

Name of organization

Employer identification number

THE WAY TO HAPPINESS INTERNATIONAL

95-3937092

Part I Contributors

(a) No.	(b) Name, address and ZIP code	(c) Aggregate contributions	(d) Type of contribution
1		\$ 25,000.	Individual <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if a noncash contribution.)
3		\$ 16,000.	Individual <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if a noncash contribution.)
4		\$ 85,000.	Individual <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if a noncash contribution.)
5		\$ 7,046.	Individual <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if a noncash contribution.)
6		\$ 13,089.	Individual <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if a noncash contribution.)
7		\$ 5,000.	Individual <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if a noncash contribution.)

Return of Organization Exempt From Income Tax

Department of the Treasury
Internal Revenue Service

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

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

Open to Public Inspection

A For the **2000** calendar year, OR tax year period beginning and ending

B Check if applicable:

- Change of address
- Change of name
- Initial return
- Final return
- Amended return (use also for state reporting)

C Name of organization: **THE WAY TO HAPPINESS INTERNATIONAL**

Number and street (or P.O. box if mail is not delivered to street address): **6381 HOLLYWOOD BLVD.**

Room/suite: **250**

City or town, state or country, and ZIP: **LOS ANGELES, CA 90028**

D Employer identification number: **95-3937092**

E Telephone number: **(323) 962-7906**

F Check if application pending

G Organization type (check only one): 501(c)(3) (insert no.) 527 OR 4947(a)(1)

H (H and I are not applicable to section 527 orgs.)

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? (If "No," attach a list.) Yes No

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Enter 4-digit group exemption no. (GEN):

L Check this box if the organization is not required to attach Schedule B (Form 990 or 990-EZ):

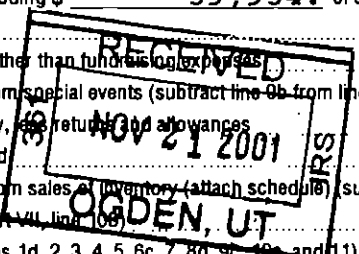
J Accounting method: Cash Accrual Other (specify)

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.

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

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

Revenue		Expenses		Net Assets	
1	Contributions, gifts, grants, and similar amounts received:				
a	Direct public support	1a	279,791.		
b	Indirect public support	1b	22,789.		
c	Government contributions (grants)	1c			
d	Total (add lines 1a through 1c) (cash \$ 293,371. noncash \$ 9,209.)	1d	302,580.		
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	25,471.		
3	Membership dues and assessments	3			
4	Interest on savings and temporary cash investments	4			
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			
8a	Gross amount from sale of assets other than inventory	(A) Securities	(B) Other		
8b	Less: cost or other basis and sales expenses	8a	8b		
8c	Gain or (loss) (attach schedule)	8c			
8d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8d			
9a	Gross revenue (not including \$ 39,934. of contributions reported on line 1a)	9a	8,800.		
9b	Less: direct expenses other than fund-raising expenses	9b	22,180.		
9c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c	<13,380.>		
10a	Gross sales of inventory, less returns and allowances	10a	40,860.		
10b	Less: cost of goods sold	10b	31,915.		
10c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c	8,945.		
11	Other revenue (from Part VII, line 10b)	11			
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	323,616.		
13	Program services (from line 44, column (B))	13	296,326.		
14	Management and general (from line 44, column (C))	14	43,782.		
15	Fundraising (from line 44, column (D))	15	36,130.		
16	Payments to affiliates (attach schedule)	16			
17	Total expenses (add lines 16 and 44, column (A))	17	376,238.		
18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	<52,622.>		
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	85,461.		
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	32,839.		



SCANNED DEC 05 '01

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 \$ 2,174. noncash \$	22 2,174.	2,174.	STATEMENT 5	
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25 Compensation of officers, directors, etc.	25 44,537.	34,360.	6,680.	3,497.
26 Other salaries and wages	26 41,266.	24,598.	15,251.	1,417.
27 Pension plan contributions	27			
28 Other employee benefits	28			
29 Payroll taxes	29 6,977.	4,794.	1,783.	400.
30 Professional fundraising fees	30			
31 Accounting fees	31 3,974.		3,974.	
32 Legal fees	32 229.	229.		
33 Supplies	33 2,288.	1,572.	585.	131.
34 Telephone	34 12,374.	8,834.	2,892.	648.
35 Postage and shipping	35 34,375.	31,039.	2,725.	611.
36 Occupancy	36 20,174.	13,826.	5,196.	1,152.
37 Equipment rental and maintenance	37 6,669.	4,583.	1,704.	382.
38 Printing and publications	38 24,663.	23,756.	741.	166.
39 Travel	39 3,856.	3,856.		
40 Conferences, conventions, and meetings	40			
41 Interest	41			
42 Depreciation, depletion, etc. (attach schedule)	42 982.	675.	251.	56.
43 Other expenses (itemize):				
a	43a			
b	43b			
c	43c			
d	43d			
e SEE STATEMENT 4	43e 171,700.	142,030.	2,000.	27,670.
44 Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D) carry these totals to lines 13-15.	44 376,238.	296,326.	43,782.	36,130.

Reporting of Joint Costs. Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation? 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?	Program Service Expenses (Required for 501(c)(3) and (4) orgs. and 4947(a)(1) trusts but optional for others.)
TO PROMOTE COMMON SENSE MORAL VALUES	
a DISTRIBUTION OF "THE WAY TO HAPPINESS" BOOKLET:	
SEE STATEMENT 11 (Grants and allocations \$ _____)	177,903.
b SERVICES USING "THE WAY TO HAPPINESS BOOKLET":	
SEE STATEMENT 12 (Grants and allocations \$ 2,174.)	58,700.
c PUBLIC AWARENESS	
SEE STATEMENT 13 (Grants and allocations \$ _____)	59,723.
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)	296,326.

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	45,695.	29,075.
	46 Savings and temporary cash investments		
	47 a Accounts receivable	47a	
	b Less: allowance for doubtful accounts	47b	47c
	48 a Pledges receivable	48a	
	b Less: allowance for doubtful accounts	48b	48c
	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	51b	51c
	52 Inventories for sale or use	18,796.	12,775.
	53 Prepaid expenses and deferred charges	55.	387.
	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	55b	55c
56 Investments - other		56	
57 a Land, buildings, and equipment: basis	57a 22,926.		
b Less: accumulated depreciation STMT 6	57b 18,073.	57c	
58 Other assets (describe ▶ DEPOSITS)		58	
59 Total assets (add lines 45 through 58) (must equal line 74)	91,278.	59 48,390.	
Liabilities	60 Accounts payable and accrued expenses	5,817.	60 15,551.
	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 ▶)		65
66 Total liabilities (add lines 60 through 65)	5,817.	66 15,551.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.		
	67 Unrestricted		67
	68 Temporarily restricted		68
	69 Permanently restricted		69
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 70 through 74.		
	70 Capital stock, trust principal, or current funds	0.	70 0.
	71 Paid in or capital surplus, or land, building, and equipment fund	0.	71 0.
	72 Retained earnings, endowment, accumulated income, or other funds	85,461.	72 32,839.
73 Total net assets or fund balances (add lines 67 through 69 OR lines 70 through 72; column (A) must equal line 19 and column (B) must equal line 21)	85,461.	73 32,839.	
74 Total liabilities and net assets / fund balances (add lines 66 and 73)	91,278.	74 48,390.	

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	Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return
<p>a Total revenue, gains, and other support per audited financial statements ▶ a <u>N/A</u></p> <p>b Amounts included on line a but not on line 12, Form 990:</p> <p>(1) Net unrealized gains on investments \$ _____</p> <p>(2) Donated services and use of facilities \$ _____</p> <p>(3) Recoveries of prior year grants \$ _____</p> <p>(4) Other (specify): _____ \$ _____</p> <p>Add amounts on lines (1) through (4) ▶ b _____</p> <p>c Line a minus line b ▶ c _____</p> <p>d Amounts included on line 12, Form 990 but not on line a:</p> <p>(1) Investment expenses not included on line 6b, Form 990 \$ _____</p> <p>(2) Other (specify): _____ \$ _____</p> <p>Add amounts on lines (1) and (2) ▶ d _____</p> <p>e Total revenue per line 12, Form 990 (line c plus line d) ▶ e _____</p>	<p>a Total expenses and losses per audited financial statements ▶ a <u>N/A</u></p> <p>b Amounts included on line a but not on line 17, Form 990:</p> <p>(1) Donated services and use of facilities \$ _____</p> <p>(2) Prior year adjustments reported on line 20, Form 990 \$ _____</p> <p>(3) Losses reported on line 20, Form 990 \$ _____</p> <p>(4) Other (specify): _____ \$ _____</p> <p>Add amounts on lines (1) through (4) ▶ b _____</p> <p>c Line a minus line b ▶ c _____</p> <p>d Amounts included on line 17, Form 990 but not on line a:</p> <p>(1) Investment expenses not included on line 6b, Form 990 \$ _____</p> <p>(2) Other (specify): _____ \$ _____</p> <p>Add amounts on lines (1) and (2) ▶ d _____</p> <p>e Total expenses per line 17, Form 990 (line c plus line d) ▶ e _____</p>

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
LAURIE ZURN 7065 HOLLYWOOD BLVD. LOS ANGELES, CA 90028	DIRECTOR AS NEEDED	0.	0.	0.
GLENN HORTON 7060 HOLLYWOOD BLVD., SUITE 306 LOS ANGELES, CA 90028	SECRETARY AS NEEDED	0.	0.	0.
JOANNE TAKANO IRWIN 7060 HOLLYWOOD BLVD., SUITE 200 LOS ANGELES, CA 90028	DIRECTOR AS NEEDED	0.	0.	0.
RUTH LYONS 7060 HOLLYWOOD BLVD., SUITE 200 LOS ANGELES, CA 90028	TREASURER AS NEEDED	0.	0.	0.
BRENT MCDANIELS 7060 HOLLYWOOD BLVD., SUITE 306 LOS ANGELES, CA 90028	DIRECTOR/PRESIDENT AS NEEDED	0.	0.	0.
DAN IRWIN 7060 HOLLYWOOD BLVD., SUITE 200 LOS ANGELES, CA 90028	DIRECTOR/PRES./SECRETARY AS NEEDED	0.	0.	0.
CLARK CARR 7060 HOLLYWOOD BLVD., SUITE 220 LOS ANGELES, CA 90028	DIRECTOR AS NEEDED	0.	0.	0.
JONI GINSBERG (SEE STATEMENT 1) 7060 HOLLYWOOD BLVD., SUITE 306 LOS ANGELES, CA 90028	DIRECTOR/PRESIDENT AS NEEDED	25,403.	0.	0.
DENNIS SCHLIEWE (SEE STATEMENT 1) 7060 HOLLYWOOD BLVD., SUITE 306 LOS ANGELES, CA 90028	EXECUTIVE DIRECTOR AS NEEDED	19,134.	0.	0.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? If "Yes," attach schedule. Yes No Form 990 (2000)

023031 12-19-00

Part VI Other Information		N/A	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	76		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.	77		X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a		X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78b		N/A
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement.	79		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?	80a		X
b	If "Yes," enter the name of the organization <input type="checkbox"/> and check whether it is <input type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt.			
81 a	Enter the amount of political expenditures, direct or indirect, as described in the instructions for line 81	81a		0.
b	Did the organization file Form 1120-POL for this year?	81b		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?	82a		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 for reporting in Part III.)	82b		N/A
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		N/A
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b		N/A
85	501(c)(4), (5), or (6) organizations			
a	Were substantially all dues nondeductible by members?	85a		N/A
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? 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.	85b		N/A
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 in 85f?	85g		N/A
h	If section 6033(e)(1)(A) dues notice were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h		N/A
86	501(c)(7) organizations			
a	Enter: 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			
a	Enter: 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	88		X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <input type="checkbox"/> 0.; section 4912 <input type="checkbox"/> 0.; section 4955 <input type="checkbox"/> 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	89b		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958			0.
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization			0.
90 a	List the states with which a copy of this return is filed <input type="checkbox"/> CALIFORNIA			
b	Number of employees employed in the pay period that includes March 12, 2000	90b		5
91	The books are in care of <input type="checkbox"/> GINSBERG, JONI Telephone no. <input type="checkbox"/> (323) 962-7906			
	Located at <input type="checkbox"/> 6381 HOLLYWOOD BLVD., STE 250, L.A., CA ZIP code <input type="checkbox"/> 90028			
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 <input type="checkbox"/> 92 <input type="checkbox"/> N/A			

Part VII Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue:					
a LICENSE FEES					24,721.
b COMMISSIONS					750.
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					
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					<13,380.>
102 Gross profit or (loss) from sales of inventory					8,945.
103 Other revenue:					
a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0.		0.	21,036.
105 Total (add line 104, columns (B), (D), and (E))					21,036.

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

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).
▼	SEE STATEMENT 7

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities

(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

- (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. (Important: See General Instruction W.)

Please Sign Here: Signature of officer: *Joni Ginsberg* Date: *11/14/01* Type or print name and title: *Joni Ginsberg*

Paid Preparer's signature: *[Signature]* Date: *10/30/01* Check if self-employed: Preparer's SSN or PTIN: _____

Preparer's Use Only: Firm's name (or yours if self-employed) and address and ZIP code: **NSBN LLP**
9454 WILSHIRE BLVD., 4TH FLOOR
BEVERLY HILLS, CA 90212-2907 EIN: _____ Phone no.: **(310) 273-2501**

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

2000

Department of the Treasury
Internal Revenue Service

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

Name of the organization **THE WAY TO HAPPINESS INTERNATIONAL** Employer identification number **95-3937092**

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See instructions. List each one. If there are none, enter "None.")

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

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

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

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

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

Part III Statements About Activities		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 ► \$ _____ 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.	1	X
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any of its 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:		
a	Sale, exchange, or leasing of property?	2a	X
b	Lending of money or other extension of credit?	2b	X
c	Furnishing of goods, services, or facilities?	2c	X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE PART V, FORM 990	2d	X
e	Transfer of any part of its income or assets? If the answer to any question is "Yes," attach a detailed statement explaining the transactions.	2e	X
3	Does the organization make grants for scholarships, fellowships, student loans, etc.?	3	X
4 a	Do you have a section 403(b) annuity plan for your employees?	4a	X
b	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. (See page 2 of the instructions.) SEE STATEMENT 8		

Part IV Reason for Non-Private Foundation Status (See pages 2 through 5 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, page 5.)
 - 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 5 of the instructions.)

023111 01-09 01

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) 1999	(b) 1998	(c) 1997	(d) 1996	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	225,797.	152,790.	196,258.	194,478.	769,323.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc., purpose	30,902.	10,031.	15,491.	11,285.	67,709.
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					
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	19,107.	4,413.	SEE STATEMENT 9 5,252.	11,780.	40,552.
23 Total of lines 15 through 22	275,806.	167,234.	217,001.	217,543.	877,584.
24 Line 23 minus line 17	244,904.	157,203.	201,510.	206,258.	809,875.
25 Enter 1% of line 23	2,758.	1,672.	2,170.	2,175.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 16,198.
b Attach a list (which is not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1996 through 1999 exceeded the amount shown in line 26a. Enter the sum of all these excess amounts			SEE STATEMENT 10		26b 275,802.
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 809,875.
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 <u>40,552.</u>				26b <u>275,802.</u>	26d 316,354.
e Public support (line 26c minus line 26d total)					26e 493,521.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 60.9379%
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," attach a list (which is not open to public inspection) to show the name of, and total amounts received in each year from, each "disqualified person." Enter the sum of such amounts for each year: (1999) <u>N/A</u> (1998) _____ (1997) _____ (1996) _____					
b For any amount included in line 17 that was received from a nondisqualified person, attach a list 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.) 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: <u>N/A</u> (1999) _____ (1998) _____ (1997) _____ (1996) _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					27e 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 1996 through 1999, attach a list (which is not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 15. (See page 5 of the instructions.)

NONE

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

N/A

		N/A	
		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29	
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?	30	
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?	31	
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?	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?	32d	
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?	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?	33h	
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?	34a	
b	Has the organization's right to such aid ever been revoked or suspended?	34b	
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	35	

Part VI-A Lobbying Expenditures by Electing Public Charities

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

N/A

Check here If the organization belongs to an affiliated group.

Check here If you checked "a" above and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
		N/A	
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	
41	Lobbying nontaxable amount. Enter the amount from the following 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	41	
	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)	42	
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	

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 8 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2000	(b) 1999	(c) 1998	(d) 1997	(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)

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:	Yes	No	Amount
a Volunteers		X	
b Paid staff or management (include compensation in expenses reported on lines e through h)		X	
c Media advertisements		X	
d Mailings to members, legislators, or the public		X	
e Publications, or published or broadcast statements		X	
f Grants to other organizations for lobbying purposes		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (add lines e through h)			0.

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

Schedule B
(Form 990 or 990-EZ)

Schedule of Contributors

OMB No 1545-0047

Department of the Treasury
Internal Revenue Service

Supplementary Information for line 1d of Form 990 or
line 1 of Form 990-EZ (see instructions)

2000

Name of organization

THE WAY TO HAPPINESS INTERNATIONAL

Employer identification number

95-3937092

Organization type (check one)-Section. 501(c)(3) (enter number) 527 or 4947(a)(1) nonexempt charitable trust

A Section 501(c)(7), (8), or (10) organizations-

Check this box if the organization had no charitable contributors who contributed more than \$1,000 during the year. (But see **General rule** below.)

Enter here the total gifts received during the year for a religious, charitable, etc., purpose ▶ \$

Note: This form is generally not open to public inspection except for section 527 organizations.

General Instructions

Purpose of Form

Schedule B (Form 990 or 990-EZ) is used by organizations required to file Form 990, Return of Organization Exempt From Income Tax, or Form 990-EZ, Short Form Return of Organization Exempt From Income Tax, to provide the information regarding their contributors that is required for line 1d of Form 990 (or line 1 of Form 990-EZ).

Attach the Schedule B (Form 990 or 990-EZ) to Form 990 or 990-EZ. Attach Schedule B after Schedule A (Form 990 or 990-EZ), Organization Exempt Under Section 501(c)(3), if that return is required for the organization.

Who Must File Schedule B (Form 990 or 990-EZ)

All organizations must file Schedule B (Form 990 or 990-EZ) unless they certify that they do not meet the filing requirements of Schedule B (Form 990 or 990-EZ) by checking the box in item L of the heading of their Form 990 or Form 990-EZ.

See the instructions for item L in the Instructions for Form 990 and Form 990-EZ.

Caution: Schedule B (Form 990 or 990-EZ) is not a substitute for the list of "contributors" required for Part IV-A, Support Schedule, of Schedule A (Form 990 or 990-EZ).

Public Inspection

Schedule B (Form 990 or 990-EZ) is:

- Open to public inspection for a section 527 political organization.
- Generally not open to public inspection for the other organizations that must file this form.

If a non-section 527 organization files a copy of Form 990, or Form 990-EZ, and attachments with any state, it should not include its Schedule B (Form 990 or 990-EZ) in the attachments for the state unless a schedule of contributors is specifically required by the state. States that do not require the information might make the schedule available for public inspection along with the rest of the Form 990 or Form 990-EZ.

See the Instructions for Form 990 and Form 990-EZ for phone help and the public inspection rules for those forms and their attachments, which include Schedule B (Form 990 or 990-EZ).

Contributors Required To Be Listed On Part I

"Contributor" includes individuals, fiduciaries, partnerships, corporations, associations, trusts, and exempt organizations.

General rule. Unless the organization is covered by one of the special rules below, it must list on Part I every contributor who during the year, gave the organization directly or indirectly, money, securities, or any other type of property totaling \$5,000 or more for the year. Also complete Part II for a noncash contribution. In determining the \$5,000 amount, total all of the contributor's gifts of \$1,000 or more for the year.

Section 501(c)(3) organizations. For an organization described in section 501(c)(3) that meets the 33 1/3% support test of the Regulations under sections 509(a)(1)/170(b)(1)(A)(vi) (whether or not the organization is otherwise described in section 170(b)(1)(A)):

List in Part I only those contributors whose contribution of \$5,000 or more is greater than 2% of the amount reported on line 1d of Form 990 (or line 1 of Form 990-EZ) (Regulations section 1.6033-2(a)(2)(iii)(a)).

Example. A section 501(c)(3) organization, of the type described above, reported \$700,000 in total contributions, gifts, grants, and similar amounts received on line 1d of its Form 990. The organization is only required to list in Parts I and II of its Schedule B (Form 990 or 990-EZ) each person who contributed more than the

greater of \$5,000 or \$14,000 (2% of \$700,000). Thus, a contributor who gave a total of \$11,000 would not be reported in Parts I and II for this section 501(c)(3) organization. Even though the \$11,000 contribution to the organization exceeded \$5,000, it did not exceed \$14,000.

Section 501(c)(7), (8), or (10) organizations. For noncharitable contributions to one of these organizations, list in Part I contributors who gave \$5,000 or more as described in the **General rule** discussed above.

If a section 501(c)(7), (8), or (10) organization received contributions or bequests for use exclusively for religious, charitable, etc., purposes (sections 170(c)(4), 2055(a)(3), or 2522(a)(3)):

List in Part I each contributor whose contributions total more than \$1,000 during the year that were for a religious, charitable, etc., purpose. To determine the \$1,000, aggregate all of a contributor's gifts for the year (regardless of amount). For a noncash contribution, complete Part II.

All section 501(c)(7), (8), or (10) organizations that received any charitable contributions and listed any charitable contributors on Part I must also complete Part III.

If section 501(c)(7), (8), or (10) organization received charitable gifts, but is not required to list any charitable contributors on Part I, check the box on line A at the top of Schedule B (Form 990 or 990-EZ) and enter the amount of charitable contributions received in the space provided. The organization need not complete and attach Part III.

Specific Instructions

Note: You may duplicate Parts I, II, and III if more copies are needed. Number each page of each Part.

Part I. In column (a), identify the first contributor listed as no. 1 and the second contributor as no. 2, etc. Number consecutively. Show the contributor's name, address, aggregate contributions for the year, and the type of contribution (e.g., whether an individual, payroll, or noncash contribution). Report payroll contributions by listing the employer's name, address, and total amount given (unless an employee gave enough to be listed individually).

Part II. In column (a), show the number that corresponds to the contributor's number in Part I. Describe the noncash contribution fully. Report on property with readily determinable market value (i.e., market quotations for securities) by listing its fair market value (FMV). For marketable securities registered and listed on a recognized securities exchange, measure market value by the average of the highest and lowest quoted selling prices (or the average between the bona fide bid and asked prices) on the contribution date. See Regulations section 20.2031-2 to determine the value of contributed stocks and bonds. When market value cannot be readily determined, use an appraised or estimated value. To determine the amount of a noncash contribution that is subject to an outstanding debt, subtract the debt from the property's fair market value.

Part III. Section 501(c)(7), (8), or (10) organizations that received contributions or bequests for use exclusively for religious, charitable, etc., purposes, must complete Parts I through III for those persons whose gifts totaled more than \$1,000 during the year. Show also, in the heading of Part III, total gifts that were \$1,000 or less and were for a religious, charitable, etc., purpose. Complete this information only on the first Part III page.

If an amount is set aside for a religious, charitable, etc., purpose, show in column (d) how the amount is held (e.g., whether it is mingled with amounts held for other purposes). If the organization transferred the gift to another organization, show the name and address of the transferee organization in column (e) and explain the relationship between the two organizations.

95-3237092

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	FURNITURE AND EQUIPMENT		88200DB	7.00	17	616.			616.	616.		0.
2	FAX MACHINE		90200DB	7.00	17	1,055.			1,055.	1,055.		0.
3	LIBRARY MATERIALS		91200DB	7.00	17	2,033.			2,033.	2,033.		0.
4	COMPUTER		91200DB	5.00	17	852.			852.	852.		0.
5	COMPUTER PRINTER		92200DB	5.00	17	1,821.			1,821.	1,821.		0.
6	COMPUTER AND PRINTER		93200DB	5.00	17	845.			845.	845.		0.
7	COMPUTER AND PRINTER		94SL	5.00	19	3,019.			3,019.	3,019.		0.
8	COMPUTER AND FAX		95SL	5.00	19	2,355.			2,355.	2,120.		235.
9	FURNITURE AND EQUIPMENT		87200DB	7.00	17	4,560.			4,560.	4,560.		0.
11	COMPUTER	070199	SL	5.00	19	1,699.			1,699.	170.		340.
12	COMPUTER	070100	SL	5.00	19	4,071.			4,071.			407.
* TOTAL 990 PAGE 2 DEPR						22,926.		0.	22,926.	17,091.	0.	982.

(D) - Asset disposed

FORM 990, PART V LIST OF OFFICERS, DIRECTORS, TRUSTEES AND
KEY EMPLOYEES

OFFICERS, DIRECTORS AND TRUSTEES WHO ARE ALSO EMPLOYEES
ARE COMPENSATED ONLY FOR THEIR DUTIES AS EMPLOYEES, NOT
FOR THEIR DUTIES AS OFFICERS, DIRECTORS AND TRUSTEES.

FORM 990

SPECIAL EVENTS AND ACTIVITIES

STATEMENT 2

DESCRIPTION OF EVENT	GROSS RECEIPTS	CONTRIBUT. INCLUDED	GROSS REVENUE	DIRECT EXPENSES	NET INCOME
BENEFIT GOLF TOURNAMENT	48,734.	39,934.	8,800.	22,180.	<13,380.>
TO FM 990, PART I, LINE 9	48,734.	39,934.	8,800.	22,180.	<13,380.>

FORM 990

INCOME AND COST OF GOODS SOLD
INCLUDED ON PART I, LINE 10

STATEMENT 3

INCOME

1. GROSS RECEIPTS	40,860	
2. RETURNS AND ALLOWANCES		
3. LINE 1 LESS LINE 2		40,860
4. COST OF GOODS SOLD (LINE 13)	31,915	
5. GROSS PROFIT (LINE 3 LESS LINE 4)		8,945

COST OF GOODS SOLD

6. INVENTORY AT BEGINNING OF YEAR	18,796	
7. MERCHANDISE PURCHASED	25,894	
8. COST OF LABOR		
9. MATERIALS AND SUPPLIES		
10. OTHER COSTS		
11. ADD LINES 6 THROUGH 10		44,690
12. INVENTORY AT END OF YEAR	12,775	
13. COST OF GOODS SOLD (LINE 11 LESS LINE 12).		31,915

FORM 990	OTHER EXPENSES			STATEMENT 4
DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
COMMISSIONS	25,310.	875.		24,435.
BANK CHARGES	5,378.	1,108.	1,176.	3,094.
ROYALTIES	32,964.	32,964.		
PROMOTION	47,615.	47,037.	472.	106.
MISC EXPENSE	135.		135.	
INSURANCE	215.	148.	55.	12.
DISTRIBUTION	59,624.	59,624.		
LICENSES & FEES	60.		60.	
STAFF TRAINING	399.	274.	102.	23.
TOTAL TO FM 990, LN 43	171,700.	142,030.	2,000.	27,670.

FORM 990	CASH GRANTS AND ALLOCATIONS			STATEMENT 5
CLASSIFICATION	DONEE'S NAME	DONEE'S ADDRESS	DONEE'S RELATIONSHIP	AMOUNT
COMMUNITY YOUTH VALUES PROGRAM	THE WAY TO HAPPINESS CLUB OF MIAMI	MIAMI, FL 33185	N/A	1,174.
EDUCATIONAL SEMINAR	THE WAY TO HAPINESS FRANCE	FRANCE	N/A	1,000.
TOTAL INCLUDED ON FORM 990, PART II, LINE 22				2,174.

FORM 990	DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT		STATEMENT 6
DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
FURNITURE AND EQUIPMENT	616.	616.	0.
FAX MACHINE	1,055.	1,055.	0.
LIBRARY MATERIALS	2,033.	2,033.	0.
COMPUTER	852.	852.	0.
COMPUTER PRINTER	1,821.	1,821.	0.
COMPUTER AND PRINTER	845.	845.	0.
COMPUTER AND PRINTER	3,019.	3,019.	0.

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COMPUTER AND FAX	2,355.	2,355.	0.
FURNITURE AND EQUIPMENT	4,560.	4,560.	0.
COMPUTER	1,699.	510.	1,189.
COMPUTER	4,071.	407.	3,664.
TOTAL TO FORM 990, PART IV, LN 57	22,926.	18,073.	4,853.

FORM 990 PART VIII - RELATIONSHIP OF ACTIVITIES TO ACCOMPLISHMENT OF EXEMPT PURPOSES STATEMENT 7

LINE	EXPLANATION OF RELATIONSHIP OF ACTIVITIES
93A	LICENSE FEES FOR REPRINTING OF THE WAY TO HAPPINESS BOOKLET.
93B	COMMISSION RECEIVED FOR FUNDRAISING FOR ANOTHER EXEMPT ORGANIZATION.
101	BENEFIT GOLF TOURNAMENT HELD TO RAISE FUNDS FOR EXEMPT PROGRAMS.
102	SALES OF THE WAY TO HAPPINESS BOOKS, COURSE MATERIALS, SHIRTS, ETC. TO CONTRIBUTE TO BROAD DISTRIBUTION OF THE WAY TO HAPPINESS IN SOCIETY.

SCHEDULE A EXPLANATION OF QUALIFICATIONS TO RECEIVE PAYMENTS STATEMENT 8
PART III, LINE 4

THE RECIPIENTS OF THE WAY TO HAPPINESS' GRANTS WERE QUALIFIED EXEMPT ORGANIZATIONS. PROJECTS ARE DETERMINED TO BE QUALIFIED ON AN INDIVIDUAL BASIS. THE ORGANIZATION ENSURES THAT EACH SO QUALIFIES AT ALL TIMES.

SCHEDULE A OTHER INCOME STATEMENT 9

DESCRIPTION	1999 AMOUNT	1998 AMOUNT	1997 AMOUNT	1996 AMOUNT
LICENSE FEE INCOME	19,107.	4,413.	5,252.	11,780.
TOTAL TO SCHEDULE A, LINE 22	19,107.	4,413.	5,252.	11,780.

**FEDERAL ID # 95-3937092
THE WAY TO HAPPINESS INTERNATIONAL
STATEMENT #11**

**DESCRIPTION OF PROGRAM SERVICE ONE
(DISTRIBUTION OF BOOKLET "THE WAY TO HAPPINESS")**

THE PURPOSE OF THE WAY TO HAPPINESS INTERNATIONAL IS TO RAISE THE MORAL STANDARDS OF SOCIETY THROUGH EDUCATION AND THE DISSEMINATION OF A COMMON SENSE MORAL CODE: "THE WAY TO HAPPINESS" WRITTEN BY L. RON HUBBARD.

DURING THE YEAR 2000, THE WAY TO HAPPINESS INTERNATIONAL DISTRIBUTED 1,037,000 COPIES OF "THE WAY TO HAPPINESS" BOOKLET INTERNATIONALLY TO FOSTER COMMON SENSE MORAL VALUES AND TO REDUCE CRIME IN THE COMMUNITY.

"THE WAY TO HAPPINESS" WAS TRANSLATED INTO SIX MORE LANGUAGES: XHOSA, TURKISH, ARABIC, SLOVAK, INDONESIAN AND THAI, BRINGING THE TOTAL NUMBER OF LANGUAGES INTO WHICH THE BOOKLET HAS BEEN TRANSLATED TO 36.

THE WAY TO HAPPINESS INTERNATIONAL DISTRIBUTES THIS BOOKLET DIRECTLY AND ENCOURAGES OTHERS TO IMPROVE MORAL STANDARDS BY DISTRIBUTING IT THEMSELVES. OF THE TOTAL NUMBER OF BOOKLETS DISTRIBUTED, MORE THAN 890,000 COPIES WERE REPRINTED BY INDIVIDUALS AND CORPORATIONS FOR THEIR OWN LOCAL COMMUNITIES OR FOR DISTRIBUTION IN AREAS OF POLITICAL STRIFE.

THUS 322,750 BOOKLETS WERE DISTRIBUTED IN ZIMBABWE, AFRICA TO HELP BRING PEACE AND PROSPERITY TO THIS TROUBLED AREA.

20,000 COPIES OF THE NEWLY TRANSLATED ARABIC EDITION WERE DISTRIBUTED IN SCHOOLS, THROUGHOUT NEIGHBORHOODS AND THROUGH A NEWSPAPER IN ISRAEL AND THE OCCUPIED TERRITORIES TO HELP BRING PEACE TO THOSE AREAS. IN ADDITION, 120,000 COPIES OF THE BOOKLET IN HEBREW WERE DISTRIBUTED IN ISRAEL.

27,000 COPIES WERE PRINTED AND MAILED IN INGLEWOOD, CALIFORNIA, AS PART OF A CAMPAIGN TO DECREASE CRIME AND IMPROVE THE COMMUNITY.

40,000 BOOKLETS WERE DISTRIBUTED IN THE FOOTHILLS AREA OF LOS ANGELES AS PART OF AN EFFECTIVE CRIME REDUCTION AND COMMUNITY IMPROVEMENT PROGRAM.

A LARGE GROUP OF TEENS DISTRIBUTED 5,000 BOOKLETS AT THE CALIFORNIA STATE FAIR IN SACRAMENTO WHERE THEY ALSO PROMOTED POSITIVE VALUES THROUGH THEIR ROCK BAND PERFORMANCE.

GRAND COMMERCIAL BANK IN TAIWAN PRINTED AND DISTRIBUTED 10,000 COPIES OF THE BOOKLET IN TAIWANESE TO ITS EMPLOYEES AND CUSTOMERS AS PART OF A CAMPAIGN BY THE BANK TO IMPROVE BANKING RELATIONSHIPS BETWEEN EMPLOYEES AND CUSTOMERS.

10,000 COPIES OF THE NEWLY TRANSLATED THAI VERSION WERE DISTRIBUTED IN THAILAND AT A BUDDHIST CONVENTION, THROUGH A HIGH SCHOOL AND BY PERSON-TO-PERSON CONTACT.

IN AUSTRALIA, AS PART OF THE 2000 SUMMER OLYMPIC GAMES, 25,000 BOOKLETS WERE DISTRIBUTED TO ATHLETES AND FANS, 15,000 BOOKLETS WERE DISTRIBUTED TO HOTELS AND 20,000 BOOKLETS WERE DISTRIBUTED IN A LOCAL NEWSPAPER.

THE WAY TO HAPPINESS INTERNATIONAL PARTICIPATED IN THE "BOOK EXPO AMERICA 2000" WHERE HUNDREDS OF COPIES OF THE "THE WAY TO HAPPINESS" BOOKLETS WERE DISTRIBUTED. AT A BOOK FAIR FOR STUDENTS IN SAO PAULO, BRAZIL, 8,000 COPIES OF THE BOOKLET WERE DISTRIBUTED TO STUDENTS.

DURING THE DEMOCRATIC NATIONAL CONVENTION, 2,000 COPIES OF "THE WAY TO HAPPINESS" WERE PLACED IN 21 LOS ANGELES HOTELS IN THE AREA OF THE CONVENTION CENTER.

IN TAIWAN, FOLLOWING A MAJOR EARTHQUAKE, 5000 COPIES OF THE WAY TO HAPPINESS WERE DISTRIBUTED TO HELP BRING HOPE TO THE VICTIMS OF THIS EARTHQUAKE.

TO FORM 990, PART III, LINE A

<u>GRANTS</u>	<u>EXPENSES</u>
	<u>177,903</u>

**FEDERAL ID # 95-3937092
THE WAY TO HAPPINESS INTERNATIONAL
STATEMENT #12**

**DESCRIPTION OF PROGRAM SERVICE TWO
(SERVICES USING THE BOOKLET "THE WAY TO HAPPINESS")**

THE WAY TO HAPPINESS INTERNATIONAL CONDUCTED A NATIONAL YOUTH ESSAY AND POSTER CONTEST TO REDUCE CRIME IN COMMUNITIES AND TO FOSTER COMMON SENSE MORAL VALUES. DURING 2000, THE SPRING COMPETITION HAD APPROXIMATELY 36,000 TEACHERS INFORMED OF THE CONTEST, WHICH HAD THE THEME "CREATING A BETTER WORLD". A TOTAL OF 552 SCHOOLS WITH A TOTAL ENROLLMENT OF APPROXIMATELY 33,925 STUDENTS WERE SENT OVER 25,000 COPIES OF THE WAY TO HAPPINESS BOOKLET FOR THEIR USE. A TOTAL OF 1024 POSTERS AND ESSAYS WERE SUBMITTED OF WHICH 1010 WERE AWARDED FOR THEIR PARTICIPATION.

IN RWANDA, THE CONGO, KENYA, UGANDA AND TANZANIA, FURTHER SEMINARS WERE DONE DURING THE YEAR 2000, BRINGING THE TOTAL NUMBER OF PEOPLE WHO HAVE RECEIVED A "THE WAY TO HAPPINESS" LECTURE OR SEMINAR TO 375,000. BY THE END OF THE YEAR, 500 PEOPLE HAD COMPLETED THE "THE WAY TO HAPPINESS" EXTENSION COURSE AND ANOTHER 500 WERE ON THE COURSE.

IN THE UNITED STATES, HUNDREDS OF BANK EXECUTIVES AND STAFF AND THEIR CUSTOMERS WERE SURVEYED AND NEW PROMOTIONAL FLIERS WERE DESIGNED FOR MARKETING "THE WAY TO HAPPINESS" TO BANKERS AS A SOLUTION TO COMMON MORAL PROBLEMS BANKS EXPERIENCE WITH THEIR CUSTOMERS.

TO FORM 990, PART III, LINE B

<u>GRANTS</u>	<u>EXPENSES</u>
<u>2,174</u>	<u>58,700</u>

FEDERAL ID # 95-3937092
THE WAY TO HAPPINESS INTERNATIONAL
STATEMENT #13

DESCRIPTION OF PROGRAM SERVICE THREE
(PUBLIC AWARENESS)

THE PRECEPTS OF THE WAY TO HAPPINESS BOOKLET FORMED THE BASIS OF THE "SET A GOOD EXAMPLE" FLOAT FEATURED IN THE HOLLYWOOD CHRISTMAS PARADE. THE FLOAT FORWARDED THE IDEALS OF HONESTY, TRUST, TOLERANCE AND UNDERSTANDING. THE FLOAT WAS VIEWED BY OVER 1 MILLION PEOPLE ON THE STREETS OF HOLLYWOOD, AS WELL AS BY ADDITIONAL MILLIONS AS IT AIRED ON TV STATIONS THROUGHOUT THE USA.

MORE THAN 150 DIFFERENT RADIO STATIONS AIRED PUBLIC SERVICE ANNOUNCEMENTS ISSUED BY THE WAY TO HAPPINESS INTERNATIONAL RESULTING IN OVER 2,000 REQUESTS FOR ONE OR MORE OF "THE WAY TO HAPPINESS" BOOKS AND BOOKLETS.

IN THE CONGO, "THE WAY TO HAPPINESS" WAS FEATURED ON TV AND RADIO OVER A TWO-MONTH PERIOD TO OVER 50 MILLION VIEWERS AND LISTENERS.

"THE WAY TO HAPPINESS" PRECEPTS "LOVE AND HELP CHILDREN" AND "BE WORTHY OF TRUST" COULD BE SEEN ON THE WAY TO HAPPINESS SPONSORED CARS IN THE SOAPBOX DERBY RACING CIRCUIT IN CALIFORNIA AND IN THE NATIONAL CHAMPIONSHIPS IN AKRON, OHIO. THESE CARS ALSO APPEARED IN A TV MOVIE: "MIRACLE IN LANE 2".

IN MEXICALI, MEXICO, THE TWENTY-ONE PRECEPTS OF "THE WAY TO HAPPINESS" WERE CONSTRUCTED ALONG A WALKING TRAIL OPEN TO THE PUBLIC.

THE WAY TO HAPPINESS INTERNATIONAL AND ITS CHAPTERS SENT OUT OVER 441,000 FLIERS AND MAGAZINES IN BROAD GENERAL MAILINGS.

TO FORM 990, PART III, LINE C

GRANTS	EXPENSES
	<u>59,723</u>

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 23a, 23b, 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.)

23a Do you have evidence to support the business/investment use claimed? Yes No **23b** 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
24 Property used more than 50% in a qualified business use:								
		%						
		%						
		%						
25 Property used 50% or less in a qualified business use:								
		%				S/L		
		%				S/L		
		%				S/L		
26 Add amounts in column (h). Enter the total here and on line 20, page 1								
27 Add amounts in column (i). Enter the total here and on line 7, page 1								

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
28 Total business/investment miles driven during the year (DO NOT include commuting miles)												
29 Total commuting miles driven during the year												
30 Total other personal (noncommuting) miles driven												
31 Total miles driven during the year Add lines 28 through 30												
32 Was the vehicle available for personal use during off-duty hours?												
33 Was the vehicle used primarily by a more than 5% owner or related person?												
34 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
35 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
36 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		
37 Do you treat all use of vehicles by employees as personal use?		
38 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?		
39 Do you meet the requirements concerning qualified automobile demonstration use? Note: If your answer to 35, 36, 37, 38, or 39 is "Yes," you need 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
40 Amortization of costs that begins during your 2000 tax year:					
41 Amortization of costs that began before 2000					41
42 Total. Add amounts in column (f). See instructions for where to report					42

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.		
Type or print. File by the extended due date for filing the return. See instructions.	Name of Exempt Organization THE WAY TO HAPPINESS	Employer identification number 95-3937092
	Number, street, and room or suite no. If a P.O. box, see instructions. 7060 HOLLYWOOD BLVD., NO. 306	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. LOS ANGELES, CA 90028	

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

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 NOVEMBER 15, 2001.

5 For calendar year 2000 or other tax year beginning _____ and ending _____.

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 THE NECESSARY INFORMATION TO FILE A COMPLETE AND ACCURATE TAX 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

COPY

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 CPA Date 8-10-01

Notice to Applicant - To Be Completed by the IRS

- 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 the 10-day grace period.
- We cannot consider this application because it was filed after the 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 returned to an address different than the one entered above.

Type or print	Name NANAS STERN BIERS NEINSTEIN AND CO. LLP
	Number and street (include suite, room, or apt. no.) Or a P.O. box number 9454 WILSHIRE BLVD., 4TH FLOOR
	City or town, province or state, and country (including postal or ZIP code) BEVERLY HILLS, CA 90212-2907

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

▶ See separate instructions. ▶ Attach this form to your return.

Name(s) shown on return THE WAY TO HAPPINESS INTERNATIONAL	Business or activity to which this form relates FORM 990 PAGE 2	Identifying number 95-3937092
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Part I Election To Expense Certain Tangible Property (Section 179) Note: If you have any "listed property," complete Part V before you complete Part I.)

1 Maximum dollar limitation. If an enterprise zone business, see instructions	1	20,000.
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 27	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 1999	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 2001. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property (automobiles, certain other vehicles, cellular telephones, certain computers, or property used for entertainment, recreation, or amusement). Instead, use Part V for listed property.

Part II MACRS Depreciation For Assets Placed in Service Only During Your 2000 Tax Year (Do not include listed property.)

Section A - General Asset Account Election

14 If you are making the election under section 168(f)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check this box. See instructions

Section B - General Depreciation System (GDS) (See instructions.)

(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
15 a 3-year property						
b 5-year property						
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 - Alternative Depreciation System (ADS) (See instructions.)

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

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

17 GDS and ADS deductions for assets placed in service in tax years beginning before 2000	17	
18 Property subject to section 168(f)(1) election	18	
19 ACRS and other depreciation	19	982.

Part IV Summary (See instructions)

20 Listed property. Enter amount from line 26	20	
21 Total. Add deductions from line 12, lines 15 and 16 in column (g), and lines 17 through 20. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions	21	982.
22 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	22	