

Return of Organization Exempt From Income Tax

2004

Department of the Treasury
Internal Revenue Service

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

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

A For the 2004 calendar year, or tax year beginning **JUL 1, 2004** and ending **JUN 30, 2005**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization FREEDOM HOUSE		D Employer identification number 13-1656647
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite 1319 18TH STREET, N.W.		E Telephone number (202) 296-5101
		City or town, state or country, and ZIP + 4 WASHINGTON, DC 20036		F Accounting method <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)
		* Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ)		H and I are not applicable to section 527 organizations H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) If "Yes," enter number of affiliates:

G Website: **WWW.FREEDOMHOUSE.ORG**

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

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

H(c) Are all affiliates included? **N/A** Yes No (If "No," attach a list.)
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No
I Group Exemption Number

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 **22,696,772.**

M Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Revenue	1 Contributions, gifts, grants, and similar amounts received:				
	a Direct public support	1a	2,211,906.		
	b Indirect public support	1b			
	c Government contributions (grants)	1c	20,248,012.		
	d Total (add lines 1a through 1c) (cash \$ 22,459,918. noncash \$)			1d	22,459,918.
	2 Program service revenue including government fees and contracts (from Part VII, line 93)			2	4,833.
	3 Membership dues and assessments			3	
	4 Interest on savings and temporary cash investments			4	33,384.
	5 Dividends and interest from securities			5	619.
	6 a Gross rents SEE STATEMENT 1	6a	198,018.		
	b Less: rental expenses SEE STATEMENT 2	6b	416,312.		
	c Net rental income or (loss) (subtract line 6b from line 6a)			6c	<218,294.>
7 Other investment income (describe)			7		
8 a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		
	8a				
	8b				
	8c				
d Net gain or (loss) (combine line 8c, columns (A) and (B))			8d		
9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>					
a Gross revenue (not including \$ of contributions reported on line 1a)	9a				
b Less: direct expenses other than fundraising expenses	9b				
c Net income or (loss) from special events (subtract line 9b from line 9a)			9c		
10 a Gross sales of inventory less returns and allowances	10a				
	b Less: cost of goods sold	10b			
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)			10c	
11 Other revenue (from Part VII, line 103)			11		
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)			12	22,280,460.	
Expenses	13 Program services (from line 44, column (B))			13	20,106,415.
	14 Management and general (from line 44, column (C))			14	1,989,887.
	15 Fundraising (from line 44, column (D))			15	249,203.
	16 Payments to affiliates (attach schedule)			16	
	17 Total expenses (add lines 16 and 44, column (A))			17	22,345,505.
18 Excess or (deficit) for the year (subtract line 17 from line 12)			18	<65,045.>	
19 Net assets or fund balances at beginning of year (from line 73, column (A))			19	2,009,765.	
20 Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 3			20	<10,063.>	
21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)			21	1,934,657.	

SCANNED JUL 12 2006

Handwritten signature and initials

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. Page 2

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$10925493 noncash \$)	10,925,493.	10,925,493.	STATEMENT 9	
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc.	140,000.	82,385.	54,643.	2,972.
26	Other salaries and wages	2,363,011.	1,390,540.	922,293.	50,178.
27	Pension plan contributions	120,004.	70,618.	46,838.	2,548.
28	Other employee benefits	605,699.	356,429.	236,404.	12,866.
29	Payroll taxes	135,738.	79,877.	52,979.	2,882.
30	Professional fundraising fees				
31	Accounting fees				
32	Legal fees				
33	Supplies	441,224.	383,020.	57,887.	317.
34	Telephone	344,440.	312,373.	30,960.	1,107.
35	Postage and shipping				
36	Occupancy	312,016.	239,903.	72,113.	
37	Equipment rental and maintenance				
38	Printing and publications				
39	Travel	1,982,792.	1,933,764.	45,067.	3,961.
40	Conferences, conventions, and meetings				
41	Interest				
42	Depreciation, depletion, etc. (attach schedule)	39,879.		39,879.	
43	Other expenses not covered above (itemize):				
a	ADMIN. SERVICES	193,270.	108,763.	84,507.	
b	CONSULTANT FEES	2,409,409.	2,379,717.	14,905.	14,787.
c	INFO. RESOURCES	199,138.	11,883.	57,617.	129,638.
d	OTHER	2,113,200.	1,831,650.	253,603.	27,947.
e	PROJECT DEVELOPMENT	20,192.		20,192.	
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15	22,345,505.	20,106,415.	1,989,887.	249,203.

Joint Costs. Check if you are following SOP 98-2.
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ _____ ; (ii) the amount allocated to Program services \$ _____ ;
 (iii) the amount allocated to Management and general \$ _____ ; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? SEE STATEMENT 4		Program Service Expenses (Required for 501(c)(3) and (4) orgs. and 4947(a)(1) trusts, but optional for others)	
a	SEE STATEMENT 5	(Grants and allocations \$ 4,644,495.)	5,733,021.
b	SEE STATEMENT 6	(Grants and allocations \$ 712,026.)	1,468,104.
c	SEE STATEMENT 7	(Grants and allocations \$ 3,842,433.)	4,467,346.
d	SEE STATEMENT 8	(Grants and allocations \$ 591,632.)	1,353,882.
e	Other program services (attach schedule) STATEMENT 10	(Grants and allocations \$ 1,195,608.)	7,084,062.
f	Total of Program Service Expenses (should equal line 44, column (B), Program services)		20,106,415.

Part IV Balance Sheets

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year	(B) End of year
Assets	45 Cash - non-interest-bearing	220,460.	281,334.
	46 Savings and temporary cash investments	2,232,622.	2,431,032.
	47 a Accounts receivable	47a 64,334.	
	b Less: allowance for doubtful accounts	47b 44,247.	47c 64,334.
	48 a Pledges receivable	48a	
	b Less: allowance for doubtful accounts	48b	48c
	49 Grants receivable	1,474,123.	49 1,793,550.
	50 Receivables from officers, directors, trustees, and key employees		50
	51 a Other notes and loans receivable	51a	
	b Less: allowance for doubtful accounts	51b	51c
	52 Inventories for sale or use		52
	53 Prepaid expenses and deferred charges	25,753.	53 71,645.
	54 Investments - securities STMT 11 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	210,701.	54 451,069.
	55 a Investments - land, buildings, and equipment: basis	55a	
	b Less: accumulated depreciation	55b	55c
56 Investments - other		56	
57 a Land, buildings, and equipment: basis	57a 211,577.		
b Less: accumulated depreciation STMT 12	57b 120,235.	57c 91,342.	
58 Other assets (describe SEE STATEMENT 13)	365,601.	58 237,378.	
59 Total assets (add lines 45 through 58) (must equal line 74)	4,694,934.	59 5,421,684.	
Liabilities	60 Accounts payable and accrued expenses	800,837.	60 902,353.
	61 Grants payable		61
	62 Deferred revenue	1,762,652.	62 2,492,526.
	63 Loans from officers, directors, trustees, and key employees		63
	64 a Tax-exempt bond liabilities		64a
	b Mortgages and other notes payable		64b
	65 Other liabilities (describe SEE STATEMENT 14)	121,680.	65 92,148.
66 Total liabilities (add lines 60 through 65)	2,685,169.	66 3,487,027.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.		
	67 Unrestricted	2,002,709.	67 1,613,823.
	68 Temporarily restricted	7,056.	68 320,834.
	69 Permanently restricted		69
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.		
	70 Capital stock, trust principal, or current funds		70
	71 Paid-in or capital surplus, or land, building, and equipment fund		71
	72 Retained earnings, endowment, accumulated income, or other funds		72
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)	2,009,765.	73 1,934,657.
	74 Total liabilities and net assets / fund balances (add lines 66 and 73)	4,694,934.	74 5,421,684.

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

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return

a	Total revenue, gains, and other support per audited financial statements	▶	a	27,076,583.
b	Amounts included on line a but not on line 12, Form 990:			
(1)	Net unrealized gains on investments	\$	<10,063.>	
(2)	Donated services and use of facilities	\$	4,389,874.	
(3)	Recoveries of prior year grants	\$		
(4)	Other (specify):	\$		
	Add amounts on lines (1) through (4)	▶	b	4,379,811.
c	Line a minus line b	▶	c	22,696,772.
d	Amounts included on line 12, Form 990 but not on line a:			
(1)	Investment expenses not included on line 6b, Form 990	\$		
(2)	Other (specify):			
	STMT 16	\$	<416,312.>	
	Add amounts on lines (1) and (2)	▶	d	<416,312.>
e	Total revenue per line 12, Form 990 (line c plus line d)	▶	e	22,280,460.

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

a	Total expenses and losses per audited financial statements	▶	a	27,151,691.
b	Amounts included on line a but not on line 17, Form 990:			
(1)	Donated services and use of facilities	\$	4,389,874.	
(2)	Prior year adjustments reported on line 20, Form 990	\$		
(3)	Losses reported on line 20, Form 990	\$		
(4)	Other (specify):			
	STMT 15	\$	416,312.	
	Add amounts on lines (1) through (4)	▶	b	4,806,186.
c	Line a minus line b	▶	c	22,345,505.
d	Amounts included on line 17, Form 990 but not on line a:			
(1)	Investment expenses not included on line 6b, Form 990	\$		
(2)	Other (specify):	\$		
	Add amounts on lines (1) and (2)	▶	d	0.
e	Total expenses per line 17, Form 990 (line c plus line d)	▶	e	22,345,505.

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

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
SEE STATEMENT 17		140,000.	12,599.	0.

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

Part VI Other Information		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.		X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
b	If "Yes," has it filed a tax return on Form 990-T for this year? N/A		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	X	
b	If "Yes," enter the name of the organization ▶ WILLKIE MEMORIAL OF FREEDOM HOUSE, INC. and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81 a	Enter direct or indirect political expenditures. See line 81 instructions 81a 0.		
b	Did the organization file Form 1120-POL for this year?		X
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	X	
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) 82b 4,389,874.		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible? N/A		
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A		
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members? N/A		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? N/A If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
c	Dues, assessments, and similar amounts from members 85c N/A		
d	Section 162(e) lobbying and political expenditures 85d N/A		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e N/A		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f N/A		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? N/A		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? N/A		
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12 86a N/A		
b	Gross receipts, included on line 12, for public use of club facilities 86b N/A		
87	501(c)(12) organizations. Enter: a Gross income from members or shareholders 87a N/A		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b N/A		
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ 0.; section 4912 ▶ 0.; section 4955 ▶ 0.		
b	501(c)(3) and 501(c)(4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ 0.		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶ 0.		
90 a	List the states with which a copy of this return is filed ▶ NEW YORK, DISTRICT OF COLUMBIA		
b	Number of employees employed in the pay period that includes March 12, 2004 90b 59		
91	The books are in care of ▶ FREEDOM HOUSE, INC. Telephone no. ▶ 202-296-5101		
	Located at ▶ 1319 18TH STREET, NW, SECOND FLOOR, WASH DC ZIP + 4 ▶ 20036		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92 N/A		

Part VII Analysis of Income-Producing Activities (See page 33 of the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue:					
a PUBLICATIONS			15	2,330.	2,503.
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	33,384.	
96 Dividends and interest from securities			14	619.	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property			16	<218,294.>	
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0.		<181,961.>	2,503.
105 Total (add line 104, columns (B), (D), and (E))					<179,458.>

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

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 34 of the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93A	PUBLICATIONS REPORT ON POLITICAL, ECONOMIC, AND SOCIAL ISSUES WHICH AFFECT THE DEVELOPMENT OF DEMOCRACY.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of the instructions.)

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

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the instructions.)

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

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

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

Please Sign Here
 Signature of officer: *[Signature]* Date: 5/12/06 Type or print name and title: CARLYLE HOFF, COO

Paid Preparer's Use Only
 Preparer's signature: *[Signature]* Date: 5/11/06 Check if self-employed: Preparer's SSN or PTIN: _____
 Firm's name (or yours if self-employed), address, and ZIP + 4: RSM MCGLADREY, INC., 700 N. FAIRFAX ST., SUITE 400, ALEXANDRIA, VA 22314
 EIN: 41-1944416 Phone no.: (703) 549-7800

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information-(See separate instructions.)

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

OMB No 1545-0047

2004

Name of the organization

FREEDOM HOUSE

Employer identification number

13 1656647

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
<u>ADRIAN KARATNYCKY</u> ----- WASHINGTON, DC	SR SCHOL 40	125,306.	16,698.	0.
<u>NINA SHEA</u> ----- WASHINGTON, DC	DIR. CRF 40	100,317.	4,143.	0.
<u>LISA DAVIS</u> ----- WASHINGTON, DC	DIR RIGHTS 40	87,131.	12,782.	0.
<u>ARCH PUDDINGTON</u> ----- NEW YORK, NY	VP RES & PUB 40	85,599.	14,894.	0.
<u>CARLYLE HOOFF</u> ----- WASHINGTON, DC	COO 40	105,735.	15,405.	0.
Total number of other employees paid over \$50,000 ▶	26			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
<u>PENN KEMBLE</u> ----- 1405 35TH STREET, NW WASHINGTON DC 20020	SENIOR SCHOLAR PROJ LABR GLOBL E	197,059.
----- ----- ----- ----- ----- ----- ----- ----- ----- -----		
Total number of others receiving over \$50,000 for professional services ▶	0	

Part III Statements About Activities (See page 2 of the instructions.)		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		X
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a	Sale, exchange, or leasing of property?		X
b	Lending of money or other extension of credit?		X
c	Furnishing of goods, services, or facilities?		X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE PART V, FORM 990	X	
e	Transfer of any part of its income or assets?		X
3 a	Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)		X
b	Do you have a section 403(b) annuity plan for your employees?	X	
4 a	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X
b	Do you provide credit counseling, debt management, credit repair, or debt negotiation services?		X

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)

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

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

14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 5 of the instructions.)

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

Calendar year (or fiscal year beginning in)	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	15,972,463.	11,951,843.	10,793,274.	8,211,686.	46,929,266.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	12,537.	13,738.	36,194.	7,905.	70,374.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	191,618.	247,160.	167,454.	215,009.	821,241.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	16,176,618.	12,212,741.	10,996,922.	8,434,600.	47,820,881.
24 Line 23 minus line 17	16,164,081.	12,199,003.	10,960,728.	8,426,695.	47,750,507.
25 Enter 1% of line 23	161,766.	122,127.	109,969.	84,346.	
26 Organizations described on lines 10 or 11:					
a Enter 2% of amount in column (e), line 24					26a 955,010.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2000 through 2003 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 601,990.
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 47,750,507.
d Add: Amounts from column (e) for lines: 18 <u>821,241.</u> 19 _____ 22 _____ 26b <u>601,990.</u>					26d 1,423,231.
e Public support (line 26c minus line 26d total)					26e 46,327,276.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 97.0194%
27 Organizations described on line 12:					
a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: N/A	(2003)	(2002)	(2001)	(2000)	
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: N/A	(2003)	(2002)	(2001)	(2000)	
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					27c N/A
d Add: Line 27a total _____ and line 27b total _____					27d N/A
e Public support (line 27c total minus line 27d total)					27e N/A
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)					27f N/A
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h N/A %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2000 through 2003, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.					

Part V Private School Questionnaire (See page 7 of the instructions.)

N/A

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		

32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		

33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?		
b	Admissions policies?		
c	Employment of faculty or administrative staff?		
d	Scholarships or other financial assistance?		
e	Educational policies?		
f	Use of facilities?		
g	Athletic programs?		
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		

34 a	Does the organization receive any financial aid or assistance from a governmental agency?		
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.		
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation		

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions.)

N/A

(To be completed **ONLY** by an eligible organization that filed Form 5768)

Check **a** if the organization belongs to an affiliated group.

Check **b** if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for ALL electing organizations												
(The term "expenditures" means amounts paid or incurred.)															
		N/A													
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)														
37	Total lobbying expenditures to influence a legislative body (direct lobbying)														
38	Total lobbying expenditures (add lines 36 and 37)														
39	Other exempt purpose expenditures														
40	Total exempt purpose expenditures (add lines 38 and 39)														
41	Lobbying nontaxable amount. Enter the amount from the following table -														
	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">If the amount on line 40 is -</td> <td style="width: 50%;">The lobbying nontaxable amount is -</td> </tr> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 40</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </table>	If the amount on line 40 is -	The lobbying nontaxable amount is -	Not over \$500,000	20% of the amount on line 40	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000		
If the amount on line 40 is -	The lobbying nontaxable amount is -														
Not over \$500,000	20% of the amount on line 40														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$1,000,000														
42	Grassroots nontaxable amount (enter 25% of line 41)														
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36														
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38														

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

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 11 of the instructions.)

Calendar year (or fiscal year beginning in)	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

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

- a** Volunteers
- b** Paid staff or management (Include compensation in expenses reported on lines **c** through **h**.)
- c** Media advertisements
- d** Mailings to members, legislators, or the public
- e** Publications, or published or broadcast statements
- f** Grants to other organizations for lobbying purposes
- g** Direct contact with legislators, their staffs, government officials, or a legislative body
- h** Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
- i** Total lobbying expenditures (Add lines **c** through **h**.)

Yes	No	Amount
	X	
	X	
	X	
	X	
	X	
	X	
	X	
	X	
	X	
		0.

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

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 11 of the instructions.)

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

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

(i) Cash

(ii) Other assets

b Other transactions:

(i) Sales or exchanges of assets with a noncharitable exempt organization

(ii) Purchases of assets from a noncharitable exempt organization

(iii) Rental of facilities, equipment, or other assets

(iv) Reimbursement arrangements

(v) Loans or loan guarantees

(vi) Performance of services or membership or fundraising solicitations

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

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

	Yes	No
51a(i)		X
a(ii)		X
b(i)		X
b(ii)		X
b(iii)		X
b(iv)		X
b(v)		X
b(vi)		X
c		X

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

52 a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? Yes No

b If "Yes," complete the following schedule: N/A

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

2004 DEPRECIATION AND AMORTIZATION REPORT
FORM 990 PAGE 2

990

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
	MANAGEMENT AND GENERAL FURNITURE, FIXTURES, & COMPUTERS			5.00	16	211,577.			211,577.	80,356.		39,879.
	* 990 PAGE 2 TOTAL					211,577.		0.	211,577.	80,356.	0.	39,879.
	MANAGEMENT AND GENERAL					211,577.		0.	211,577.	80,356.	0.	39,879.
	* GRAND TOTAL 990 PAGE 2 DEPR											

Freedom House – 990 Schedule FY05

SUBGRANTEE	AMOUNT
MCF	1,057.56
The Research Center of Regiona	2,950.00
Wszechnica Konecka Society for	2,969.97
Ukrainian Centre for Common Gr	3,010.00
Mr. Sali Abdurakhmonov	3,257.00
Spravedlivost	3,300.00
Angren City "Kamilla" Center f	3,578.48
Civic Dialogue Inittative	3,610.07
CADHAC	3,622.00
Institute for Easteme Studies	3,653.00
Center named after O. Razumkov	3,673.90
Institute for sustainable Comm	3,726.35
Youth Center "Turan"	3,805.00
Zdravko Marjanovic	3,950.00
CIKP Skopje	4,000.00
Radovan Vujaklija	4,000.00
Eastern trading house	4,094.18
Assoc. of Support Civil Inittit	4,140.00
Ptakh Youth Center	4,241.00
Klub Ukraiskoyi Molodi	4,297.00
Legislative Initiatives	4,385.00
Young Leader Organization of B	4,420.00
Ferghana City Radio and Televi	4,434.69
International Public Organisat	4,490.00
Sumy Oblast Charitable Foundat	4,500.00
Women's Group Seleus, Seleus	4,500.00
NGAC Institute of Reforms, NGO	4,510.00
Stadnia Koni Huculskich Gladys	4,535.95
Charitable Organization Your R	4,540.00
Youth Organizatin "Birlik-Unit	4,555.00
PERLYNY SEZONU	4,560.00
Initiative Support and Develop	4,730.81
Vladimir Ilic	4,735.57
Foundation for Agricultural Entrepreneur	4,742.26
Zhitomir Urban public organiza	4,880.00
Firm "Legislator-I"	4,900.00
NGO Edelvejs	4,935.00
Namangan region "Protection Gr	4,950.00
Odbor za ljudska prava Nis	4,950.00
Center of support of country	5,000.00
CO "Odesa Youth Parliament"	5,000.00
Pro Koncept	5,000.00
Semiha Kacar	5,000.00
Association of Employees and O	5,030.00
Ternopilskyy Miskyy Rok-klub	5,051.00
Information and Consultation C	5,060.88
Matritsa, Sumy Regional Youth	5,105.00
Stowarzyszenie Maj 77	5,155.77
Association of Ukrainian Offic	5,180.00
Union Zakhyst	5,213.00
Centre "Dobrichyn"	5,225.00
Luhansk Regional Organization	5,230.00
"Legislator-I" Ukraine, Nikola	5,350.00

Teachers for Democracy and Par	5,370.00
Dnipropetrovska Oblasna Molodi	5,455.00
Vinnitsa Regional Youth NGO Na	5,469.00
Initiative of Democracy	5,625.00
Urban In, Novo Pazar	5,704.00
Anti Trafficking Center	5,803.00
Initsiatyva, Zhmerinka City Yo	5,844.00
Gromadska Organizatsia "Centa	5,850.00
Centro de estudios de justicia	5,855.49
B.A.B.E.	6,201.00
Croatia Workshop	6,250.00
TC Group KFT	6,250.00
LIBERTOS Foundation for Intl C	6,432.00
Foundation for Research	6,500.00
Aleksandra Popov	7,000.00
Stefanovic Danica	7,174.00
Instituti per Demokraci dhe nd - Sub-Grant Payment	7,745.00
Wyspa Szans Association	7,760.00
Hromadska organizatsia "Fond E	8,000.00
regional Exchange Program	8,034.40
Institute per Demokraci dhe Nd	8,115.00
FRDL Centrum Dolnoslaskie	8,245.00
CANVAS, Belgrade	8,300.00
Podillya Pershyi Association	8,450.00
Legal Research	8,450.70
Public Organization "Lugansk R	8,522.00
Camp in Crimea	8,716.36
Crupa Doradcza Sienna	8,733.00
Centar Za Prava Manjina	8,800.00
Secretariat of Freedom of Choi	8,810.00
Pontis Foundation	8,875.00
Euroregio Ukraine Inst. of Reg	9,039.00
Donetsk Youth Debate Center	9,155.90
Internews-Ukraine, NGO, Kyiv	9,202.27
Sindjic Vladan	9,995.00
Centar Za Mir ABC	10,000.00
CASE-Ctr. for Soc.Eco.Research	10,240.00
Wislok Municipal Union, Rzeszo	10,265.47
KPP MISC ACCOUNT	10,305.62
Jagiellonian University	10,500.00
Eastern European Democratic Center	10,693.70
PBYRC	10,697.18
Spilka Ukrainskoi Molodi v Ukr	10,922.00
GRUPA 485	11,166.00
Centro Para el Desarrollo Integ	11,500.00
Institute for Public Affairs	11,975.00
Citizen's	12,600.00
Gragjanska asocijacija za razv	12,600.00
Sumy Regional Committee of You	12,800.00
Freedom House/internal reprogrammed funds	12,871.27
Croatian Helsinki committee-hr	13,233.00
Centar za Civilno Vojne Odnose	13,250.00
Centar za ljudska prava	14,000.00
Centar Za Razvoj NPS-CRNPS	14,000.00
Helsinki Odbor Aa ljudska Pra	14,000.00
CCA	14,084.50
Association of School Director	14,520.00

NOVA SIMYA Charitable Foundati	14,779.00
BYL-A -	14,995.00
Odbor Za Zastitu Ljudskih Prav	15,000.00
Mercedes Murillo Monge	15,040.00
Int. Center for Journalists	15,314.82
PRO Europa Association	15,447.00
Institute for Democracy and Mediation	15,490.00
PAC	15,571.12
Centro de Estudios Fronterizos	15,711.12
Salus Charitable Foundation	15,777.00
Pyrylp Orlyk Institute for Dem	16,000.00
Association School of Politics - RNP RPG	16,019.00
Medija Centar	16,900.00
Institute of Society Transform	17,047.00
Open Estonia Foundation	17,235.00
NGO Media Initiatives Fund	18,000.00
NCHR	18,161.96
Democracy and Developement	18,446.00
CDHRF	18,895.00
Charity Foundation "Internatio	19,160.00
Fond Za Humanitarno Pravo	20,000.00
Sandzacki Odbor Za Zastitu Lju	20,000.00
Polish Robert Schuman Foundation	20,080.00
Kiev Charity Foundation	20,200.00
Open Society Institute	20,913.00
IDI Institute for Regional	21,200.00
Centar za Slobodne Izbore i De	22,300.00
Monitoring Center - CEMI	22,424.25
School of Leaders Association	22,557.00
Institute for Eastern Studies	22,862.09
Romanian Academic Society	23,359.37
ARES S.A. Regional Development	23,389.00
Balkanski Fond Za Podrsku Loka	23,600.00
Center for Democratic Transiti	24,670.80
Zmiany Investment Ltd.	25,913.00
M. Richter	26,704.33
Evropski pokret u Srbiji	28,000.00
Center for Peace, Conversion	28,625.00
Ciudadanos en apoyo a los derech	29,493.00
Institute for Regional and Int	29,530.00
Obcianske Oko	29,622.00
Citizens Organized	29,800.00
Centar za regionalizam	30,000.00
Civic Initiatives, Belgrade	32,500.00
Institute for Euro-Atlantic Co	32,628.00
MOST	35,366.62
Media suport center Foundation	39,145.00
Exit Udruzenje	42,295.00
Center for Liberal Strategies	54,824.00
KIPRED - NGO	55,000.00
ACAT	60,339.00
Pro Democracy Association	67,569.00
European Institute for Democra	84,313.60
Nessuno Tocchi Caino	93,337.20

GONG - Citizens Organized to M	110,690.51
Gradjanske Inicijative Dereta	160,000.00
Center for Free Elections and	163,505.91
Komitet Pravnika Za Ljudska Pr	164,500.00
Faisal Zoubi (KCDAS)	243,961.62
IRI	434,833.94
NDI	3,468,594.00
ABA	3,931,112.06
Total Subgrants	10,925,492.61

FORM 990	RENTAL INCOME	STATEMENT	1
KIND AND LOCATION OF PROPERTY		ACTIVITY NUMBER	GROSS RENTAL INCOME
RENTAL INCOME		1	198,018.
TOTAL TO FORM 990, PART I, LINE 6A			198,018.

FORM 990	RENTAL EXPENSES	STATEMENT	2
DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
RENTAL EXPENSES		416,312.	
- SUBTOTAL -	1		416,312.
TOTAL TO FORM 990, PART I, LINE 6B			416,312.

FORM 990	OTHER CHANGES IN NET ASSETS OR FUND BALANCES	STATEMENT	3
DESCRIPTION			AMOUNT
UNREALIZED LOSS ON INVESTMENTS			<10,063.>
TOTAL TO FORM 990, PART I, LINE 20			<10,063.>

FORM 990	STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE PART III	STATEMENT	4
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EXPLANATION
 TO MONITOR HUMAN RIGHTS AND POLITICAL AND ECONOMIC FREEDOM AROUND THE WORLD.

FORM 990

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

STATEMENT 5

DESCRIPTION OF PROGRAM SERVICE ONE

THE CPEU PROGRAM ADDRESSES A CRITICAL PROBLEM OF THE UKRAINIAN POLITICAL SYSTEM AND EMPLOYS A COMPREHENSIVE APPROACH TO CIVIC PARTICIPATION IN AND OVERSIGHT OF ELECTIONS THROUGH THE SUPPORT OF FULL-SCALE ELECTION OBSERVATION, VOTER EDUCATION, AND TRAINING FOR POLITICAL PARTY POLL WATCHERS AND ELECTION LAWYERS. ADDITIONALLY, THROUGH A PILOT PROGRAM AIMED AT DEVELOPING WATCHDOG NGOS, 5 PARTNERS RECEIVED SUPPORT IN A THREE-STAGE PROCESS: IN-DEPTH TRAINING, AN INTERNSHIP IN SUCCESSFUL WATCHDOG ORGANIZATIONS CENTRAL AND EASTERN EUROPE, AND GRANT DURING WHICH THEY APPLIED THEIR NEWLY-GAINED KNOWLEDGE.

	<u>GRANTS</u>	<u>EXPENSES</u>
TO FORM 990, PART III, LINE A	4,644,495.	5,733,021.

FORM 990

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

STATEMENT 6

DESCRIPTION OF PROGRAM SERVICE TWO

DEMOCRATIC TRANSITION AND REINTEGRATION IN SERBIA (DTRS) SEEKS TO DEVELOP A MORE SUSTAINABLE NGO SECTOR THAT WILL MAKE SUBSTANTIAL CONTRIBUTIONS TO SERBIA'S DEMOCRATIC TRANSITION. IN ADDITION, DTRS LOOKS TO BUILD UP A SKILLED CADRE OF LEADERS CULTIVATED WITHIN CIVIL SOCIETY AND GOVERNMENT TO EXERCISE LEADERSHIP IN SERBIA'S TRANSITION PROCESS. A SERIES OF CROSS-BORDER INITIATIVES WILL ENCOURAGE REGIONAL INTEGRATION. THE PROGRAM INCLUDES NGO DEVELOPMENT AND CORE PROGRAM GRANTS IN ADDITION TO LOCAL, REGIONAL AND U.S. BASED EXCHANGES.

	<u>GRANTS</u>	<u>EXPENSES</u>
TO FORM 990, PART III, LINE B	712,026.	1,468,104.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 7

DESCRIPTION OF PROGRAM SERVICE THREE

THE RIGHTS PROGRAM IS ADMINISTERED BY THE RIGHTS CONSORTIUM, A PARTNERSHIP BETWEEN FREEDOM HOUSE (THE PRIME RECIPIENT), THE AMERICAN BAR ASSOCIATION'S CENTRAL AND EAST EUROPEAN LAW INITIATIVE, AND THE NATIONAL DEMOCRATIC INSTITUTE. FUNDING SUPPORTS RULE OF LAW AND HUMAN RIGHTS ACTIVITIES AROUND THE WORLD. THE RIGHTS PROGRAM AIMS TO RAISE LEGAL REFORM, IMPROVE JUSTICE SECTOR INSTITUTIONS AND PROCESSES, RAISE ACCESS TO JUSTICE, AND PROMOTE BEST PRACTICES.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE C	3,842,433.	4,467,346.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 8

DESCRIPTION OF PROGRAM SERVICE FOUR

THE MEXICO RIGHTS ASSOCIATE PROGRAM SUPPORTS RULE OF LAW AND HUMAN RIGHTS ACTIVITIES IN MEXICO. THE MEXICO RIGHTS ASSOCIATE PROGRAM HAS TWO PRIMARY AIMS. 1) TO SUPPORT HUMAN RIGHTS DEFENDERS IN THE PREVENTION OF TORTURE AND IN THE PROVISION OF SERVICES FOR TORTURE VICTIMS. 2) TO SUPPORT MEXICAN STATE INITIATIVES TO CREATE AND PROVIDE MEDIATION SERVICES AS AN ALTERNATIVE DISPUTE RESOLUTION MECHANISM. FREEDOM HOUSE PROVIDES A SUBGRANT TO A PARTNER ORGANIZATION, THE AMERICAN BAR ASSOCIATION, TO IMPLEMENT PROJECT ACTIVITIES TOWARDS THE ACHIEVEMENT OF THE SECOND OBJECTIVE.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE D	591,632.	1,353,882.

FORM 990 CASH GRANTS AND ALLOCATIONS STATEMENT 9

CLASSIFICATION	DONEE'S NAME	DONEE'S ADDRESS	DONEE'S RELATIONSHIP	AMOUNT
SUBGRANTS	SEE ATTACHED LIST OF RECIPIENTS		NONE	10925493.
TOTAL INCLUDED ON FORM 990, PART II, LINE 22				10925493.

FORM 990 OTHER PROGRAM SERVICES STATEMENT 10

DESCRIPTION	GRANTS AND ALLOCATIONS	EXPENSES
OTHER DEMOCRACY PROGRAMS	1,195,608.	7,084,062.
TOTAL TO FORM 990, PART III, LINE E	1,195,608.	7,084,062.

FORM 990 NON-GOVERNMENT SECURITIES STATEMENT 11

SECURITY DESCRIPTION	COST/FMV	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	TOTAL NON-GOV'T SECURITIES
EQUITIES	FMV	451,069.			451,069.
TO FORM 990, LINE 54, COL B		451,069.			451,069.

FORM 990 DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 12

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
FURNITURE, FIXTURES, & COMPUTERS	211,577.	120,235.	91,342.
TOTAL TO FORM 990, PART IV, LN 57	211,577.	120,235.	91,342.

FORM 990	OTHER ASSETS	STATEMENT 13
DESCRIPTION		AMOUNT
SECURITY DEPOSIT		99,131.
ADVANCES TO SUBRECIPIENTS		138,247.
TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B		237,378.

FORM 990	OTHER LIABILITIES	STATEMENT 14
DESCRIPTION		AMOUNT
DEFERRED RENT		66,467.
DEPOSITS PAYABLE		25,681.
TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B		92,148.

FORM 990	OTHER EXPENSES NOT INCLUDED ON FORM 990	STATEMENT 15
DESCRIPTION		AMOUNT
RENTAL EXPENSES		416,312.
TOTAL TO FORM 990, PART IV-B		416,312.

FORM 990	OTHER REVENUE INCLUDED ON FORM 990	STATEMENT 16
DESCRIPTION		AMOUNT
RENTAL EXPENSES		<416,312.>
TOTAL TO FORM 990, PART IV-A		<416,312.>

FORM 990

PART V - LIST OF OFFICERS, DIRECTORS,
TRUSTEES AND KEY EMPLOYEES

STATEMENT 17

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
JENNIFER WINDSOR WASHINGTON, DC 20036	EXECUTIVE DIRECTOR 40	140,000.	12,599.	0.
PETER ACKERMAN WASHINGTON, DC 20036	CHAIRMAN 1	0.	0.	0.
STUART EIZENSTAT WASHINGTON, DC 20036	VICE CHAIRMAN 1	0.	0.	0.
AMBASSADOR MARK PALMER WASHINGTON, DC 20036	VICE CHAIRMAN 1	0.	0.	0.
NED BANDLER WASHINGTON, DC 20036	SECRETARY 1	0.	0.	0.
WALTER J. SCHLOSS WASHINGTON, DC 20036	TREASURER 1	0.	0.	0.
BETTE BAO LORD WASHINGTON, DC 20036	CHAIRMAN EMERITUS 1	0.	0.	0.
AMBASSADOR MAX M. KAMPELMAN WASHINGTON, DC 20036	CHAIRMAN EMERITUS 1	0.	0.	0.
RICHARD SAUBER WASHINGTON, DC 20036	OF COUNSEL 1	0.	0.	0.
AMBASSADOR KENNETH ADELMAN WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
JACQUELINE ADAMS WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.

BERNARD WILLIAM ARONSON WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
SKIP GATES WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
ALAN DYE WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
SIDNEY HARMAN WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
AMBASSADOR THOMAS FOLEY WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
MALCOLM S. FORBES, JR. WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
THEODORE FORSTMANN WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
ROBERT D. HORMATS WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
SAMUEL P. HUNTINGTON WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
JOHN T. JOYCE WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
KATHRYN DICKEY KAROL WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
FAROOQ KATHWARI WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
JEANE KIRKPATRICK WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.

MARA LIASSON WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
JAY MAZUR WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
PROFESSOR JOHN NORTON MOORE WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
DR. AZAR NAFISI WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
DR. ANDREW NATHAN WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
DIANA VILLIERS NEGROPONTE WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
P.J. O'ROURKE WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
ANTHONY LAKE WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
NANCY LANE WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
MICHAEL MCFAUL WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
DR. ARTHUR WALDRON WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
PROFESSOR RUTH WEDGWOOD WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.
WENDELL L. WILLKIE II WASHINGTON, DC 20036	TRUSTEE 1	0.	0.	0.

FREEDOM HOUSE

13-1656647

DAVID NASTRO
WASHINGTON, DC 20036

TRUSTEE
1

0. 0. 0.

NINA ROSENWALD
WASHINGTON, DC 20036

TRUSTEE
1

0. 0. 0.

DAVID RUBENSTEIN
WASHINGTON, DC 20036

TRUSTEE
1

0. 0. 0.

TOTALS INCLUDED ON FORM 990, PART V

140,000. 12,599. 0.

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

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

Part I Automatic 3-Month Extension of Time - Only submit original (no copies needed)

Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only

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

Electronic Filing (e-file). Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension, instead you must submit the fully completed signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile.

Type or print	Name of Exempt Organization FREEDOM HOUSE	Employer Identification number 13-1656647
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 1319 18TH STREET, N.W.	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. WASHINGTON, DC 20036	

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

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

- The books are in the care of ▶ **FREEDOM HOUSE, INC.**
 Telephone No. ▶ **202-296-5101** FAX No. ▶ _____
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the **whole group**, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a Form 990-T corporation) extension of time until **FEBRUARY 15, 2006** to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ calendar year _____ or

▶ tax year beginning **JUL 1, 2004**, and ending **JUN 30, 2005**.

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

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

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

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

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box

Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

Part II Additional (not automatic) 3-Month Extension of Time - Must file Original and One Copy.

Name of Exempt Organization: FREEDOM HOUSE
Employer identification number: 13-1656647
Number, street, and room or suite no. If a P.O. box, see instructions: 1319 18TH STREET, N.W.
City, town or post office, state, and ZIP code: WASHINGTON, DC 20036

Check type of return to be filed (File a separate application for each return):
[X] Form 990
Form 990-EZ
Form 990-T (sec. 401(a) or 408(a) trust)
Form 1041-A
Form 5227
Form 8870
Form 990-BL
Form 990-PF
Form 990-T (trust other than above)
Form 4720
Form 6069

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

The books are in the care of FREEDOM HOUSE, INC.
Telephone No. 202-296-5101
FAX No.
If the organization does not have an office or place of business in the United States, check this box
If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN)
If this is for the whole group, check this box
If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until MAY 15, 2006
5 For calendar year, or other tax year beginning JUL 1, 2004 and ending JUN 30, 2005
6 If this tax year is for less than 12 months, check reason: Initial return, Final return, Change in accounting period
7 State in detail why you need the extension: ADDITIONAL TIME IS NEEDED TO OBTAIN INFORMATION TO FILE AN ACCURATE RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 \$
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ N/A

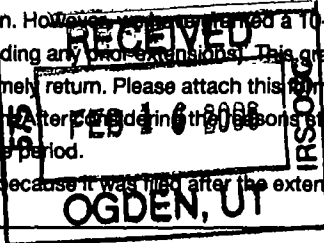
Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature: [Signature] Title: Date: 2/13/06

Notice to Applicant - To Be Completed by the IRS

[X] We have approved this application. Please attach this form to the organization's return.
[] We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return.
[] We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.
[] We cannot consider this application because it was filed after the extended due date of the return for which an extension was requested.
[] Other



Director: By: Date:

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension return to be sent to an address different than the one entered above.

Name: FREEDOM HOUSE C/O RSM MCGLADREY, INC.
Number and street (include suite, room, or apt. no.) or a P.O. box number: 700 N FAIRFAX STREET, SUITE 400
City or town, province or state, and country (including postal or ZIP code): ALEXANDRIA, VA 22314

EXTENSION APPROVED
MAR 06 2006
FIELD DIRECTOR, SUBMISSION PROCESSING, OGDEN

ENVELOPE POSTMARK DATE FEB 15 2006