Form **990** Department of the Treasury Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047
2007
Open to Public Inspection

A For the 2007 calendar year, or tax year beginning , and ending

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

Please use IRS label or print or type. See Specific Instructions.

C Name of organization: THE WAY TO HAPPINESS FOUNDATION INT

Number and street (or P O box if mail is not delivered to street address): 201 E. BROADWAY   Room/suite

City or town, state or country, and ZIP + 4: GLENDALE CA 91205

D Employer identification number: 95-3937092

E Telephone number: 818-254-0600

F Accounting method: ☐ Cash ☒ Accrual ☐ Other (specify)

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

G Website: ▶ WWW.TWTH.ORG

J Organization type (check only one) ▶ ☒ 501(c) (3) ◀(insert no) ☐ 4947(a)(1) or ☐ 527

K Check here ▶ ☐ if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than $25,000 A return is not required, but if the organization chooses to file a return, be sure to file a complete return

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 See instructions)

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

I Group Exemption Number ▶

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 ▶ 3,045,552

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

Revenue

1	Contributions, gifts, grants, and similar amounts received				
a	Contributions to donor advised funds	1a			
b	Direct public support (not included on line 1a)	1b	2,641,390		
c	Indirect public support (not included on line 1a)	1c			
d	Government contributions (grants) (not included on line 1a)	1d			
e	Total (add lines 1a through 1d) (cash $ 2,641,390 noncash $)			1e	2,641,390
2	Program service revenue including government fees and contracts (from Part VII, line 93)			2	128,495
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			
b	Less rental expenses	6b			
c	Net rental income or (loss) Subtract line 6b from line 6a			6c	
7	Other investment income (describe ▶)			7	

		(A) Securities		(B) Other
8a	Gross amount from sales of assets other than inventory		8a	
b	Less cost or other basis and sales expenses		8b	
c	Gain or (loss) (attach schedule)		8c	

d	Net gain or (loss) Combine line 8c, columns (A) and (B)			8d	
9	Special events and activities (attach schedule) If any amount is from gaming, check here ▶ ☐				
a	Gross revenue (not including $ ________ of contributions reported on line 1b)	9a			
b	Less direct expenses other than fundraising expenses	9b			
c	Net income or (loss) from special events Subtract line 9b from line 9a			9c	
10a	Gross sales of inventory, less returns and allowances	10a	274,304		
b	Less cost of goods sold	10b	159,700		
c	Gross profit or (loss) from sales of inventory (attach schedule) Subtract line 10b from line 10a STMT 1			10c	114,604
11	Other revenue (from Part VII, line 103)			11	1,363
12	Total revenue Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11			12	2,885,852

Expenses

13	Program services (from line 44, column (B))	13	2,377,563
14	Management and general (from line 44, column (C))	14	148,937
15	Fundraising (from line 44, column (D))	15	29,803
16	Payments to affiliates (attach schedule)	16	
17	Total expenses Add lines 16 and 44, column (A)	17	2,556,303

Net Assets

18	Excess or (deficit) for the year Subtract line 17 from line 12	18	329,549
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	681,901
20	Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 2	20	-4,934
21	Net assets or fund balances at end of year Combine lines 18, 19, and 20	21	1,006,516

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For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

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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 (See the instructions)

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
22a Grants paid from donor advised funds (attach schedule) (cash $ ____ non-cash $ ____) If this amount includes foreign grants, check here ▶ ☐	22a				
22b Other grants and allocations (attach schedule) STMT 3 (cash $ 24,019 non-cash $ ____) If this amount includes foreign grants, check here ▶ ☐	22b	24,019	24,019		
23 Specific assistance to individuals (attach schedule)	23				
24 Benefits paid to or for members (attach schedule)	24				
25a Compensation of current officers, directors, key employees, etc listed in Part V-A SEE STATEMENT 4	25a	62,542	37,526	18,762	6,254
b Compensation of former officers, directors, key employees, etc listed in Part V-B	25b				
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	25c				
26 Salaries and wages of employees not included on lines 25a, b, and c	26	179,272	144,148	32,578	2,546
27 Pension plan contributions not included on lines 25a, b, and c	27				
28 Employee benefits not included on lines 25a – 27	28				
29 Payroll taxes	29	21,826	16,398	4,634	794
30 Professional fundraising fees	30				
31 Accounting fees	31	12,679		12,679	
32 Legal fees	32	12,701	9,543	2,696	462
33 Supplies	33	12,988	10,605	2,107	276
34 Telephone	34	18,636	14,321	3,684	631
35 Postage and shipping	35	327,755	325,365	2,063	327
36 Occupancy	36	62,394	49,933	10,637	1,824
37 Equipment rental and maintenance	37	12,356	12,356		
38 Printing and publications	38	746,051	745,663	331	57
39 Travel	39	4,730	3,217	1,478	35
40 Conferences, conventions, and meetings	40				
41 Interest	41	4,163	3,128	884	151
42 Depreciation, depletion, etc (attach schedule)	42	175,612	131,937	37,285	6,390
43 Other expenses not covered above (itemize) a SEE STATEMENT 5	43a	878,579	849,404	19,119	10,056
b	43b				
c	43c				
d	43d				
e	43e				
f	43f				
g	43g				
44 **Total functional expenses.** Add lines 22a through 43g (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	2,556,303	2,377,563	148,937	29,803

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 (See the instructions.)

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

What is the organization's primary exempt purpose? ▶ TO PROMOTE COMMON SENSE MORAL VALUES. All organizations must describe their exempt purpose achievements in a clear and concise manner State the number of clients served, publications issued, etc Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others)	Program Service Expenses (Required for 501(c)(3) and (4) orgs , and 4947(a)(1) trusts, but optional for others)
a SEE STATEMENT 6	
(Grants and allocations $ 24,019) If this amount includes foreign grants, check here ▶ ☐	1,301,867
b SEE STATEMENT 7	
(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	1,075,696
c	
(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
d	
(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
e Other program services (attach schedule) (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
f **Total of Program Service Expenses** (should equal line 44, column (B), Program services) ▶	2,377,563

Part IV Balance Sheets (See the instructions.)

		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			111,024	45	381,244
	46	Savings and temporary cash investments				46	
	47a	Accounts receivable	47a				
	b	Less allowance for doubtful accounts	47b			47c	
	48a	Pledges receivable	48a				
	b	Less allowance for doubtful accounts	48b			48c	
	49	Grants receivable				49	
	50a	Receivables from current and former officers, directors, trustees, and key employees (attach schedule)				50a	
	b	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (att schedule)				50b	
	51a	Other notes and loans receivable (attach schedule)	51a				
	b	Less allowance for doubtful accounts	51b			51c	
	52	Inventories for sale or use			46,071	52	53,046
	53	Prepaid expenses and deferred charges			3,810	53	300,076
	54a	Investments—publicly-traded securities	▶ ☐ Cost ☐ FMV			54a	
	b	Investments—other securities (attach schedule)	▶ ☐ Cost ☐ FMV			54b	
	55a	Investments—land, buildings, and equipment basis	55a				
	b	Less accumulated depreciation (attach schedule)	55b			55c	
	56	Investments—other (attach schedule)				56	
	57a	Land, buildings, and equipment basis	57a	1,155,911			
	b	Less accumulated depreciation (attach schedule) SEE STATEMENT 8	57b	644,034	651,114	57c	511,877
	58	Other assets, including program-related investments (describe ▶ SEE STATEMENT 9)			31,998	58	5,525
	59	**Total assets** (must equal line 74) Add lines 45 through 58			844,017	59	1,251,768
Liabilities	60	Accounts payable and accrued expenses			117,279	60	209,664
	61	Grants payable				61	
	62	Deferred revenue				62	
	63	Loans from officers, directors, trustees, and key employees (attach schedule)				63	
	64a	Tax-exempt bond liabilities (attach schedule)				64a	
	b	Mortgages and other notes payable (attach schedule) SEE WORKSHEET			44,837	64b	35,588
	65	Other liabilities (describe ▶)				65	
	66	**Total liabilities.** Add lines 60 through 65			162,116	66	245,252
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶** ☒ and complete lines 67 through 69 and lines 73 and 74					
	67	Unrestricted			644,902	67	664,817
	68	Temporarily restricted			36,999	68	341,699
	69	Permanently restricted				69	
		Organizations that do not follow SFAS 117, check here ▶ ☐ 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 and column (B) **must** equal line 21)			681,901	73	1,006,516
	74	**Total liabilities and net assets/fund balances.** Add lines 66 and 73			844,017	74	1,251,768

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Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return (See the instructions.)

a	Total revenue, gains, and other support per audited financial statements			a	3,454,752
b	Amounts included on line a but not on Part I, line 12				
1	Net unrealized gains on investments	b1			
2	Donated services and use of facilities	b2			
3	Recoveries of prior year grants	b3			
4	Other (specify) SEE STATEMENT 10	b4	568,900		
	Add lines b1 through b4			b	568,900
c	Subtract line b from line a			c	2,885,852
d	Amounts included on Part I, line 12, but not on line a:				
1	Investment expenses not included on Part I, line 6b	d1			
2	Other (specify)	d2			
	Add lines d1 and d2			d	
e	**Total revenue** (Part I, line 12) Add lines c and d ▶			e	2,885,852

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

a	Total expenses and losses per audited financial statements			a	3,125,203
b	Amounts included on line a but not Part I, line 17				
1	Donated services and use of facilities	b1			
2	Prior year adjustments reported on Part I, line 20	b2			
3	Losses reported on Part I, line 20	b3			
4	Other (specify) SEE STATEMENT 11	b4	568,900		
	Add lines b1 through b4			b	568,900
c	Subtract line b from line a			c	2,556,303
d	Amounts included on Part I, line 17, but not on line a:				
1	Investment expenses not included on Part I, line 6b	d1			
2	Other (specify)	d2			
	Add lines d1 and d2			d	
e	**Total expenses** (Part I, line 17) Add lines c and d ▶			e	2,556,303

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated) (See the instructions)

(A) Name and address		(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
JONI GINSBERG 201 E. BROADWAY	GLENDALE CA 91205	TREAS/DIR 40	26,161	0	0
LANCE MILLER 201 E. BROADWAY	GLENDALE CA 91205	PRES/DIR 40	36,381	0	0
SIMON HOGARTH 201 E. BROADWAY	GLENDALE CA 91205	SEC/DIR 1	0	0	0

NOTE: OFFICERS AND DIRECTORS WHO ARE ALSO EMPLOYEES ARE COMPENSATED ONLY FOR THEIR DUTIES AS EMPLOYEES AND NOT AS OFFICERS OR DIRECTORS.

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)

		Line	Yes	No
75a	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings ▶ 3			
b	Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)	75b		X
c	Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization " If "Yes," attach a statement that includes the information described in the instructions	75c		X
d	Does the organization have a written conflict of interest policy?	75d	X	

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits

(If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column See the instructions)

(A) Name and address	(B) Loans and Advances	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
NONE .	0	0	0	0

Part VI Other Information (See the instructions.)

			Line	Yes	No
76	Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change		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
78a	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?	N/A	78b		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		79		X
80a	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 ▶ and check whether it is ☐ exempt or ☐ nonexempt				
81a	Enter direct and indirect political expenditures. (See line 81 instructions)	81a 0			
b	Did the organization file **Form 1120-POL** for this year?		81b		X

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Part VI Other Information (continued)

				Yes	No
82a	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 in Part III) SEE STMT 12	82b 409,200			
83a	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?	N/A	83b		
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	N/A	84a		
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	N/A	84b		
85a	501(c)(4), (5), or (6) Were substantially all dues nondeductible by members?	N/A	85a		
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	N/A	85b		
c	Dues, assessments, and similar amounts from members	N/A 85c			
d	Section 162(e) lobbying and political expenditures	N/A 85d			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	N/A 85e			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	N/A 85f			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	N/A	85g		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	N/A	85h		
86	501(c)(7) orgs Enter a Initiation fees and capital contributions included on line 12	N/A 86a			
b	Gross receipts, included on line 12, for public use of club facilities	N/A 86b			
87	501(c)(12) orgs Enter a Gross income from members or shareholders	N/A 87a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	N/A 87b			
88a	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		88a		X
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI ▶		88b		X
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 ▶ 0 , section 4912 ▶ 0 , section 4955 ▶ 0				
b	501(c)(3) and 501(c)(4) orgs 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			
e	All organizations At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		89e		X
f	All organizations Did the organization acquire a direct or indirect interest in any applicable insurance contract?		89f		X
g	For supporting organizations and sponsoring organizations maintaining donor advised funds Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		89g		X

90a List the states with which a copy of this return is filed ▶ CA

b Number of employees employed in the pay period that includes March 12, 2007 (See instructions) 90b 14

91a The books are in care of ▶ JONI GINSBERG Telephone no ▶ 818-254-0600

Located at ▶ 201 E. BROADWAY GLENDALE, CA ZIP + 4 ▶ 91205

				Yes	No
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		91b		X
	If " Yes," enter the name of the foreign country ▶ See the instructions for exceptions and filing requirements for **Form TD F 90-22.1,** Report of Foreign Bank and Financial Accounts				

Part VI Other Information (continued)

			Yes	No
c	At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country ▶	91c		X
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 ▶	92		

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

Note: Enter gross amounts unless otherwise indicated	Unrelated business income (A) Business code	Unrelated business income (B) Amount	Excluded by section 512, 513, or 514 (C) Exclusion code	Excluded by section 512, 513, or 514 (D) Amount	(E) Related or exempt function income
93 Program service revenue.					
a REPRINT LICENSE FEES					109,328
b TWTH PRINTING & DIST INCOME					19,167
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					
102 Gross profit or (loss) from sales of inventory					114,604
103 Other revenue a					
b FUNDRAISING COMMISSIONS			1	1,363	
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0		1,363	243,099
105 **Total** (add line 104, columns (B), (D), and (E)) ▶					244,462

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

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

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
	SEE STATEMENT 13

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions)

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

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

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

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

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

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13). N/A

	Yes	No
106 Did the reporting organization **make** any transfers **to** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity		

	(A) Name, address, of each controlled entity	(B) Employer ID Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
	Totals			

	Yes	No
107 Did the reporting organization **receive** any transfers **from** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity		

	(A) Name, address, of each controlled entity	(B) Employer ID Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
	Totals			

	Yes	No
108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?		

Please Sign Here

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

Signature ~~of officer~~ Date 11/17/08

PRESIDENT

Type or print name and title

Paid Preparer's Use Only

Preparer's signature Roland W Fink CPA	Date 11/17/08	Check if self-employed ▶ [X]	Preparer's SSN or PTIN (See Gen Instr X)
Firm's name (or yours if self-employed), address, and ZIP + 4: ROLAND W. FINK, CPA, 2441 HONOLULU AVE., SUITE 120, MONTROSE, CA 91020-1847		EIN ▶	Phone no ▶ 818-249-4577

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 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

2007

Name of the organization: THE WAY TO HAPPINESS FOUNDATION INT

Employer identification number: 95-3937092

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 empl benefit plans & deferred comp	(e) Expense account and other allowances
NONE				

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

Part II-A 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 ▶

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

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

Total number of other contractors receiving over $50,000 for other services ▶

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)	1		X
		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			
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?	2a		X
	b	Lending of money or other extension of credit? SEE STATEMENT 14	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-A, FORM 990	2d	X	
	e	Transfer of any part of its income or assets?	2e		X
3a		Did the organization make grants for scholarships, fellowships, student loans, etc ? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments)	3a		X
	b	Did the organization have a section 403(b) annuity plan for its employees?	3b	X	
	c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement	3c		X
	d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d		X
4a		Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g If "No," complete lines 4f and 4g	4a		X
	b	Did the organization make any taxable distributions under section 4966?	4b		
	c	Did the organization make a distribution to a donor, donor advisor, or related person?	4c		

d Enter the total number of donor advised funds owned at the end of the tax year ▶ ________

e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶ ________

f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ▶ 0

g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ▶ 0

Part IV **Reason for Non-Private Foundation Status** (See pages 4 through 8 of the instructions.)

I certify that 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 otherwise meets the requirements of section 509(a)(3) Check the box that describes the type of supporting organization

☐ Type I ☐ Type II ☐ Type III-Functionally Integrated ☐ Type III-Other

Provide the following information about the supported organizations. (See page 8 of the instructions)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents? Yes	No	(e) Amount of support
Total ▶					

14 ☐ An organization organized and operated to test for public safety Section 509(a)(4) (See page 8 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) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	586,085	678,883	368,822	1,329,650	2,963,440
16 Membership fees received					0
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	486,965	422,013			908,978
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	24				24
19 Net income from unrelated business activities not included in line 18					0
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
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					0
22 Other income Attach a schedule Do not include gain or (loss) from sale of capital assets STMT 15		5,550	600	159	6,309
23 Total of lines 15 through 22	1,073,074	1,106,446	369,422	1,329,809	3,878,751
24 Line 23 minus line 17	586,109	684,433	369,422	1,329,809	2,969,773
25 Enter 1% of line 23	10,731	11,064	3,694	13,298	

26 **Organizations described on lines 10 or 11:** a Enter 2% of amount in column (e), line 24 ▶ 26a 59,395

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 2003 through 2006 exceeded the amount shown in line 26a **Do not file this list with your return.** Enter the total of all these excess amounts ▶ 26b 297,336

c Total support for section 509(a)(1) test Enter line 24, column (e) ▶ 26c 2,969,773

d Add Amounts from column (e) for lines 18 24 19 ____ 22 6,309 26b 297,336 ▶ 26d 303,669

e Public support (line 26c minus line 26d total) ▶ 26e 2,666,104

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ 26f 89.7747 %

27 **Organizations described on line 12:** a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person " **Do not file this list with your return.** Enter the sum of such amounts for each year N/A

(2006) (2005) (2004) (2003)

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 11b, as well as individuals) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in **(1)** or **(2)**, enter the sum of these differences (the excess amounts) for each year N/A

(2006) (2005) (2004) (2003)

c Add Amounts from column (e) for lines 15 ____ 16 ____ 17 ____ 20 ____ 21 ____ ▶ 27c

d Add Line 27a total ____ and line 27b total ____ ▶ 27d

e Public support (line 27c total minus line 27d total) ▶ 27e

f Total support for section 509(a)(2) test Enter amount from line 23, column (e) ▶ 27f

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ 27g %

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶ 27h %

28 **Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant **Do not file this list with your return.** Do not include these grants in line 15

Part V Private School Questionnaire (See page 9 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

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)			
34a	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		

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 11 of the instructions.)
(To be completed **ONLY** by an eligible organization that filed Form 5768) N/A

Check ▶ a [ ] if the organization belongs to an affiliated group Check ▶ b [ ] if you checked "a" and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred)		(a) Affiliated group totals	(b) To be completed for all electing organizations
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-	41		
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		

If the amount on line 40 is-	**The lobbying nontaxable amount is-**
Not over $500,000	20% of the amount on line 40
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

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 13 of the instructions)

	Lobbying Expenditures During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ▶	**(a)** 2007	**(b)** 2006	**(c)** 2005	**(d)** 2004	**(e)** Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities
(For reporting only by organizations that did not complete Part VI-A) (See page 14 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of	Yes	No	Amount
a Volunteers		X	
b Paid staff or management (Include compensation in expenses reported on lines **c** through **h.**)		X	
c Media advertisements		X	0
d Mailings to members, legislators, or the public		X	0
e Publications, or published or broadcast statements		X	0
f Grants to other organizations for lobbying purposes		X	0
g Direct contact with legislators, their staffs, government officials, or a legislative body		X	0
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	0
i Total lobbying expenditures (Add lines **c** through **h.**)			0

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

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 14 of the instructions.)

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

			Yes	No
a	Transfers from the reporting organization to a noncharitable exempt organization of			
	(i) Cash	51a(i)		X
	(ii) Other assets	a(ii)		X
b	Other transactions			
	(i) Sales or exchanges of assets with a noncharitable exempt organization	b(i)		X
	(ii) Purchases of assets from a noncharitable exempt organization	b(ii)		X
	(iii) Rental of facilities, equipment, or other assets	b(iii)		X
	(iv) Reimbursement arrangements	b(iv)		X
	(v) Loans or loan guarantees	b(v)		X
	(vi) Performance of services or membership or fundraising solicitations	b(vi)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c		X

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

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

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

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Forms **990 / 990-PF**

Mortgages and Other Notes Payable

For calendar year 2007, or tax year beginning , and ending

2007

Name	Employer Identification Number
THE WAY TO HAPPINESS FOUNDATION INT	95-3937092

FORM 990, PART IV, LINE 64B - ADDITIONAL INFORMATION

	Name of lender	Relationship to disqualified person
(1)	WELLS FARGO BANK	N/A
(2)	PROFESSIONAL BUSINESS BANK	N/A
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

	Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1)	30,000	2/11/02	2/11/07	$630.01 MONTHLY	10.000
(2)	49,745	10/13/05	10/17/10	$993.06 MONTHLY	7.500
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

	Security provided by borrower	Purpose of loan
(1)	SUBJECT VEHICLE	VEHICLE PURCHASE
(2)	SUBJECT EQUIPMENT	PURCHASE EQUIPMENT
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

	Consideration furnished by lender	Balance due at beginning of year	Balance due at end of year
(1)	$30,000 CASH	4,986	4,985
(2)	CASH OF $49,745	39,851	30,603
(3)			
(4)			
(5)			
(6)			
(7)			
(8)			
(9)			
(10)			
Totals		44,837	35,588

Form **4562**

Department of the Treasury
Internal Revenue Service

Depreciation and Amortization

(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No 1545-0172

2007

Attachment Sequence No **67**

Name(s) shown on return: THE WAY TO HAPPINESS FOUNDATION INT

Identifying number: 95-3937092

Business or activity to which this form relates: INDIRECT DEPRECIATION

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount See the instructions for a higher limit for certain businesses	1	125,000
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	500,000
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	

	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
6			

7	Listed property Enter the 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 2006 Form 4562	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	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 2008 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.) (See instructions.)

14	Special allowance for qualified New York Liberty or Gulf Opportunity Zone property (other than listed property) and cellulosic biomass ethanol plant property placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	175,612

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 2007	17	0
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B-Assets Placed in Service During 2007 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						
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 2007 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	175,612
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	

For Paperwork Reduction Act Notice, see separate instructions.

Form **4562** (2007)

DAA

THERE ARE NO AMOUNTS FOR PAGE 2

Federal Statements

Statement 1 - Form 990, Line 10c - Sales of Inventory

Description	Gross Sales	COGS	Gross Profit
BOOKSTORE SALES	$ 274,304	$ 159,700	$ 114,604
TOTAL	$ 274,304	$ 159,700	$ 114,604

Statement 2 - Form 990, Line 20 - Other Changes in Net Assets or Fund Balances

Description	Amount
PRIOR PERIOD ADJUSTMENTS	$ -4,934
TOTAL	$ -4,934

Federal Statements

Statement 3 - Form 990, Part II, Line 22b - Other Grants and Allocations

Name / Address	Date of Gift	Description of Property	Relationship to Org / Cash Contrib	Class of Activity / NonCash Contrib	Book Value	BV Expl	FMV Expl
ABLE INTERNATIONAL 7065 HOLLYWOOD BLVD. LOS ANGELES CA 90028			$ 24,019	DISTRIB. BOOKLETS $	$		
TOTAL			$ 24,019	$ 0	$ 0		

Statement 4 - Form 990, Part II, Line 25a - Compensation of Current Officers

Name	Program Services	Management & General	Fundraising
EXPENSES	$	$	$
JONI GINSBERG COMPENSATION	21,829	10,914	3,638
LANCE MILLER COMPENSATION	15,697	7,848	2,616
TOTAL	$ 37,526	$ 18,762	$ 6,254

Statement 5 - Form 990, Part II, Line 43 - Other Functional Expenses

Description	Total Expenses	Program Service	Mgt & General	Fund-Raising
EXPENSES	$	$	$	$
PROMOTION	646,504	634,920	6,559	5,025
REFERRAL COMMISSIONS	22,265	19,075		3,190
ROYALTIES	156,393	156,393		
INSURANCE	22,857	17,172	4,853	832
BANK CHARGES	24,545	18,441	5,211	893
LICENSES, FEES & DUES	2,341	1,135	1,199	7
LOSS ON DISP OF FIXED ASSESTS	3,018	2,268	641	109
TAXES, DUES, FEES	656		656	
TOTAL	$ 878,579	$ 849,404	$ 19,119	$ 10,056

Statement 6 - Form 990, Part III, Line a - Statement of Program Service Accomplishments

Description

DISTRIBUTION OF "THE WAY TO HAPPINESS" BOOKLET.
THE PRIMARY PURPOSE OF THE WAY TO HAPPINESS FOUNDATION INTERNATIONAL (THE "FOUNDATION") IS TO RAISE THE MORAL STANDARDS OF SOCIETY THROUGH THE DISSEMINATION OF A COMMON-SENSE GUIDE TO BETTER LIVING CALLED "THE WAY TO HAPPINESS", WHICH CONSISTS OF 21 ILLUSTRATED PRECEPTS SUCH AS "LOVE AND HELP CHILDREN", "DO NOT MURDER", "DO NOT STEAL", AND "RESPECT THE RELIGIOUS BELIEFS OF OTHERS".
DURING 2007, THE FOUNDATION AND ITS VOLUNTEERS AND OTHER SUPPORTERS DISTRIBUTED MORE THAN THREE MILLION COPIES OF THE GUIDE THROUGHOUT THE WORLD IN 94 LANGUAGES, INCLUDING BRAILLE.
THE FOUNDATION ALSO MAKES "THE WAY TO HAPPINESS" GUIDE AVAILABLE ON THE INTERNET AS AN ELECTRONIC BOOK. DURING THE YEAR IT DISTRIBUTED MORE THAN 26,000 COPIES OF THE GUIDE IN THIS FORMAT IN 94 DIFFERENT LANGUAGES.

Statement 7 - Form 990, Part III, Line b - Statement of Program Service Accomplishments

Description

PUBLIC AWARENESS CAMPAIGNS.
DURING 2007 THE FOUNDATION CONTINUED TO CONDUCT A NUMBER OF ACTIVITIES IT HAS CONDUCTED IN PREVIOUS YEARS THAT HAVE PROVEN PARTICULARLY SUCCESSFUL IN RAISING PUBLIC AWARENESS ABOUT ETHICAL BEHAVIOR, ESPECIALLY AMONG CHILDREN. THESE ACTIVITIES INCLUDED "SET A GOOD EXAMPLE" CONTESTS AND WORKSHOPS, HOLDING PUBLIC LECTURES AND OTHER EDUCATIONAL EVENTS, PARTICIPATING IN MARATHONS, SPONSORING PLAYS AND CONDUCTING COMMUNITY CLEAN-UPS.
IN 2007 THE SERIES OF 30-SECOND EDUCATIONAL PUBLIC SERVICE ANNOUNCEMENTS FOR TELEVISION AND OTHER VISUAL MEDIA THAT ILLUSTRATE ALL 21 PRECEPTS OF THE GUIDE BEGUN IN 2006 WERE COMPLETED. THEY HAVE NOW BEEN AIRED IN OVER 150 STATIONS WORLDWIDE.
ALSO IN 2007 THE FOUNDATION DISSEMINATED 56,500 OF ITS "CREATING A WORLD OF TRUST, HONESTY AND COMPETENCY" ACTION KIT, 39,958 WITHIN THE UNITED STATES AND 16,598 IN OTHER COUNTRIES. EACH KIT INCLUDED A PACK OF 12 THE WAY TO HAPPINESS BOOKS AND A DVD WITH THE 21 PSAS ON THEM AS WELL AS ADDITIONAL INFORMATION ON ANOTHER DVD AND IN PRINT.

Federal Statements

Statement 8 - Form 990, Part IV, Line 57 - Land, Buildings, and Equipment

Description	Beginning of Year	Accum Depr	End of Year	Accum Depr
SEE ATTACHED SCHEDULE				
	$ 1,121,425	$ 470,311	$ 1,155,911	$ 644,034
TOTAL	$ 1,121,425	$ 470,311	$ 1,155,911	$ 644,034

Statement 9 - Form 990, Part IV, Line 58 - Other Assets

Description	Beginning of Year	End of Year
DONATED PROPERTY AVAILABLE FOR SALE	$ 31,903	$
DEPOSITS	95	5,525
TOTAL	$ 31,998	$ 5,525

Federal Statements

Statement 10 - Form 990, Part IV-A - Other Revenue Included on Financial Statements

Description	Amount
PRODUCTION COST OF MATERIALS FOR RESALE	$ 159,700
USE OF FACILITY RENT-FREE	409,200
TOTAL	$ 568,900

Statement 11 - Form 990, Part IV-B - Other Expenses included on Financial Statements

Description	Amount
PRODUCTION COST OF MATERIALS FOR RESALE	$ 159,700
USE OF FACILITY RENT-FREE	409,200
TOTAL	$ 568,900

Federal Statements

Statement 12 - Form 990, Part VI, Line 82b - Donated Services

Description	Amount
USE OF FACILITY RENT-FREE	$ 409,200
TOTAL	$ 409,200

Statement 13 - Form 990, Part VIII - Relationship of Activities

Line No.	Description
93A	LICENSE FEES FOR REPRINTING THE WAY TO HAPPINESS BOOKLET.
93B	INCOME FROM PRINTING AND DISTRIBUTING THE WAY TO HAPPINESS BOOKLET.
102	SALES OF THE WAY TO HAPPINESS BOOKS, COURSE MATERIALS, SHIRTS, ETC. TO CONTRIBUTE TO BROAD DISTRIBUTION OF THE WAY TO HAPPINESS IN SOCIETY.

Statement 14 - Schedule A, Part III, Line 2b - Lending of Money or Extension of Credit

Description
AT DECEMBER 31, 2006, $15,646 WAS OWED TO LANCE MILLER, WHO BECAME PRESIDENT OF THE CORPORATION DURING 2007. THE DEBT WAS FORGIVEN BY MR. MILLER IN 2007 AND WAS RECORDED AS A CONTRIBUTION.

Federal Statements

Statement 15 - Schedule A, Part IV-A, Line 22 - Other Income

Description	2006	2005	2004	2003
FUNDRAISING COMMISSIONS	$	$ 5,550	$ 600	$ 159
TOTAL	$ 0	$ 5,550	$ 600	$ 159

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Fixed Assets and Depreciation - Form 990

FYE: 12/31/2007

Asset	Date In Service	Property Description	*	Tax Cost	Tax-Meth Conv	Tax Period	Tax Prior Depreciation	Tax Current Depreciation	Tax End Depr	Tax Net Book Value
Group: Computer & Office Equip										
3	12/31/03	Computers & Office Equipment		194,708	S/L-MO	5.0	116,825	38,941	155,766	38,942
9	1/08/05	Apple iBook		1,902	S/L-MO	5.0	761	381	1,142	760
28	7/20/07	Server Computer		1,358	S/L-MO	5.0	0	136	136	1,222
		Computer & Office Equip		197,968			117,586	39,458	157,044	40,924
Group: Furniture & Equipment										
4	12/31/03	Furniture & equipment		623,821	S/L-MO	7.0	267,352	89,118	356,470	267,351
7	9/29/05	SPF20 Bookletmaker		49,745	S/L-MO	7.0	8,883	7,106	15,989	33,756
8	10/26/05	TM-45 String Tying Machine		2,490	S/L-MO	7.0	415	356	771	1,719
24	1/31/06	Draperies & Artwork	*	1,803	S/L-MO	7.0	236	515	751	1,052
27	2/28/06	Furniture	*	5,000	S/L-MO	7.0	1,190	544	1,734	3,266
29	1/01/07	Copier		8,790	S/L-MO	7.0	0	628	628	8,162
30	8/21/07	2 Trimmers w/ Stands		15,942	S/L-MO	7.0	0	1,139	1,139	14,803
31	8/21/07	2 Booklet Makers w/ Stands		13,182	S/L-MO	7.0	0	942	942	12,240
32	8/30/07	Small Booklet Conversion Kit		1,768	S/L-MO	7.0	0	126	126	1,642
		Furniture & Equipment		722,541			278,076	100,474	378,550	343,991
		***Less: Dispositions**		6,803			1,426	0	2,485	4,318
		Net Furniture & Equipment		715,738			276,650	100,474	376,065	339,673
Group: Motor Vehicles										
1	7/01/02	Honda Odyssey		25,816	S/L-MO	5.0	23,235	2,581	25,816	0
		Motor Vehicles		25,816			23,235	2,581	25,816	0
Group: Software										
2	12/31/03	Software		4,721	S/L-MO	3.0	4,721	0	4,721	0
5	6/30/04	Software		1,719	S/L-MO	3.0	1,432	287	1,719	0
33	5/07/07	Anconia email Program		249	S/L-MO	3.0	0	42	42	207
		Software		6,689			6,153	329	6,482	207
Group: Watercraft										
12	1/01/05	Lancer 28' Sailboat 1982		6,200	200DBMO	10.0	2,232	794	3,026	3,174
14	1/01/05	Seafarer 31' Sailboat 1968		800	200DBMO	10.0	288	102	390	410
15	1/01/05	Santana 27' Sailboat 1970		1,000	200DBMO	10.0	360	128	488	512
18	6/30/05	Laser II 13' Sailboat		400	200DBMO	10.0	112	58	170	230
21	12/01/05	Open 60' sailboat "Thursday's Child" 1983		200,000	200DBMO	10.0	42,667	31,467	74,134	125,866
23	11/01/05	17' Power Boat 1974 w/ 85 hp Outboard		400	200DBMO	10.0	91	62	153	247
25	4/30/06	Capri 14' Sailboat 1977		500	200DBMO	10.0	67	87	154	346
26	6/30/06	Walker Bay Sailboat 2001		400	200DBMO	10.0	40	72	112	288
		Watercraft		209,700			45,857	32,770	78,627	131,073

Fixed Assets and Depreciation - Form 990

Asset	Date In Service	Property Description	*	Tax Cost	Tax-Meth Conv	Tax Period	Tax Prior Depreciation	Tax Current Depreciation	Tax End Depr	Tax Net Book Value
		Grand Total		1,162,714			470,907	175,612	646,519	516,195
		Less: Dispositions		6,803			1,426	0	2,485	4,318
		Net Grand Total		1,155,911			469,481	175,612	644,034	511,877