

Return of Organization Exempt From Income Tax

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 2001 calendar year, or tax year period beginning **OCT 1, 2001** and ending **SEP 30, 2002**

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

C Name of organization: **Free Software Foundation, Inc.**

D Employer identification number: **04-2888848**

Number and street (or P O box if mail is not delivered to street address) Room/suite **E** Telephone number
59 Temple Place **330** **(617) 542-5942**

City or town, state or country, and ZIP + 4 **F** Accounting method: Cash Accrual
Boston, MA 02111-1307 Other (specify) **▶**

G Web site **▶ www.gnu.org**

H and **I** are not applicable to section 527 organizations

H(a) Is this a group return for affiliates? Yes No

H(b) If "Yes," enter number of affiliates **▶**

H(c) Are all affiliates included? **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 Enter 4-digit GEN **▶**

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.

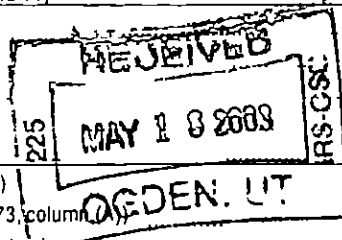
M Check if the organization is not required to attach Sch B (Form 990 990-EZ, or 990-PF)

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 **▶ 440,554.**

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	257,646.		
	b	Indirect public support	1b			
	c	Government contributions (grants)	1c			
	d	Total (add lines 1a through 1c) (cash \$ 257,646. noncash \$)	1d		257,646.	
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2			
	3	Membership dues and assessments	3			
	4	Interest on savings and temporary cash investments	4		9,674.	
	5	Dividends and interest from securities	5			
	6a	Gross rents	6a			
	6b	Less rental expenses	6b			
	6c	Net rental income or (loss) (subtract line 6b from line 6a)	6c			
7	Other investment income (describe ▶)	7				
Revenue	8a	Gross amount from sale of assets other than inventory	(A) Securities	(B) Other		
	b	Less cost or other basis and sales expenses	8a			
	c	Gain or (loss) (attach schedule)	8b			
	d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8c			
Revenue	9	Special events and activities (attach schedule)				
	a	Gross revenue (not including \$ of contributions reported on line 1a)	9a			
	b	Less direct expenses other than fundraising expenses	9b			
9c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c				
Revenue	10a	Gross sales of inventory less returns and allowances	10a	173,234.		
	b	Less cost of goods sold Statement 2	10b	64,491.		
	c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a) Stmt 1	10c		108,743.	
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		376,063.		
Expenses	13	Program services (from line 44 column (B))	13		530,500.	
	14	Management and general (from line 44 column (C))	14		131,610.	
	15	Fundraising (from line 44, column (D))	15		64,353.	
	16	Payments to affiliates (attach schedule)	16			
	17	Total expenses (add lines 16 and 44, column (A))	17		726,463.	
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)	18		<350,400.>	
	19	Net assets or fund balances at beginning of year (from line 73, column (A))	19		1,007,515.	
	20	Other changes in net assets or fund balances (attach explanation)	20		0.	
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21		657,115.	

SCANNED JUN 07 '03



Part II Statement of Functional Expenses		All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.			
Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule)				
	cash \$ _____ noncash \$ _____				
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc.	0.	0.	0.	0.
26	Other salaries and wages	443,522.	352,127.	51,532.	39,863.
27	Pension plan contributions				
28	Other employee benefits	40,588.	27,667.	9,699.	3,222.
29	Payroll taxes	33,846.	23,072.	8,087.	2,687.
30	Professional fundraising fees				
31	Accounting fees	9,311.	3,745.	5,216.	350.
32	Legal fees				
33	Supplies				
34	Telephone	5,889.	2,369.	3,299.	221.
35	Postage and shipping				
36	Occupancy	50,037.	20,130.	28,026.	1,881.
37	Equipment rental and maintenance				
38	Printing and publications	19,049.	9,569.		9,480.
39	Travel				
40	Conferences, conventions and meetings	18,848.	18,848.		
41	Interest				
42	Depreciation, depletion, etc. (attach schedule)	15,651.	14,357.	1,213.	81.
43	Other expenses not covered above (itemize)				
a	_____				
b	_____				
c	_____				
d	_____				
e	See Statement 3	89,722.	58,616.	24,538.	6,568.
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D) carry these totals to lines 13-15.	726,463.	530,500.	131,610.	64,353.

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		Program Service Expenses
What is the organization's primary exempt purpose? Promote the free exchange of software.		(Required for 501(c)(3) and (4) orgs. and 4947(a)(1) trusts but optional for others.)
a	Promote the free exchange of computer software and information related to computers and development of new freely distributable computer software and related information. (Grants and allocations \$ _____)	530,500.
b	_____ (Grants and allocations \$ _____)	
c	_____ (Grants and allocations \$ _____)	
d	_____ (Grants and allocations \$ _____)	
e	Other program services (attach schedule) (Grants and allocations \$ _____)	
f	Total of Program Service Expenses (should equal line 44 column (B) Program services)	530,500.

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	6,869.	45	854.
	46	Savings and temporary cash investments	919,687.	46	493,238.
	47 a	Accounts receivable	5,622.		
		47a			
	b	Less allowance for doubtful accounts	25,445.	47c	5,622.
		47b			
	48 a	Pledges receivable	31,000.		
		48a			
	b	Less allowance for doubtful accounts		48c	31,000.
		48b			
	49	Grants receivable		49	
	50	Receivables from officers, directors, trustees, and key employees		50	
	51 a	Other notes and loans receivable			
		51a			
	b	Less allowance for doubtful accounts		51c	
	51b				
52	Inventories for sale or use	48,652.	52	42,293.	
53	Prepaid expenses and deferred charges	3,425.	53	8,500.	
54	Investments - securities ▶ <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54		
55 a	Investments - land, buildings, and equipment basis				
	55a				
b	Less accumulated depreciation		55c		
	55b				
56	Investments - other		56		
57 a	Land, buildings, and equipment basis	424,817.			
	57a				
b	Less accumulated depreciation Stmt 4	362,443.	57c	62,374.	
	57b				
58	Other assets (describe ▶ See Statement 5)	5,837.	58	41,015.	
59	Total assets (add lines 45 through 58) (must equal line 74)	1,056,544.	59	684,896.	
Liabilities	60	Accounts payable and accrued expenses	32,627.	60	4,570.
	61	Grants payable		61	
	62	Deferred revenue		62	
	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 6)	16,402.	65	23,211.
66	Total liabilities (add lines 60 through 65)	49,029.	66	27,781.	
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	963,399.	67	657,115.
	68	Temporarily restricted	44,116.	68	0.
	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)	1,007,515.	73	657,115.
	74	Total liabilities and net assets / fund balances (add lines 66 and 73)	1,056,544.	74	684,896.

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 VI Other Information

Table with columns for question number, question text, and Yes/No columns. Includes questions 76 through 91 regarding organizational activities, financials, and governance.

91 The books are in care of Geoffrey Knauth, Treasurer Telephone no (617) 542-5942
Located at 59 Temple Place Suite 330, Boston, MA ZIP + 4 02111-1307

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here and enter the amount of tax-exempt interest received or accrued during the tax year

Part VII Analysis of Income-Producing Activities (See Specific Instructions on page 32)

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 _____					
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	9,674.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from 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					108,743.
103 Other revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B) (D) and (E))		0.		9,674.	108,743.
105 Total (add line 104, columns (B), (D), and (E))					118,417.

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

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See Specific Instructions on page 32)

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)
102	Supports the development of new freely distributable software & info

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See Specific Instructions on page 33)

(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	%			
	%			
	%			
	%			

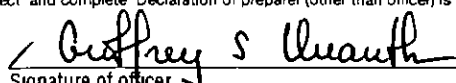
Part X Information Regarding Transfers Associated with

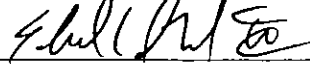
(a) Did the organization, during the year, receive any funds directly or indirectly, from any individual?

(b) Did the organization, during the year, pay premiums directly or indirectly, on any life insurance policy?

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 in his possession.

Please Sign Here  1/5
Signature of officer Date

Paid Preparer's Use Only
Preparer's signature 
Firm's name (or yours if self-employed) address and ZIP + 4
PANNELL KERR FORSTER, P
600 LONGWATER DRIVE
NORWELL, MA 02061

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

2001

Name of the organization

Free Software Foundation, Inc.

Employer identification number

04 2888848

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
None -----				

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

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

(See 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
None -----		

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)?		X
e Transfer of any part of its income or assets?		X
3 Does the organization make grants for scholarships, fellowships, student loans, etc ? (See Note below)		X
4 Do you have a section 403(b) annuity plan for your employees?		X
Note Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments		

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

Provide the following information about the supported organizations (See page 5 of the instructions)

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

- 14 An organization organized and operated to test for public safety Section 509(a)(4) (See page 6 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) 2000	(b) 1999	(c) 1998	(d) 1997	(e) Total
15 Gifts grants and contributions received (Do not include unusual grants. See line 28.)	438,451.	292,889.	355,922.	153,788.	1,241,050.
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	158,598.	336,826.	350,366.	293,879.	1,139,669.
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	44,338.	47,404.	27,934.	17,612.	137,288.
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	641,387.	677,119.	734,222.	465,279.	2,518,007.
24 Line 23 minus line 17	482,789.	340,293.	383,856.	171,400.	1,378,338.
25 Enter 1% of line 23	6,414.	6,771.	7,342.	4,653.	
26 Organizations described on lines 10 or 11					
a Enter 2% of amount in column (e), line 24					26a N/A
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 1997 through 2000 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.					26b N/A
c Total support for section 509(a)(1) test. Enter line 24, column (e).					26c N/A
d Add: Amounts from column (e) for lines 18 _____ 19 _____ 22 _____ 26b _____					26d N/A
e Public support (line 26c minus line 26d total)					26e N/A
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f N/A %
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.	(2000) 0.	(1999) 0.	(1998) 0.	(1997) 78,314.	
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.	(2000) 0.	(1999) 0.	(1998) 0.	(1997) 0.	
c Add: Amounts from column (e) for lines 15 <u>1,241,050.</u> 16 _____ 17 <u>1,139,669.</u> 20 _____ 21 _____					27c 2,380,719.
d Add: Line 27a total <u>78,314.</u> and line 27b total <u>0.</u>					27d 78,314.
e Public support (line 27c total minus line 27d total)					27e 2,302,405.
f Total support for section 509(a)(2) test. Enter amount on line 23, column (e)					27f 2,518,007.
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g 91.4376%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h 5.4522%
28 Unusual Grants: For an organization described in line 10, 11, or 12, that received any unusual grants during 1997 through 2000, 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.					None

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)		
<hr/> <hr/> <hr/>			
32	Does the organization maintain the following		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
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)	32d	
<hr/> <hr/> <hr/>			
33	Does the organization discriminate by race in any way with respect to		
a	Students rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain (If you need more space attach a separate statement)	33h	
<hr/> <hr/> <hr/>			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
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	34b	
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	35	

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis - ITC, 179, Salvage	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
1	Computer Equipment	093091	SL	3.00	16	279,111.			279,111.	279,111.		0.
2	Computer Equipment	093092	SL	3.00	16	14,875.			14,875.	14,875.		0.
3	Computer Equipment Used Remote Linux	053195	SL	3.00	16	10,562.			10,562.	10,562.		0.
4	Machines	022996	SL	5.00	16	4,410.			4,410.	4,410.		0.
5	Computer Terminal	063096	SL	5.00	16	225.			225.	225.		0.
6	Jukebox Equipment	093096	SL	5.00	16	1,250.			1,250.	1,250.		0.
7	Pentium Computer	103196	SL	5.00	16	4,326.			4,326.	4,253.		73.
8	Hard drives	123196	SL	5.00	16	1,510.			1,510.	1,435.		75.
9	Computer Equipment	013197	SL	5.00	16	3,300.			3,300.	3,080.		220.
10	DEC Alpha Workstation	123197	SL	5.00	16	2,745.			2,745.	2,059.		549.
11	HP IIISI Laser Printer	022898	SL	3.00	16	100.			100.	100.		0.
12	(2) Xabyte Tape Drives	033198	SL	5.00	16	2,000.			2,000.	1,400.		400.
13	(2) Terminals	043098	SL	3.00	16	705.			705.	705.		0.
14	MAI Hard Drive	093098	SL	5.00	16	652.			652.	390.		130.
15	(3) 486 Computer Systems	123098	SL	5.00	16	1,850.			1,850.	1,018.		370.
16	Toshiba 400 Laptop Systems	122498	SL	5.00	16	1,000.			1,000.	550.		200.
17	DEC Alpha Computer Systems	013199	SL	5.00	16	1,000.			1,000.	533.		200.
18	(5) Keyboards	030199	SL	5.00	16	695.			695.	359.		139.

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis - ITC, 179, Salvage	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
19	(3) 400M, 10 Gig Pentium Systems	031599	SL	5.00	16	9,750.			9,750.	5,038.		1,950.
27	Computer & Accessories	061400	SL	5.00	16	732.			732.	195.		146.
28	(2) E Machines	060100	SL	5.00	16	3,091.			3,091.	824.		618.
29	(2) Dell Computers	071200	SL	5.00	16	3,994.			3,994.	999.		799.
30	Computer Equipment Fry's Electronics	081400	SL	5.00	16	1,002.			1,002.	233.		200.
31	Various Computer Components	080100	SL	5.00	16	789.			789.	184.		158.
32	IBM Computer & Accessories	090700	SL	5.00	16	709.			709.	154.		142.
35	Laptop	100899	SL	5.00	16	2,880.			2,880.	1,152.		576.
36	Happy Hacking KB Lite	122099	SL	5.00	16	68.			68.	24.		14.
37	(6) Computer Keyboards	050300	SL	5.00	16	394.			394.	112.		79.
41	Dell Inspiron computer	091100	SL	5.00	16	1,685.			1,685.	365.		337.
44	Dell Computer	011101	SL	5.00	16	1,739.			1,739.	261.		348.
47	IBM CDW Thinkpad T Series LI	031601	SL	5.00	16	3,813.			3,813.	381.		763.
48	IBM/CDW Computer Equipment	031601	SL	5.00	16	310.			310.	31.		62.
49	CDW Microcomputer Pro2111	031601	SL	5.00	16	7,191.			7,191.	719.		1,438.
50	IBM Thinkpad A21P P	031601	SL	5.00	16	4,586.			4,586.	459.		917.
53	Computer Supplies & Equipment	062701	SL	5.00	16	2,142.			2,142.	107.		428.
55	Printer	090701	SL	5.00	16	203.			203.	3.		41.

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis - ITC, 179, Salvage	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
57	Laser Printer	073001	SL	5.00	16	853.			853.	28.		171.
58	Computer Equipment (various)	081501	SL	5.00	16	1,700.			1,700.	57.		340.
59	Mobile Computer Cart	081501	SL	5.00	16	120.			120.	4.		24.
64	Computer Equipment	031502	SL	5.00	19B	4,849.			4,849.			339.
65	PC300 - Donated	051102	SL	5.00	19B	715.			715.			50.
66	2 GNU Servers - Donated	041002	SL	5.00	19B	2,000.			2,000.			140.
67	4 Thinkpads - Donated	040102	SL	5.00	19B	15,000.			15,000.			1,045.
	* 990 Page 2 Total -					400,631.		0.	400,631.	337,645.	0.	13,481.
20	Office Equipment	093090	SL	5.00	16	2,066.			2,066.	2,066.		0.
21	Telephone System	060195	SL	5.00	16	720.			720.	720.		0.
22	Office Furniture	063095	SL	5.00	16	2,261.			2,261.	2,261.		0.
23	Copier	100996	SL	5.00	16	2,176.			2,176.	2,175.		1.
24	NCD Terminals	063098	SL	3.00	16	381.			381.	381.		0.
25	Lateral File	121400	SL	5.00	16	714.			714.	119.		143.
26	Shelving	011101	SL	5.00	16	264.			264.	40.		53.
33	Fire Proof Cabinets	072600	SL	5.00	16	600.			600.	140.		120.
34	Shelving	072100	SL	5.00	16	198.			198.	47.		40.
38	Computer Cart	071300	SL	5.00	16	91.			91.	23.		18.

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis - ITC, 179, Salvage	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
39	Office Equipment	063000	SL	5.00	16	310.			310.	78.		62.
40	Fire Proof File Cabinet	072600	SL	5.00	16	600.			600.	140.		120.
42	Office Equipment	090700	SL	5.00	16	610.			610.	132.		122.
43	Computer	071500	SL	5.00	16	2,905.			2,905.	726.		581.
45	Office Equipment	011101	SL	5.00	16	194.			194.	29.		39.
46	Folding Table	021501	SL	5.00	16	69.			69.	9.		14.
51	(2) File Drawers	051001	SL	5.00	16	334.			334.	28.		67.
52	Desk	053101	SL	5.00	16	100.			100.	7.		20.
54	Shelving	062701	SL	5.00	16	70.			70.	4.		14.
56	Office Equipment	031502	SL	5.00	19B	5,832.			5,832.			408.
60	Desk	081501	SL	5.00	16	441.			441.	15.		88.
61	Shelving Conference Table, 2	090601	SL	5.00	16	250.			250.	7.		50.
62	Chairs & Wood Literature Duplex HP Laserjet 4100	022002	SL	5.00	19B	1,370.			1,370.			96.
63	Printer	062402	SL	5.00	19B	1,630.			1,630.			114.
	* 990 Page 2 Total -					24,186.		0.	24,186.	9,147.	0.	2,170.
	* Grand Total 990 Page 2 Depr					424,817.		0.	424,817.	346,792.	0.	15,651.

Form 990	Income and Cost of Goods Sold Included on Part I, Line 10	Statement	1
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Income

1. Gross receipts	173,234		
2. Returns and allowances			
3. Line 1 less line 2		173,234	
4. Cost of goods sold (line 13)	64,491		
5. Gross profit (line 3 less line 4)		108,743	

Cost of Goods Sold

6. Inventory at beginning of year			
7. Merchandise purchased			
8. Cost of labor			
9. Materials and supplies			
10. Other costs	64,491		
11. Add lines 6 through 10		64,491	
12. Inventory at end of year			
13. Cost of goods sold (line 11 less line 12).		64,491	

Form 990	Cost of Goods Sold - Other Costs	Statement	2
Description		Amount	
Cost of Goods Sold		64,491.	
Total included on Form 990, Part I, line 10b		64,491.	

Form 990	Other Expenses			Statement	3
Description	(A) Total	(B) Program Services	(C) Management and General	(D) Fundraising	
Internet Connection Fees	2,751.	1,107.	1,540.	104.	
Licenses & Permits	458.	185.	17.	256.	
Credit Card Fees	7,773.	3,109.	0.	4,664.	
Heat, Light & Power	4,524.	1,820.	2,534.	170.	
Insurance	3,162.	1,907.	1,176.	79.	
Office Expense	25,566.	10,286.	14,318.	962.	
Outside Services	4,564.	1,837.	2,555.	172.	
Contracted Programming	9,266.	9,266.			
Meals & Entertainment	4,281.	1,722.	2,398.	161.	
GNOME Project	27,377.	27,377.			
Total to Fm 990, ln 43	89,722.	58,616.	24,538.	6,568.	

Form 990	Depreciation of Assets Not Held for Investment		Statement	4
Description	Cost or Other Basis	Accumulated Depreciation	Book Value	
Computer Equipment	279,111.	279,111.	0.	
Computer Equipment	14,875.	14,875.	0.	
Computer Equipment	10,562.	10,562.	0.	
Used Remote Linux Machines	4,410.	4,410.	0.	
Computer Terminal	225.	225.	0.	
Jukebox Equipment	1,250.	1,250.	0.	
Pentium Computer	4,326.	4,326.	0.	
Hard drives	1,510.	1,510.	0.	
Computer Equipment	3,300.	3,300.	0.	
DEC Alpha Workstation	2,745.	2,608.	137.	

HP IIISI Laser Printer	100.	100.	0.
(2) Xabyte Tape Drives	2,000.	1,800.	200.
(2) Terminals	705.	705.	0.
MAI Hard Drive	652.	520.	132.
(3) 486 Computer Systems	1,850.	1,388.	462.
Toshiba 400 Laptop Systems	1,000.	750.	250.
DEC Alpha Computer Systems	1,000.	733.	267.
(5) Keyboards	695.	498.	197.
(3) 400M, 10 G1g Pentium Systems	9,750.	6,988.	2,762.
Office Equipment	2,066.	2,066.	0.
Telephone System	720.	720.	0.
Office Furniture	2,261.	2,261.	0.
Copier	2,176.	2,176.	0.
NCD Terminals	381.	381.	0.
Lateral File	714.	262.	452.
Shelving	264.	93.	171.
Computer & Accessories	732.	341.	391.
(2) E Machines	3,091.	1,442.	1,649.
(2) Dell Computers	3,994.	1,798.	2,196.
Computer Equipment Fry's Electronics	1,002.	433.	569.
Various Computer Components	789.	342.	447.
IBM Computer & Accessories	709.	296.	413.
Fire Proof Cabinets	600.	260.	340.
Shelving	198.	87.	111.
Laptop	2,880.	1,728.	1,152.
Happy Hacking KB Lite	68.	38.	30.
(6) Computer Keyboards	394.	191.	203.
Computer Cart	91.	41.	50.
Office Equipment	310.	140.	170.
Fire Proof File Cabinent	600.	260.	340.
Dell Inspiron computer	1,685.	702.	983.
Office Equipment	610.	254.	356.
Computer	2,905.	1,307.	1,598.
Dell Computer	1,739.	609.	1,130.
Office Equipment	194.	68.	126.
Folding Table	69.	23.	46.
IBM CDW Thinkpad T Series LI	3,813.	1,144.	2,669.
IBM/CDW Computer Equipment	310.	93.	217.
CDW Microcomputer Pro2111	7,191.	2,157.	5,034.
IBM Thinkpad A21P P	4,586.	1,376.	3,210.
(2) File Drawers	334.	95.	239.
Desk	100.	27.	73.
Computer Supplies & Equipment	2,142.	535.	1,607.
Shelving	70.	18.	52.
Printer	203.	44.	159.
Office Equipment	5,832.	408.	5,424.
Laser Printer	853.	199.	654.
Computer Equipment (various)	1,700.	397.	1,303.
Mobile Computer Cart	120.	28.	92.
Desk	441.	103.	338.
Shelving	250.	57.	193.

Conference Table, 2 Chairs & Wood Literature Organ	1,370.	96.	1,274.
Duplex HP Laserjet 4100 Printer	1,630.	114.	1,516.
Computer Equipment	4,849.	339.	4,510.
PC300 - Donated	715.	50.	665.
2 GNU Servers - Donated	2,000.	140.	1,860.
4 Thinkpads - Donated	15,000.	1,045.	13,955.
Total to Form 990, Part IV, ln 57	424,817.	362,443.	62,374.

Form 990	Other Assets	Statement	5
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Description	Amount
Deposits	8,015.
Loan Receivable	33,000.
Total to Form 990, Part IV, line 58, Column B	41,015.

Form 990	Other Liabilities	Statement	6
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Description	Amount
Deposits	17,831.
Accrued payroll	5,380.
Total to Form 990, Part IV, line 65, Column B	23,211.

Form 990	Other Revenue Not Included on Form 990	Statement	7
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Description	Amount
Satisfaction of Purpose Restrictions	44,116.
Total to Form 990, Part IV-A	44,116.

Form 990	Other Expenses Not Included on Form 990	Statement	8
<u>Description</u>		<u>Amount</u>	
	Cost of Goods Sold		64,491.
	Total to Form 990, Part IV-B		64,491.

Form 990	Other Revenue Included on Form 990	Statement	9
<u>Description</u>		<u>Amount</u>	
	Cost of Goods Sold		<64,491.>
	Total to Form 990, Part IV-A		<64,491.>

Depreciation and Amortization
(Including Information on Listed Property) **990**

▶ See separate instructions ▶ Attach to your tax return

Name(s) shown on return Free Software Foundation, Inc.	Business or activity to which this form relates Form 990 Page 2	Identifying number 04-2888848
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Part I Election To Expense Certain Tangible Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I

1 Maximum amount See instructions for a higher limit for certain businesses	1	24,000.
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	\$200,000
4 Reduction in limitation Subtract line 3 from line 2. If zero or less, enter -0	4	
5 Dollar limitation for tax year Subtract line 4 from line 1. If zero or less, enter -0. If married filing separately, see instructions	5	
6		
(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7 Listed property Enter amount from line 29	7	
8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction Enter the smaller of line 5 or line 8	9	
10 Carryover of disallowed deduction from line 13 of your 2000 Form 4562	10	
11 Business income limitation Enter the smaller of business income (not less than zero) or line 5	11	
12 Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13 Carryover of disallowed deduction to 2002 Add lines 9 and 10, less line 12	13	

Note Do not use Part II or Part III below for listed property. Instead, use Part V

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property)

14 Special depreciation allowance for certain property (other than listed property) acquired after September 10, 2001 (see instructions)	14	
15 Property subject to section 168(f)(1) election (see instructions)	15	
16 Other depreciation (including ACRS) (see instructions)	16	13,459.

Part III MACRS Depreciation (Do not include listed property) (See instructions)

Section A	
17 MACRS deductions for assets placed in service in tax years beginning before 2001	17
18 If you are electing under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>	

Section B - Assets Placed in Service During 2001 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5 year property		31,396.	5 Yrs.	HY	SL	2,192.
c 7 year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25 year property			25 yrs		S/L	
h Residential rental property	/		27 5 yrs	MM	S/L	
	/		27 5 yrs	MM	S/L	
i Nonresidential real property	/		39 yrs	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2001 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12 year			12 yrs		S/L	
c 40 year	/		40 yrs	MM	S/L	

Part IV Summary (See instructions)

21 Listed property Enter amount from line 28	21	
22 Total Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations see instr	22	15,651.
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement)

Note For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable

Section A - Depreciation and Other Information (Caution See instructions for limits for passenger automobiles)

24a Do you have evidence to support the business/investment use claimed? Yes No **24b** If "Yes," is the evidence written? Yes No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for listed property acquired after September 10, 2001, and used more than 50% in a qualified business use							25	
26 Property used more than 50% in a qualified business use								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use								
		%				S/L		
		%				S/L		
		%				S/L		
28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1							28	
29 Add amounts in column (i), line 26 Enter here and on line 7, page 1								29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person
If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? Note If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles		

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2001 tax year					
43 Amortization of costs that began before your 2001 tax year					43
44 Total Add amounts in column (f) See instructions for where to report					44

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

If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II (on page 2 of this form)

Note Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

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

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

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

Type or print	Name of Exempt Organization	Employer identification number
	FREE SOFTWARE FOUNDATION, INC.	04-2888848
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	
	59 TEMPLE PLACE, NO. 330	
	City, town or post office, state, and ZIP code For a foreign address, see instructions	
	BOSTON, MA 02111-1307	

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

- Form 990
- Form 990 BL
- Form 990 EZ
- Form 990 PF
- Form 990 T (corporation)
- Form 990 T (sec 401(a) or 408(a) trust)
- Form 990 T (trust other than above)
- Form 1041 A
- Form 4720
- Form 5227
- Form 6069
- Form 8870

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

1 I request an automatic 3 month (6 month for 990-T corporation) extension of time until MAY 15, 2003 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 OCT 1, 2001 and ending SEP 30, 2002

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

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 Thomas Arman Title CPA Date 2-14-03

LHA For Paperwork Reduction Act Notice, see instruction

04-3138777
PANNELL KERR FORSTER, P.C.
600 LONGWATER DRIVE
NORWELL, MA 02061

Certified Mail Receipt No 7099 3400 0001 3823 0201