — non-interest-bearing	3,988,534.	1	648,519.
	2	Savings and temporary cash investments	1,571,014.	2	5,689,092.
	3	Pledges and grants receivable, net	0.	3	0.
	4	Accounts receivable, net	73,105.	4	67,822.
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	1,695.	5	2,803.
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L	3,008.	6	11.
	7	Notes and loans receivable, net	88.	7	328.
	8	Inventories for sale or use	974,387.	8	961,852.
	9	Prepaid expenses and deferred charges	424,543.	9	335,626.
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	9,419,655.	10a	
	b	Less accumulated depreciation	4,420,080.	10b	
	11	Investments — publicly traded securities	490.	11	0.
	12	Investments — other securities See Part IV, line 11	0.	12	0.
	13	Investments — program-related See Part IV, line 11	0.	13	0.
	14	Intangible assets	0.	14	0.
	15	Other assets See Part IV, line 11	764,476.	15	1,041,351.
16	Total assets. Add lines 1 through 15 (must equal line 34)	13,012,573.	16	13,746,979.	
LIABILITIES	17	Accounts payable and accrued expenses	759,771.	17	915,164.
	18	Grants payable	0.	18	0.
	19	Deferred revenue	25,078.	19	207,854.
	20	Tax-exempt bond liabilities	0.	20	0.
	21	Escrow or custodial account liability Complete Part IV of Schedule D	0.	21	0.
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L	892.	22	973.
	23	Secured mortgages and notes payable to unrelated third parties	1,267,992.	23	0.
	24	Unsecured notes and loans payable to unrelated third parties	0.	24	0.
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	59,066.	25	158,084.
	26	Total liabilities. Add lines 17 through 25	2,112,799.	26	1,282,075.
UNRESTRICTED NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets	10,433,304.	27	11,843,574.
	28	Temporarily restricted net assets	466,470.	28	621,330.
	29	Permanently restricted net assets	0.	29	0.
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
33	Total net assets or fund balances.	10,899,774.	33	12,464,904.	
34	Total liabilities and net assets/fund balances	13,012,573.	34	13,746,979.	

BAA

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	16,978,628.
2	Total expenses (must equal Part IX, column (A), line 25)	2	15,492,651.
3	Revenue less expenses Subtract line 2 from line 1	3	1,485,977.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	10,899,774.
5	Net unrealized gains (losses) on investments	5	0.
6	Donated services and use of facilities	6	0.
7	Investment expenses	7	0.
8	Prior period adjustments	8	0.
9	Other changes in net assets or fund balances (explain in Schedule O)	9	79,153.
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	12,464,904.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

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

BAA

Form 990 (2012)

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No 1545-0047

2012

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

Open to Public Inspection

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

Department of the Treasury
Internal Revenue Service

Name of the organization

Employer identification number

GRACE TO YOU

95-3846510

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

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

- 1 A church, convention of churches or association of churches described in section 170(b)(1)(A)(i).
- 2 A school described in section 170(b)(1)(A)(ii). (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
- 4 A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state.
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 8 A community trust described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 9 An organization that normally receives (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions — subject to certain exceptions, and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See section 509(a)(4).
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I
 - b Type II
 - c Type III — Functionally integrated
 - d Type III — Non-functionally integrated
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization, check this box.
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
- (ii) A family member of a person described in (i) above?
- (iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11 g (i)		
11 g (ii)		
11 g (iii)		

h Provide the following information about the supported organization(s)

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

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2012

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any 'unusual grants.')	13,024,515.	13,858,900.	14,944,337.	14,504,140.	16,053,572.	72,385,464.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf	0.	0.	0.	0.	0.	0.
3 The value of services or facilities furnished by a governmental unit to the organization without charge.	0.	0.	0.	0.	0.	0.
4 Total. Add lines 1 through 3	13,024,515.	13,858,900.	14,944,337.	14,504,140.	16,053,572.	72,385,464.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						0.
6 Public support. Subtract line 5 from line 4						72,385,464.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4	13,024,515.	13,858,900.	14,944,337.	14,504,140.	16,053,572.	72,385,464.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	101,655.	90,616.	56,350.	37,005.	24,113.	309,739.
9 Net income from unrelated business activities, whether or not the business is regularly carried on	0.	0.	0.	0.	0.	0.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)	15,154.	7,978.	27,709.	7,232.	7,059.	65,132.
11 Total support. Add lines 7 through 10						72,760,335.
12 Gross receipts from related activities, etc (see instructions)					12	9,808,515.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶ <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f))	14	99.48 %
15 Public support percentage from 2011 Schedule A, Part II, line 14	15	99.27 %
16a 33-1/3% support test – 2012. If the organization did not check the box on line 13, and the line 14 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input checked="" type="checkbox"/>		
b 33-1/3% support test – 2011. If the organization did not check a box on line 13 or 16a, and line 15 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>		
17a 10%-facts-and-circumstances test – 2012. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>		
b 10%-facts-and-circumstances test – 2011. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ <input type="checkbox"/>		

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

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

Section A. Public Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions and membership fees received (Do not include any 'unusual grants').						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge.						
6 Total. Add lines 1 through 5						
7 a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year.						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6						
10 a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 Total support. (Add lines 9, 10c, 11, and 12)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**.

Section C. Computation of Public Support Percentage

15 Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2011 Schedule A, Part III, line 15.	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2011 Schedule A, Part III, line 17	18	%

19 a 33-1/3% support tests — 2012. If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33-1/3% support tests — 2011. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions.

Part IV Supplemental Information. Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Other Income Part II, Line 10 -----

Description: Cobra Administrative Fee Revenue -----

2008: 575. -----

2009: 535. -----

2010: 38. -----

2011: 0. -----

2012: 0. -----

Description: Miscellaneous Revenue -----

2008: 6596. -----

2009: 1505. -----

2010: 211. -----

2011: 5516. -----

2012: 5187. -----

Description: Photocopying/Printing Reimbursement Box -----

2008: 461. -----

2009: 216. -----

2010: 344. -----

2011: 199. -----

2012: 183. -----

Description: Postage Reimbursement Box -----

2008: 1460. -----

2009: 1294. -----

2010: 592. -----

2011: 764. -----

2012: 811. -----

Description: Refund from Class Action Settlement -----

2008: 0. -----

See Schedule A (Form 990 or 990EZ) - Part IV - Supplemental Information (Continuation Sheet)

BAA

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service
Name of the organization

Supplemental Financial Statements

▶ Complete if the organization answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Employer identification number

GRACE TO YOU

95-3846510

Part II Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered 'Yes' to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Part III Conservation Easements. Complete if the organization answered 'Yes' to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

Preservation of land for public use (e.g., recreation or education) Preservation of an historically important land area

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Tax Year
a Total number of conservation easements	2 a
b Total acreage restricted by conservation easements	2 b
c Number of conservation easements on a certified historic structure included in (a)	2 c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2 d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered 'Yes' to Form 990, Part IV, line 8.

1 a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

(ii) Assets included in Form 990, Part X ▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

b Assets included in Form 990, Part X ▶ \$ _____

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

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered 'Yes' to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1 a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If 'Yes,' explain the arrangement in Part XIII and complete the following table

	Amount
c Beginning balance	1 c
d Additions during the year	1 d
e Distributions during the year	1 e
f Ending balance	1 f

2 a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If 'Yes,' explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

Part V Endowment Funds. Complete if the organization answered 'Yes' to Form 990, Part IV, line 10.

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

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

- a Board designated or quasi-endowment %
 - b Permanent endowment %
 - c Temporarily restricted endowment %
- The percentages in lines 2a, 2b, and 2c should equal 100%.

3 a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

	Yes	No
(i) unrelated organizations	3a(i)	
(ii) related organizations	3a(ii)	
b If 'Yes' to 3a(ii), are the related organizations listed as required on Schedule R?	3b	

4 Describe in Part XIII the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1 a Land	0.	1,309,249.		1,309,249.
b Buildings	0.	4,625,296.	1,524,687.	3,100,609.
c Leasehold improvements	0.	0.	0.	0.
d Equipment	0.	3,485,110.	2,895,393.	589,717.
e Other	0.	0.	0.	0.

Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)) 4,999,575.

BAA

Part VII Investments – Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) -----		
(B) -----		
(C) -----		
(D) -----		
(E) -----		
(F) -----		
(G) -----		
(H) -----		
(I) -----		
Total. (Column (b) must equal Form 990, Part X, column (B) line 12) . . . ▶		

Part VIII Investments – Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, column (B) line 13) . . . ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) Unamortized Loan Fees	0.
(2) Irrevocable Life Estate	7,613.
(3) Cash Value of Life Insurance	481,383.
(4) Beneficial Interest in Trust Held by Others	552,355.
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, column (B), line 15) ▶	1,041,351.

Part X Other Liabilities. See Form 990, Part X, line 25.

(a) Description of liability	(b) Book value
(1) Federal income taxes	58,171.
(2) FICA Withholding Payable	48,675.
(3) State Withholding Payable	21,532.
(4) Sales & Use Tax Payable	16,296.
(5) Customers' Credit Balances	5,547.
(6) Customer Refunds Payable	7,863.
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, column (B) line 25) . . . ▶	158,084.

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

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return		
1	Total revenue, gains, and other support per audited financial statements	17,936,657.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12	
a	Net unrealized gains on investments	2 a
b	Donated services and use of facilities	2 b
c	Recoveries of prior year grants	2 c
d	Other (Describe in Part XIII)	2 d 79,153.
e	Add lines 2a through 2d	2 e 79,153.
3	Subtract line 2e from line 1	3 17,857,504.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1	
a	Investment expenses not included on Form 990, Part VIII, line 7b	4 a
b	Other (Describe in Part XIII)	4 b -878,876.
c	Add lines 4a and 4b	4 c -878,876.
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5 16,978,628.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return		
1	Total expenses and losses per audited financial statements	16,371,527.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25	
a	Donated services and use of facilities	2 a
b	Prior year adjustments	2 b
c	Other losses	2 c
d	Other (Describe in Part XIII)	2 d 878,876.
e	Add lines 2a through 2d	2 e 878,876.
3	Subtract line 2e from line 1	3 15,492,651.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:	
a	Investment expenses not included on Form 990, Part VIII, line 7b	4 a
b	Other (Describe in Part XIII)	4 b
c	Add lines 4a and 4b	4 c
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5 15,492,651.

Part XIII Supplemental Information

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

Pt X Line 2 The financial statement effects of a tax position taken or to be taken are recognized in the financial statements when it is more likely than not, based on the technical merits, that the position will be sustained upon examination. Interest and penalties, if any, are included in expenses in the statement of activities. As of June 30, 2013, GTY has no uncertain tax positions that qualify for recognition or

Part XIII Supplemental Information (continued)

disclosure in the financial statements. GTY files

information tax returns in the U.S. and various states.

GTY is generally no longer subject to U.S. federal and

state income tax examinations by tax authorities for

years before 2009.

Pt XI Line 2d \$79,153 for the unrealized gain on the cash value of

the keyman life insurance policy.

Pt XI Line 4b <\$878,875> for Cost of Goods Sold listed under expenses

in the audited financial statements. There is also a

<\$1> rounding difference.

Pt XII Line 2d \$878,875 for Cost of Goods Sold listed under expenses

in the audited financial statements. There is also a

<\$1> rounding difference.

**Schedule F
(Form 990)**

Statement of Activities Outside the United States

OMB No 1545-0047

2012

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Complete if the organization answered 'Yes' to Form 990, Part IV, line 14b, 15, or 16.
▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization

Employer identification number

GRACE TO YOU

95-3846510

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

- 1 For grantmakers. Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States
- 3 Activities per Region (The following Part I, line 3 table can be duplicated if additional space is needed)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) East Asia and Pacific	0	0	Grantmaking		15,458.
(2) East Asia and Pacific	0	0	Program Services	Radio, Materials Dist.	37,043.
(3) Europe	0	0	Grantmaking		156,368.
(4) Europe	1	1	Program Services	Radio, Translation	180,202.
(5) Europe	0	0	Board Meeting		3,284.
(6) Central America	0	0	Program Services		42,923.
(7) Central America	0	0	Conferences		3,939.
(8) Middle East	0	0	Grantmaking		106,650.
(9) Middle East	0	0	Program Services	TV Airtime	69,600.
(10) North America	0	0	Grantmaking		99,004.
(11) North America	0	0	Program Services	Radio, Materials Distribution	275,549.
(12) North America	0	0	Conferences		5,144.
(13) North America	0	0	Board Meetings		90.
(14) Russia	0	0	Program Services	Translation	1,200.
(15) South America	0	0	Grantmaking		500.
(16) South America	1	1	Program Services	Radio	53,720.
(17) South America	0	0	Conferences		193.
3 a Sub-total	2	2			1,050,867.
b Total from continuation sheets to Part I	0	0			29,626.
c Totals (add lines 3a and 3b)	2	2			1,080,493.

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule F (Form 990) 2012

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

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1)			East Asia and Pacific	Radio	8,913.	EFT			
(2)			East Asia and Pacific	Translation	4,200.	Check	2,000.	License	Cost
(3)			Europe	Materials Distribution	58,903.	Wire	81,566.	Books, Freight, DM	Cost
(4)			Europe	Translation	14,400.	Wire			
(5)			Middle East	Translation, Bibles	40,319.	Wire	66,331.	Bibles, Freight	Cost
(6)			North America	Radio	68,104.	Wire			
(7)			North America	Translation	30,000.	EFT			
(8)			South Asia	Materials Distribution	19,224.	Wire	7,032.	Artwork, Licenses	Cost
(9)									
(10)									
(11)									
(12)									
(13)									
(14)									
(15)									
(16)									

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter 7

3 Enter total number of other organizations or entities. 8

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

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1) Conference Registration	Europe	1	500.	Wire			
(2) Conference Registration	North America	3			900.	Registration	Cost
(3) Conference Registration	South America	1	500.	Wire			
(4) Conference & Travel	South Asia	2			3,370.	Regist. & Travel	Cost
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

Part IV Foreign Forms

- 1 Was the organization a U S transferor of property to a foreign corporation during the tax year? *If 'Yes,' the organization may be required to file Form 926, Return by a U S Transferor of Property to a Foreign Corporation (see Instructions for Form 926).* Yes No

- 2 Did the organization have an interest in a foreign trust during the tax year? *If 'Yes,' the organization may be required to file Form 3520, Annual Return To Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A Annual Information Return of Foreign Trust With a U S Owner (see Instructions for Forms 3520 and 3520-A).* Yes No

- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If 'Yes,' the organization may be required to file Form 5471, Information Return of U S Persons With Respect To Certain Foreign Corporations (see Instructions for Form 5471).* Yes No

- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If 'Yes,' the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund (see Instructions for Form 8621).* Yes No

- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If 'Yes,' the organization may be required to file Form 8865, Return of U.S Persons With Respect To Certain Foreign Partnerships (see Instructions for Form 8865).* Yes No

- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If 'Yes,' the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713).* Yes No

Part V Supplemental Information

Complete this part to provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

Pt I Line 2 Various methods of monitoring are used. For some entities, monthly financial statements and annual audited financial statements are required. For other entities, an accounting of progress with the project substantiates the use of funds for the intended purpose. For other entities, the production of the finished product within the approved budget demonstrates the use of the funds for the intended purpose.

Pt I Line 3 Col (F) GTY accounts for all activities whether domestic or international using the same accounting procedures for review and classification of expenses. When an expense is recorded in the accounting system (whether a grant, or other assistance, or a program service, etc.) a code is attached to it to indicate which region the expense is for. The combination of region codes, GL account codes, and other descriptive information recorded in the accounting system allows reports to be produced which, after detailed review and editing, provide the data needed to complete Schedule F.

Pt II, Line 1 See above. Information in the accounting system indicates whether a grant is cash or non-cash.

Part III See above.

SCHEDULE I
(Form 990)

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

OMB No 1545-0047

2012

Department of the Treasury
Internal Revenue Service

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



Name of the organization

GRACE TO YOU

Employer identification number

95-3846510

Part I General Information on Grants and Assistance

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

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

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) Houston Christian Broadca 2424 South Boulevard Houston TX 77098	74-1401846	501(c)(3)	3,000.	29,981.	FMV	Books	Radio & Books
(2) -----							
(3) -----							
(4) -----							
(5) -----							
(6) -----							
(7) -----							
(8) -----							

- 2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table 3
- 3 Enter total number of other organizations listed in the line 1 table 0

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

TEEA3901 11/30/12

Schedule I (Form 990) (2012)

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered 'Yes' to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1					
2					
3					
4					
5					
6					
7					

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Pt I Line 2 Grace to You infrequently makes grants to other organizations to assist with translation, book/Bible distribution, radio broadcasts or Bible conference expenses. The appropriate use of the grant is measured by the fact that translation was accomplished, materials were distributed, programs aired, or a conference was held.

SCHEDULE J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered 'Yes' to Form 990, Part IV, line 23.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization

Employer identification number

GRACE TO YOU

95-3846510

Part I Questions Regarding Compensation

1 a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items

- | | |
|---|--|
| <input checked="" type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input checked="" type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input checked="" type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If 'No,' complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III

- | | |
|---|---|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization

a Receive a severance payment or change-of-control payment?

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

c Participate in, or receive payment from, an equity-based compensation arrangement?

If 'Yes' to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

a The organization?

b Any related organization?

If 'Yes' to line 5a or 5b, describe in Part III

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of

a The organization?

b Any related organization?

If 'Yes' to line 6a or 6b, describe in Part III

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If 'Yes,' describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If 'Yes,' describe in Part III

9 If 'Yes' to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1 a		
1 b		X
2	X	
3		
4 a		X
4 b		X
4 c		X
5 a		X
5 b		X
6 a		X
6 b		X
7	X	
8		X
9		

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2012

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions on row (ii). Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable columns (D) and (E) amounts for that individual

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus and incentive compensation	(iii) Other reportable compensation				
1 John F. MacArthur, Jr. President/Chairman	(i) 208,000 (ii) 0	2,636 0	35,950 0	0 0	4,178 0	250,764 0	0 0
2 Phillip Johnson Exec Dir/Secretary	(i) 174,375 (ii) 0	14,389 0	3,200 0	14,203 0	16,025 0	222,192 0	0 0
3 Rufus Harvey Controller & CFO	(i) 135,857 (ii) 0	6,177 0	5,355 0	11,279 0	16,716 0	175,384 0	0 0
4 Jay Flowers Dir of Communications	(i) 146,807 (ii) 0	7,079 0	2,057 0	11,843 0	23,149 0	190,935 0	0 0
5 Bill Fickett Dir of Cust. Serv & Tech	(i) 140,776 (ii) 0	6,217 0	5,835 0	11,359 0	22,662 0	186,842 0	0 0
6 Travis Allen Managing Director	(i) 138,929 (ii) 0	835 0	2,520 0	11,266 0	22,924 0	176,474 0	0 0
7 Miguel Contreras Director of GAV	(i) 122,062 (ii) 0	5,388 0	13,291 0	10,811 0	16,617 0	168,169 0	0 0
8							
9							
10							
11							
12							
13							
14							
15							
16							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, for Part II. Also complete this part for any additional information.

Pt I Line 1a First class travel: The organization only pays for the President to fly first-class for longer flights, due to medical necessity. Travel for companions: The organization only pays for family members of employees to travel if there is a bona fide service to the organization that the family member will perform during the trip. During the year, only 1 person was employed to travel with their spouse. Gross-up payments: The organization has the policy of grossing up all bonuses and similar compensation for all employees. The additional compensation resulting from the calculation is also reported as taxable wages to the recipients. Pt I Line 1b There was no formal written policy on any item checked in 1a. First or business class travel for the President was determined by management to be necessary to reduce the risk of a potentially deadly medical condition from recurring. With respect to travel for family members, proper hiring practices are followed and proper substantiation of all expenses incurred is required in accordance with the organization's accountable reimbursement policy.

SCHEDULE L
(Form 990 or 990-EZ)

Transactions With Interested Persons

OMB No 1545-0047

2012

Open to Public Inspection

▶ **Complete if the organization answered 'Yes' on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, 28c, or Form 990-EZ, Part V, line 38a or 40b.**
▶ **Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

Department of the Treasury
Internal Revenue Service

Name of the organization

Employer identification number

GRACE TO YOU

95-3846510

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

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

- 2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 ▶ \$ _____
- 3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$ _____

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

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
			(1) Miguel Contreras	Highly comp			Personal Expense		X	61.	61.	
(2) Miguel Contreras	Highly comp	Personal Expense		X	26.	26.		X	X	X	X	
(3) Miguel Contreras	Highly comp	Personal Expense		X	3,298.	2,248.		X	X	X	X	
(4) Donald Green	Director	Refund Due	X		4.	4.		X	X	X	X	
(5) Donald Green	Director	Personal Expense		X	183.	183.		X	X	X	X	
(6) Rufus Harvey	Officer	Personal Expense		X	161.	7.		X	X	X	X	
(7) Phil Johnson	Director	Personal Expense		X	252.	252.		X	X	X	X	
(8) Phil Johnson	Director	Personal Expense		X	26.	26.		X	X	X	X	
(9) Amanda Taylor	Disq. person	Personal Expense		X	11.	11.		X	X	X	X	
(10) See Schedule L, Part II (continued)												
Total						▶ \$	3,787.					

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

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

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule L (Form 990 or 990-EZ) 2012

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) The Welch Group	>35% Entity	773,798.	Post-Production and Graphic Design		X
(2) Jeremiah Johnson	Family Member	48,776.	Employment		X
(3) Ambassador Advertising	>35% Entity	3,657,491.	Radio Broadcast Distribution		X
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

Part II The receivables for personal expenses listed in Part II
occur in the normal course of business of the
organization. The detailed reporting reflects the
organization's commitment to avoid excess benefit
transactions by requiring employees to reimburse the
organization for each and every expense which would
otherwise result in reportable compensation.

The payable to the MacArthurs resulted from their
pre-paying the organization for any personal expenses
incurred on their behalf.

The payables to employees resulted from out-of-pocket
business expenses paid by those employees and not yet
reimbursed by the organization at the end of the
fiscal year.

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No 1545-0047

2012

▶ Complete if the organizations answered 'Yes' on Form 990, Part IV, lines 29 or 30.

Open To Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990.

Name of the organization

Employer identification number

GRACE TO YOU

95-3846510

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art — Works of art				
2 Art — Historical treasures				
3 Art — Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities — Publicly traded	X	18	79,307.	Market value on donation date
10 Securities — Closely held stock				
11 Securities — Partnership, LLC, or trust interests				
12 Securities — Miscellaneous				
13 Qualified conservation contribution — Historic structures				
14 Qualified conservation contribution — Other				
15 Real estate — Residential				
16 Real estate — Commercial				
17 Real estate — Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (Bushels of Corn)	X	1	1,572.	Selling price
26 Other ▶ (Beneficial Interest)	X	1	204,000.	Value estimate
27 Other ▶ (.)				
28 Other ▶ (.)				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement **29** 0.

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

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule M (Form 990) 2012

Part III Supplemental Information. Complete this part to provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

Pt I col(b) All numbers are number of separate donations, not quantities of items.

Pt I Line 32b The donation of corn was sold by the co-op to which the corn had been delivered by the donor.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2012

Open to Public
Inspection

Name of the organization

Employer identification number

GRACE TO YOU

95-3846510

Pt VI, Line 2 Board President, John MacArthur, is related to Board
Treasurer Matt MacArthur (son), and Board member, Mark
MacArthur (son).

Pt VI, Line 11b The final Form 990 is distributed to all members of the
Board, as well as members of the Audit Committee by
email. All members of the Audit Committee and select
members of the Board review the Form 990 and all
Schedules prior to filing the form. Also, prior to the
filing of the form, it is reviewed by the CFO, the
Managing Director, and the independent auditors.

Pt VI, Line 12c The organization's management constantly monitors
for any conflicts of interest that may arise in
the normal course of business. The organization's
outside auditors perform, as part of their
annual examination, an evaluation of any
transactions that have the potential to
become a conflict of interest. Any potential
conflicts are brought to the attention of
the management to be appropriately addressed.

Pt VI, Line 15a The organization engages an independent compensation
study periodically to guide the independent members
of the Board of Directors in their determination of
executive compensation. The Board uses
the study to guide their setting of
compensation and their deliberations
and decisions are documented in the Board

Name of the organization

GRACE TO YOU

Employer identification number

95-3846510

minutes. The study covers all officers, key employees,
and highest compensated employees. No parties with a
conflict of interest are part of any compensation
decision.

Pt VI, Line 15b Same answer as for Part VI, Line 15a above.

Pt VI, Line 19 The organization makes it's governing documents, conflict
of interest policy, and financial statements available
to the public upon request. The most recent audited
financial statement is also available on the
organization's website.

Pt XI Line 9: Unrealized gain on cash value of keyman life
insurance policy.

Part III, Line 4d Other program services: Grace to You television which
is broadcast in select cable markets, on satellite, and
via the internet; cost of Bible Conferences.

Part VI, Line 1b In reporting the number of independent Board members as
6, both here and in Part I, Line 4, we have excluded
two Board members whom the organization treats
operationally as non-independent. Matthew MacArthur and
Mark MacArthur, as disclosed elsewhere on Schedule O,
are sons of Board President, John MacArthur. As such,
they do not participate in any routine activities of the
Board which require disinterested directors.
Operational conflicts of interest are carefully avoided
in the conduct of their Board membership.

Additionally, Mark and Matt are brothers-in-law to Kory
Welch, 100% owner of The Welch Group, as reported on

Name of the organization

Employer identification number

GRACE TO YOU

95-3846510

Schedule L, Part IV.

Part VI, line 14 The organization is in the process of adopting a document retention and destruction policy.

Part VII, Line 1a, Item 12 Don Green served as Managing Director of Grace to You until April 15, 2012. He became a director on the Board of Directors on May 21, 2012. All compensation received was for his services as Managing Director.

Schedule O (Form 990), Supplemental Information to Form 990
Form 990, Page 2, Part III, Line 4d (continued)

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

Code:	Description	Other program services.
Expenses	938,192.	Grace to You television program which is
Grants Of	0.	broadcast in select cable markets, on satellite,
Revenue.	1,904.	and via the internet; Bible Conferences

Schedule O (Form 990), Supplemental Information to Form 990
Form 990, Page 6, Line 17 (continued)

- Georgia
- Hawaii
- Maryland
- Minnesota
- Mississippi
- New Hampshire
- Tennessee
- Wisconsin
- West Virginia

Schedule A (Form 990 or 990EZ) - Part IV - Supplemental Information (continued)
Schedule A (Form 990 or 990EZ) - Part IV - Supplemental Information (Continuation Sheet)

2009:	1408.
2010:	25286.
2011:	0.
2012:	0.
Description:	Rewards Points Redeemed
2008:	4657.
2009:	1764.
2010:	178.
2011:	0.
2012:	61.
Description:	Volunteer Lunch Reimbursement
2008:	1405.
2009:	1256.
2010:	1060.
2011:	753.
2012:	817.

Schedule J - Part III Supplemental Information (continued)
Schedule J - Part III - Supplemental Information (Continuation Sheet)

Line Number	Explanation
	With respect to gross-ups, all individual compensation changes (which includes gross-ups) are approved by the appropriate level of management.
Pt I Line 7	The Board of Directors and the management of the organization award bonuses from time to time. The amounts of such bonuses are approved by executives or directors of the organization in such a way to avoid conflicts of interest.

Schedule L, Supplemental Information to Form 990 or 990-EZ
Schedule L, Part II (continued)

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	Chk if a Bus	(d) Loan to or From Organization?		(e) Original Principal Amount	(f) Balance Due	(g) In Default?		(h) Approved by Board or Committee?		(i) Written Agreement?	
				To	From			Yes	No	Yes	No	Yes	No
Jay Flowers	Key employee	Reimb. Due		X		100.		X		X		X	
Miguel Contreras	Highly comp	Reimb. Due		X		204.		X		X		X	
Patricia MacArthur	Disq. person	Exp. Pre-payment		X		665.		X		X		X	