

Return of Organization Exempt From Income Tax

2006

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

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

A For the 2006 calendar year, or tax year beginning 2006, and ending

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

C Name of organization: CHILDREN'S HOPE INTERNATIONAL. Address: 11780 BORMAN DR., SAINT LOUIS, MO 63146

D Employer identification number: 43-1672909. E Telephone number: (314) 890-0086. F Accounting method: Accrual

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

H and I are not applicable to section 527 organizations. H(a) Is this a group return for affiliates? No. H(b) If "Yes," enter number of affiliates. H(c) Are all affiliates included? No. H(d) Is this a separate return filed by an organization covered by a group ruling? No.

G Website: WWW.CHILDRENSHOPE.NET

J Organization type: 501(c)(3). 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.

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: 12,440,482.

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

Table with 12 columns: Line number, Description, Sub-column (a, b, c, d), and Total. Rows include Contributions (1e: 3,326), Program service revenue (2: 11,021,130), Other investment income (7), and Total revenue (12: 11,379,779).

SCANNED JUL 26 2007

RECEIVED JUN 28 2007 OGDEN, UT

Handwritten mark: 25

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 \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b	Other grants and allocations (attach schedule) (cash \$ <u>1,007,753.</u> noncash \$ _____) If this amount includes foreign grants, check here <input checked="" type="checkbox"/>	1,007,753.	1,007,753.		
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25a	Compensation of current officers, directors, key employees, etc listed in Part V-A (attach schedule)	211,617.	158,742.	49,422.	3,453.
25b	Compensation of former officers, directors, key employees, etc listed in Part V-B (attach schedule)	NONE	NONE	NONE	NONE
25c	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) (attach schedule)	NONE	NONE	NONE	NONE
26	Salaries and wages of employees not included on lines 25a, b, and c	3,482,670.	2,612,488.	813,360.	56,822.
27	Pension plan contributions not included on lines 25a, b, and c	24,980.	18,737.	5,833.	410.
28	Employee benefits not included on lines 25a - 27	230,674.	173,048.	53,868.	3,758.
29	Payroll taxes	312,294.	234,228.	72,913.	5,153.
30	Professional fundraising fees				
31	Accounting fees				
32	Legal fees				
33	Supplies	171,940.	112,208.	58,537.	1,195.
34	Telephone	145,229.	116,183.	26,141.	2,905.
35	Postage and shipping	203,563.	173,029.	20,356.	10,178.
36	Occupancy	257,673.	257,673.		
37	Equipment rental and maintenance				
38	Printing and publications	49,271.		48,286.	985.
39	Travel	236,793.	224,953.	11,840.	
40	Conferences, conventions, and meetings	54,731.	33,933.	20,798.	
41	Interest	24,684.	15,304.	9,380.	
42	Depreciation, depletion, etc (attach schedule)	358,523.	199,561.	151,793.	7,169.
43	Other expenses not covered above (itemize)				
43a	a STMT 3	4,719,957.	4,190,367.	448,136.	81,454.
43b	b				
43c	c				
43d	d				
43e	e				
43f	f				
43g	g				
44	Total functional expenses Add lines 22a through 43g (Organizations completing columns (B)-(D), carry these totals to lines 13-15).	11,492,352.	9,528,207.	1,790,663.	173,482.

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? ▶SEE STATEMENT 4 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 TO PROVIDE ADOPTION SERVICES FOR CHILDREN IN CHINA, VIETNAM, KAZAKHSTAN, COLOMBIA, INDIA, AND RUSSIA. IN 2006, APPROXIMATELY 715 CHILDREN FOUND NEW HOMES. (Grants and allocations \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	8,520,454.
b CHI DISTRIBUTES HUMANITARIAN AID THROUGH ITS HELPING HANDS PROGRAM TO IMPROVE THE HEALTH & WELFARE OF ORPHANED CHILDREN. PROJECTS IN 6 COUNTRIES WERE FUNDED IN 2006 BY THIS AID. (Grants and allocations \$ 1,007,753.) If this amount includes foreign grants, check here <input checked="" type="checkbox"/>	1,007,753.
c (Grants and allocations \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	
d (Grants and allocations \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	
e Other program services (attach schedule) (Grants and allocations \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶	9,528,207.

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		45		
	46 Savings and temporary cash investments	1,310,207.	46	398,194.	
	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) (attach 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		52		
	53 Prepaid expenses and deferred charges	STMT. 5.	189,767.	53	140,344.
	54a Investments - publicly-traded securities	STMT. 6. <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	2,601,818.	54a	3,435,617.
	b Investments - other securities (attach schedule)	<input type="checkbox"/> Cost <input type="checkbox"/> 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	5,597,850.			
b Less accumulated depreciation (attach schedule)	57b	761,662.	57c	4,836,188.	
58 Other assets, including program-related investments (describe <input type="checkbox"/> STMT 7)		99,078.	58	113,056.	
59 Total assets (must equal line 74) Add lines 45 through 58		8,312,142.	59	8,923,399.	
Liabilities	60 Accounts payable and accrued expenses		60	299,540.	
	61 Grants payable		61		
	62 Deferred revenue	STMT. 8.	277,075.	62	633,300.
	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)	STMT. 9.	22,721.	64b	129,859.
	65 Other liabilities (describe <input type="checkbox"/>)			65	
66 Total liabilities. Add lines 60 through 65		548,602.	66	1,062,699.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74				
	67 Unrestricted		67	7,860,700.	
	68 Temporarily restricted		68		
	69 Permanently restricted		69		
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74				
	70 Capital stock, trust principal, or current funds		70		
	71 Paid-in or capital surplus, or land, building, and equipment fund		71		
	72 Retained earnings, endowment, accumulated income, or other funds		72		
73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72 (Column (A) must equal line 19 and column (B) must equal line 21)		7,763,540.	73	7,860,700.	
74 Total liabilities and net assets/fund balances. Add lines 66 and 73		8,312,142.	74	8,923,399.	

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	11,589,512.
b	Amounts included on line a but not on Part I, line 12:			
1	Net unrealized gains on investments	b1	209,733.	
2	Donated services and use of facilities	b2		
3	Recoveries of prior year grants	b3		
4	Other (specify) -----	b4		
	Add lines b1 through b4		b	209,733.
c	Subtract line b from line a		c	11,379,779.
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	11,379,779.

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

a	Total expenses and losses per audited financial statements		a	11,492,352.
b	Amounts included on line a but not on 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) -----	b4		
	Add lines b1 through b4		b	
c	Subtract line b from line a		c	11,492,352.
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	11,492,352.

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
SEE STATEMENT 10		211,618.	9,767.	NONE

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

Table with 3 columns: Question, Yes, No. Rows include 75a (8), 75b (X), 75c (X), 75d (X).

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

Table with 5 columns: (A) Name and address, (B) Loans and Advances, (C) Compensation, (D) Contributions to employee benefit plans, (E) Expense account and other allowances. Row 1 shows -0- in B, C, D, E.

Part VI Other Information (See the instructions.)

Table with 3 columns: Question, Yes, No. Rows include 76 (X), 77 (X), 78a (X), 78b (N/A), 79 (X), 80a (X), 81a (NONE), 81b (N/A).

Part VI Other Information (continued)

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) 82b N/A
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? 83b N/A
84a 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? 85b N/A
If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year
c Dues, assessments, and similar amounts from members 85c N/A
d Section 162(e) lobbying and political expenditures 85d N/A
e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e N/A
f Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f N/A
g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? 85g N/A
h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? 85h N/A
86 501(c)(7) orgs Enter a Initiation fees and capital contributions included on line 12 86a N/A
b Gross receipts, included on line 12, for public use of club facilities 86b N/A
87 501(c)(12) orgs Enter a Gross income from members or shareholders 87a N/A
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) 87b N/A
88b 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 NONE, section 4912 NONE, section 4955 NONE
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 NONE
d Enter Amount of tax on line 89c, above, reimbursed by the organization NONE
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 N/A
90a List the states with which a copy of this return is filed
b Number of employees employed in the pay period that includes March 12, 2006 (See instructions) 90b 87
91a The books are in care of CHILDREN'S HOPE INTERNATIONAL Telephone no 314-890-0086
Located at 11780 BORMAN DRIVE ST. LOUIS, MO ZIP + 4 63146

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)

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

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 | NONE

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

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a ADOPTION FEES					11,015,430.
b MISCELLANEOUS					5,700.
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		NONE	14	92,977.	
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property			16	7,005.	
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	255,341.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		NONE		355,323.	11,021,130.
105 Total (add line 104, columns (B), (D), and (E))					11,376,453.

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)
93A	FEES RELATE TO ADOPTION SERVICES PROVIDED TO FAMILIES ADOPTING CHILDREN IN CHINA, RUSSIA, VIETNAM, COLOMBIA, KAZAKHSTAN, AND INDIA.
93B	MISCELLANEOUS REVENUE RECEIVED THROUGH ADOPTION SERVICES.

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
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay
 (b) Did the organization, during the year, pay premiums, directly
 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).

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

Yes	No
	X

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

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

Yes	No
	X

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

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?

Yes	No
	X

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: *[Handwritten Signature]* Date: June 22, 2007

Type or print name and title: Dwyatt C. Santt, Executive Director

Paid Preparer's Use Only

Preparer's signature: *[Handwritten Signature]* Date: 6-21-07 Check if self-employed:

Firm's name (or yours if self-employed), address, and ZIP + 4: RUBINBROWN LLP
ONE NORTH BRENTWOOD
SAINT LOUIS, MO 63105

Preparer's SSN or PTIN (See Gen Inst X): P00325555
EIN: 43-0765316
Phone no: 314-290-3300

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

2006

Name of the organization

CHILDREN'S HOPE INTERNATIONAL

Employer identification number

43-1672909

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 2 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
SEE STATEMENT 14				
Total number of other employees paid over \$50,000 . . ▶		7		

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
SEE STATEMENT 15		
Total number of others receiving over \$50,000 for professional services ▶		NONE

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 ▶		NONE

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

Schedule A (Form 990 or 990-EZ) 2006

Part III Statements About Activities (See page 2 of the instructions.)

Table with 3 columns: Question, Yes, No. Rows include: 1. During the year, has the organization attempted to influence national, state, or local legislation...; 2. During the year, has the organization, either directly or indirectly, engaged in any of the following acts...; 3a-3d. Did the organization make grants...; 4a-4g. Did the organization maintain any donor advised funds...; Enter the total number or donor advised funds owned...; Enter the aggregate value of assets held in all donor advised funds...; Enter the total number of separate funds or accounts owned...; Enter the aggregate value of assets held in all funds or accounts included on line 4f...

Part IV Reason for Non-Private Foundation Status (See pages 4 through 7 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 7 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?		(e) Amount of support
			Yes	No	
Total					

- 14 An organization organized and operated to test for public safety Section 509(a)(4) (See page 7 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.

Table with columns: Calendar year (or fiscal year beginning in), (a) 2005, (b) 2004, (c) 2003, (d) 2002, (e) Total. Rows include: 15 Gifts, grants, and contributions received; 16 Membership fees received; 17 Gross receipts from admissions, merchandise sold or services performed; 18 Gross income from interest, dividends; 19 Net income from unrelated business activities; 20 Tax revenues levied; 21 Value of services or facilities furnished; 22 Other income; 23 Total of lines 15 through 22; 24 Line 23 minus line 17; 25 Enter 1% of line 23; 26 Organizations described on lines 10 or 11; 27 Organizations described on line 12; 28 Unusual Grants.

Part V Private School Questionnaire (See page 9 of the instructions.) **NOT APPLICABLE**
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	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? If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement)	31	

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? 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 10 of the instructions.)
 (To be completed **ONLY** by an eligible organization that filed Form 5768) **NOT APPLICABLE**

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

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

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) 2006	(b) 2005	(c) 2004	(d) 2003	(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 **NOT APPLICABLE**
 (For reporting only by organizations that did not complete Part VI-A) (See page 13 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			
b Paid staff or management (include compensation in expenses reported on lines c through h)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h)			

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 13 of the instructions.)

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

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

Table with 3 columns: Question, Yes, No. Rows include 51a(i) Cash, a(ii) Other assets, b(i) Sales or exchanges of assets, b(ii) Purchases of assets, b(iii) Rental of facilities, b(iv) Reimbursement arrangements, b(v) Loans or loan guarantees, b(vi) Performance of services, and c Sharing of facilities.

- (i) Cash
(ii) Other assets
b Other transactions
(i) Sales or exchanges of assets with a noncharitable exempt organization
(ii) Purchases of assets from a noncharitable exempt organization
(iii) Rental of facilities, equipment, or other assets
(iv) Reimbursement arrangements
(v) Loans or loan guarantees
(vi) Performance of services or membership or fundraising solicitations
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

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

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Row 1 contains 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

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. Row 1 contains N/A.

FORM 990, PART I - OTHER INCREASES IN FUND BALANCES
=====

DESCRIPTION -----	AMOUNT -----
NET UNREALIZED GAIN ON INVESTMENTS	209,733.
TOTAL	----- 209,733. =====

FORM 990, PART II - OTHER GRANTS AND ALLOCATIONS PAID DURING THE YEAR

RECIPIENT NAME AND ADDRESS -----	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT -----	PURPOSE OF GRANT OR CONTRIBUTION -----	AMOUNT -----
<u>GRANTS PAID</u>			
CHILDREN'S HOPE INTERNATIONAL FOUNDATION 11780 BORMAN DR. SAINT LOUIS, MO 63146	N/A N/A	HUMANITARIAN AID PROJECTS	848,453.
KIDSAVE 11835 WEST OLYMPIC LOS ANGELES, CA 90064	N/A N/A	HUMANITARIAN AID FOR RUSSIA AND COLOMBIA	24,000.
CHILDREN'S HOPE VIETNAM FOUNDATION HO CHI MINH CITY VIETNAM	N/A	HUMANITARIAN AID IN VIETNAM	4,300.
CHILDREN'S HOPE CHINA FOUNDATION 3 S XIBAHE ROAD BEIJING CHINA	N/A	HUMANITARIAN AID IN CHINA	130,000.
GEBRE MEHDIN BEYENE ADDIS ABABA ETHIOPIA	N/A	HUMANITARIAN AID TO ETHIOPIA BLIND SCHOOL	1,000.
TOTAL CONTRIBUTIONS PAID			<u>1,007,753.</u>

FORM 990, PART II - OTHER EXPENSES

DESCRIPTION	TOTAL	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING
ADOPTION EXPENSES	3,523,722.	3,523,722.		
ADVERTISING	231,869.		227,232.	4,637.
BANK CHARGES	48,095.	44,066.	4,029.	
CONTRACT LABOR	259,420.	259,420.		
FUNDRAISING EVENTS	67,039.			67,039.
INSURANCE	191,816.	118,926.	69,054.	3,836.
MISCELLANEOUS	35,596.		35,596.	
PROFESSIONAL FEES	210,051.	174,300.	31,550.	4,201.
REPAIRS AND MAINTENANCE	98,070.	39,518.	57,381.	1,171.
UTILITIES	49,057.	30,415.	18,072.	570.
MOVING EXPENSE	5,222.		5,222.	
TOTALS	4,719,957.	4,190,367.	448,136.	81,454.

FORM 990, PART III - ORGANIZATION'S PRIMARY EXEMPT PURPOSE
=====

CHILDREN'S HOPE INTERNATIONAL WAS ESTABLISHED TO SUPPORT HUMANITARIAN CAUSES FOR AT-RISK CHILDREN THROUGHOUT THE WORLD. THEIR WORK FOCUSES ON THOSE WHO ARE LEFT HOMELESS FOR ANY NUMBER OF REASONS. FINDING A FAMILY FOR EVERY CHILD REMAINS THE MISSION OF CHILDREN'S HOPE INTERNATIONAL. IN 2006, THE ORGANIZATION HAD 715 ADOPTIONS FROM CHINA, COLOMBIA, VIETNAM, INDIA, KAZAKHSTAN, AND RUSSIA.

FORM 990, PART IV - PREPAID EXPENSES AND DEFERRED CHARGES

DESCRIPTION	ENDING BOOK VALUE
PREPAID EXPENSES	140,344.
TOTALS	140,344.

FORM 990, PART IV - INVESTMENTS - PUBLICLY TRADED SECURITIES
=====

DESCRIPTION -----	ENDING BOOK VALUE -----
MONEY MARKET FUNDS	110,794.
CERTIFICATES OF DEPOSIT	681,639.
U.S. GOVERNMENT AGENCIES	241,524.
COMMON STOCK	957,071.
CORPORATE BONDS	132,654.
MUTUAL FUNDS	1,311,935.

TOTALS	3,435,617.
	=====

FORM 990, PART IV - OTHER ASSETS

=====

DESCRIPTION	ENDING BOOK VALUE
-----	-----
CASH VALUE OF OFFICER LIFE INS	113,056.
TOTALS	----- 113,056. =====

FORM 990, PART IV - DEFERRED REVENUE

=====

DESCRIPTION	ENDING BOOK VALUE
-----	-----
DEFERRED REVENUE	633,300.
TOTALS	----- 633,300. =====

FORM 990, PART IV - MORTGAGES AND OTHER NOTES PAYABLE
=====

LENDER: VARIOUS CAPITAL LEASES - 7
ORIGINAL AMOUNT: 184,658.
INTEREST RATE: 6.250000
DATE OF NOTE: 09/05/2002
MATURITY DATE: 08/30/2011
REPAYMENT TERMS: VARIES
SECURITY PROVIDED: NONE
PURPOSE OF LOAN: TO LEASE OFFICE EQUIPMENT

BEGINNING BALANCE DUE 22,721.
ENDING BALANCE DUE 129,859.

TOTAL BEGINNING MORTGAGES AND OTHER NOTES PAYABLE 22,721.
=====

TOTAL ENDING MORTGAGES AND OTHER NOTES PAYABLE 129,859.
=====

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
MICHAEL WILD 11780 BORMAN DR. SAINT LOUIS, MO 63146	PRESIDENT 2.00	NONE	NONE	NONE
DWYATT C. GANTT 11780 BORMAN DR. SAINT LOUIS, MO 63146	VICE PRES. EXEC DIR. 40.00	120,348.	5,767.	NONE
WILLIAM F. WINTER 11780 BORMAN DR. SAINT LOUIS, MO 63146	TREASURER 2.00	NONE	NONE	NONE
MELODY WEN ZHANG 11780 BORMAN DR. SAINT LOUIS, MO 63146	SECRETARY 40.00	91,270.	4,000.	NONE
MARGARET ORMONDE 11780 BORMAN DR. SAINT LOUIS, MO 63146	MEMBER 1.00	NONE	NONE	NONE
BARRY PETROWSKY 11780 BORMAN DR. SAINT LOUIS, MO 63146	MEMBER 1.00	NONE	NONE	NONE
RICK SHELTON 11780 BORMAN DR. SAINT LOUIS, MO 63146	MEMBER 1.00	NONE	NONE	NONE
KEITH WILLIAMS 11780 BORMAN DR. SAINT LOUIS, MO 63146	MEMBER 1.00	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
GRAND TOTALS		211,618.	9,767.	NONE

FORM 990, PART V-A RELATIONSHIP SCHEDULE

RELATIONSHIP SCHEDULE

NAME OF OFFICER, DIRECTOR, ETC:	DWYATT C. GANTT
NAME OF RELATED ENTITY:	CHILDREN'S HOPE INTERNATIONAL
TITLE OR ROLE:	EXECUTIVE DIRECTOR
RELATIONSHIP:	EMPLOYMENT

NAME OF OFFICER, DIRECTOR, ETC:	MELODY WEN ZHANG
NAME OF RELATED ENTITY:	CHILDREN'S HOPE INTERNATIONAL
TITLE OR ROLE:	ASSOCIATE EXECUTIVE DIRECTOR
RELATIONSHIP:	EMPLOYMENT

FORM 990, PART VI - CHANGES TO ORGANIZING OR GOVERNING DOCUMENT
=====

BY-LAWS WERE AMENDED JUNE 2006.

By-Law of Children's Hope International

Amended June 2006

Article I: Name, Office and Purpose

1.1 Name

The name of the corporation shall be Children's Hope International. It was first known as Children's Hope International/China's Children when the corporation began in 1992. The name was legally changed to Children's Hope International by the Secretary of State of Missouri on May 19, 2003.

1.2 Office

The juridical and registered address of the principal office of the corporation is currently 11780 Borman Drive St. Louis, MO 63146. The registered offices are located in various states and countries where the regional offices are. The establishing of registered offices is to be approved by the board of directors in board meetings.

1.3 Purpose

The corporation is a non-denominational, not-for-profit, organization based on Christian values, serving people of all faiths and high-moral principles. It is the intention that all decisions and action of the corporation shall be a result of the Board resolving such decisions according to Christian humanitarian principles. This is permanent and shall not be amended at any time.

The purposes of the corporation shall be to give children and families hope through adoption and humanitarian aid.

- A. To facilitate the adoption of orphaned and abandoned children by adoptive families who fulfilled the legal requirements.
- B. To provide humanitarian aid to orphaned and needy children without families, through medical care, foster care and education, etc.
- C. To provide social services to adoptive families, adoptive children.
- D. To advocate for children in need of families and help and promote adoption to the general population.
- E. To facilitate the purpose of the corporation, the agency has the authority to establish a representative office in foreign countries, as well as appoint the head of the representative office. The term of employment for such staff will be determined by the Executive Director. The job responsibilities, financial regulation and asset regulation for the country representative office will be determined by the decisions of the Executive Director.
- F. Any other necessary activities which are related to fulfill the purpose of the agency can be determined by the Executive Director or the head of the representative office in the particular country, as needed.

1.4 Duration

The period of duration of the corporation shall be perpetual.

1.5 Size

The size of the corporation shall be what is the most effective and sufficient to carry its task. It shall not decrease or increase too suddenly so as to destabilize the organization. It shall be decided, based on the financial ability and service opportunities and approved by the board of directors annually.

Article II: Board of Directors

2.1 General Powers

The business and affairs of the corporation shall be managed by the board of directors. The board appoints the executive director, delegates authority in the absence of the executive director, and handles the replacement of the executive director.

- A. Oversees the organization's operation and services, defines outcomes and goals and ensures those planned or provided services are consistent with the organization's mission and long term plan and determines if the services are within the organization's capabilities and resources. These will be done annually and a review of the mission and purpose will be done every four years
- B. Adopt, review and approve major policies annually for operation, finance and personnel, etc. and when there are changes to be made.
- C. Approve long-term and short-term goal, review and approve financial report and budget annually.
- D. The board appoints and orients the executive director, delegates authority in the absence of the executive director, and handles the replacement of the executive director. Approves and defines the responsibility for the executive director to fulfill the organization's mission. Oversees and conducts annual evaluation, review and approve the executive director's compensation and benefits in relationship to industry practices and federal requirements annually.

2.2 Number, Tenure and Qualifications and Election

- A. Number: The number of directors of the board shall be at least 5 and no more than 15. There should be a president, vice president, as secretary and a treasurer.
- B. Tenure: 3-year terms are the normal term. Because there should be majorities directors from previous year remaining on board every year The board of directors may serve more than one term.
- C. Qualification: The board of directors should be in total agreement with the mission statement of the corporation. They should be in agreement with the humanitarian and Christian values as expressed in our mission, and practice these principles consistently in every area of their lives. This is permanent and should not be amended at any time. Furthermore:
 - a. They should represent the population the corporation serves;
 - b. And/or are experts in one or more area the corporation has business in;
 - c. And/or are the leader of their field that will benefit the corporation by being on the board.
 - d. Agree and able to commit sufficient time for board functions such as meetings, planning, etc.
- D. Election: Each board member may nominate one to two prospective person(s) to be elected as new board members The new board of directors should be elected at the in-person board meeting annually and be notified, in writing, to attend the next board meeting. The current board of directors who will not renew their term will remain until the new board of director's first in-person meeting.
 - a. They should represent the population the corporation serves;
 - b. And/or are experts in one or more area the corporation has business in;
 - c. And/or are the leader of their field that will benefit the corporation by being on the board.
 - d. Agree and able to commit sufficient time for board functions such as meetings, planning, etc.

2.3 Meetings

All meetings should start with affirmation of the agency's mission and every issue throughout the meeting shall be guided by humanistic and Christian principles.

- A. Regular board meetings shall be held four times annually in January/April/July/October. At least one of them should be in person with more than 50% board members attending. The other meetings can be conference via phone or internet, etc. For each board meeting, there should be more than 50% board members attending.
- B. Special meetings may be called by and at the request of the president or any director for special issues that will need immediate board attention. The President will be in charge of arranging the place and time for the meeting.

2.4 Quorum

A majority of the number for the directors shall constitute a quorum for the transaction of the business at any meeting. If less than majority is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

2.5 Action without a meeting

Any action required or permitted to be taken by the board of directors at a meeting may be taken without a meeting if a consent thereto, in writing and setting for the action so taken, shall be signed by all of the directors.

2.6 Vacancies

Any vacancy occurring in the board of the directors may be filled by the affirming vote of a majority of the remaining directors thought less than of quorum of the board of directors. A director elected to fill a vacancy shall be elected for the unexpired term of the predecessor in office. Any directorship to be filled by reason of an increase in the number of directors may be filled by election by the board of directors for a term of office continuing only until the next election of directors.

2.7 Compensations

By resolution of the board of directors, each director may be paid the expenses, if any, of attendance at each board meeting. Or a fixed sum for attendance at each meeting. No part of the net earnings of the corporation shall inure to the benefit of or be distributable to its members, directors, officers, or other private persons except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered.

Article III: Board Officers

3.1 Number

The officers of the Board shall be a president, a vice president, a secretary and a treasurer, each of whom shall be elected by the board of directors. These are volunteer positions and the participants are not compensated. Such other officers and assistant officers, as may be deemed necessary, may be elected or appointed by the board of directors. The same person, except the offices of president and secretary, may hold any two or more offices.

The officers of the corporation shall be an Executive Director and Associate Director. The Executive Director and Associate Director are salaried positions and their main responsibilities are the daily administrative duties to fulfill the mission statement of the corporation. They have the ability to sign and approve any financial documents and decisions, except the decisions which are the responsibilities of the board of directors, as outlined by the corporation by-laws.

3.2 Election and Term Offices

The officers of the board to be elected by the board of directors shall be elected annually at the board meeting held in person. The term of office shall be for one year. If the election of the officers shall not be held at such meeting, such elections shall be held as soon thereafter as conveniently may be. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided.

3.3 Responsibilities

- A. President. The president shall in general oversee the direction of the corporation and be responsible for the general performance of the corporation. The president shall ensure that all service and actions are consistent with the organization's mission and long-term plan. The president may be the executive director upon board approval.
- B. Vice President. In the absence of the president or in the event of his death, inability or refusal to act, the vice president shall perform the duties of the president and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. The vice president shall perform such other duties as from time to time may be assigned by the president or by the board of directors.
- C. Secretary. The secretary shall:
 - a. Keep the minutes of the board of directors in one or more books.
 - b. Given in accordance with the provision of these bylaws or as required by law.
 - c. To be the custodian of the corporate records and see that the seal of the corporation is affixed to all documents and executions on behalf of the corporation.
 - d. In general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to by the president of the board of directors.

- D. Treasurer. The treasurer will oversee the finance matters of the agency.
- a. Review the corporation's finance records and overall financial structure periodically and present it to the board at each meeting annually
 - b. Receive the annual financial report from the executive director and present to the board for approval at the annual in person meeting.
 - c. Review and present the annual budget present by executive director and present to the board prior the in person meeting for approval.

Article VI: Fiscal Year

The fiscal year of the corporation shall begin on the first day of January and end on the thirty-first day of December each year.

Article V: Charitable Contributions

The board of directors may, for any fiscal year, authorize the corporation to make donations according to the mission of the corporation in an amount of at least ten percent of the gross revenues of the corporation for such fiscal year within or outside the corporation.

Article VI: Corporate Seal

The board of directors shall provide a corporate seal which shall be circular in form and shall have inscribed there on the name of the corporation and the estate of the corporation and the words "corporate seal".

Article VII: Dissolution

Upon the dissolution of the corporation, the board of directors shall, after paying and making provisions for the payment of all the liabilities of the corporation, dispose of all the assets of the corporation exclusively for the purposes of the corporation in such a manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall the time qualify as an exempt organization for child welfare under section 501 (c3) of the internal revenue code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), as the board of directors shall determine.

Any such assets not so disposed of shall be disposed of by the Circuit Court of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

Article VIII: Amendments

These bylaws may be altered, amended or repealed, or new bylaws may be adopted by the board of directors at regular or special meeting, except those noted permanent shall always remain.

Article IX: Gender

Whenever in these bylaws the word "he" "his" or "him" are used, they shall be deemed to mean, where appropriate, the comparable feminine or neuter pronoun.

Accepted, approved and adopted unanimously this 14th day of June, 2006.



Mike Wild, President of the Board
Children's Hope International

SCHEDULE A, PART I - COMPENSATION OF THE FIVE HIGHEST PAID EMPLOYEES

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCOUNT -----
BARKER, BRENDA 11780 BORMAN DRIVE SAINT LOUIS, MO 63146	BRANCH DIRECTOR 40.00	79,827.	1,105.	NONE
STANLEY, GWENDOLYN 11780 BORMAN DRIVE SAINT LOUIS, MO 63146	BRANCH DIRECTOR 40.00	65,313.	960.	NONE
LUKINOV, YURIY 11780 BORMAN DRIVE SAINT LOUIS, MO 63146	IT PROGRAM DIRECTOR 40.00	72,500.	3,861.	NONE
BRINER, DIANNA 11780 BORMAN DRIVE SAINT LOUIS, MO 63146	FINANCE DIRECTOR 40.00	72,996.	1,078.	NONE
BARRON, CORY 11780 BORMAN DRIVE SAINT LOUIS, MO 63146	PUBLIC REL DIRECTOR 40.00	68,747.	4,787.	NONE
	TOTAL COMPENSATION	----- 359,383. =====	----- 11,791. =====	----- NONE =====

SCH. A, PART II-A COMPENSATION OF THE 5 HIGHEST PAID FOR PROF. SERV.

CATHI MOORE
9838 BENNINGTON CHASE DRIVE
ORLANDO, FL 32829

ADOPTION CONSULT.

68,221.

TOTAL COMPENSATION

68,221.
=====

SCHEDULE A, PART III - EXPLANATION FOR LINE 2A
=====

AN OFFICER OF THE ORGANIZATION ACQUIRED AND HOLDS REAL ESTATE THAT IS USED FOR THE ORGANIZATION'S PROGRAMS. THE AMOUNT ADVANCED BY THE ORGANIZATION IS \$554,107. THE INTENT IS TO COMPLY WITH LOCAL OWNERSHIP REGULATIONS.

SCHEDULE A, PART III - EXPLANATION FOR LINE 2B
=====

AS DESCRIBED IN THE PRIOR QUESTION, THE ORGANIZATION ADVANCED
\$554,107 TO AN OFFICER IN ORDER ACQUIRE SPACE USED BY THE ORGANIZATION.

SCHEDULE A, PART III - EXPLANATION FOR LINE 2D
=====

SEE FORM 990, PART V.

Capital Gains and Losses

2006

▶ Attach to Form 1041, Form 5227, or Form 990-T. See the separate instructions for Form 1041 (also for Form 5227 or Form 990-T, if applicable).

Name of estate or trust

Employer identification number

CHILDREN'S HOPE INTERNATIONAL

43-1672909

Note: Form 5227 filers need to complete only Parts I and II

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example: 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 35)	(f) Gain or (Loss) for the entire year (col. (d) less col. (e))
1					
2	Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824				2
3	Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts				3
4	Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2005 Capital Loss Carryover Worksheet.				4 ()
5	Net short-term gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on line 13, column (3) below				5

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example: 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 35)	(f) Gain or (Loss) for the entire year (col. (d) less col. (e))
6					
	SEE STATEMENT 1		265,621.	209,366.	56,255.
7	Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824				7
8	Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts				8
9	Capital gain distributions				9
10	Gain from Form 4797, Part I				10 199,086.
11	Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2005 Capital Loss Carryover Worksheet.				11 ()
12	Net long-term gain or (loss). Combine lines 6 through 11 in column (f). Enter here and on line 14a, column (3) below				12 255,341.

Part III Summary of Parts I and II

Caution: Read the instructions before completing this part.

	(1) Beneficiaries' (see page 36)	(2) Estate's or trust's	(3) Total
13 Net short-term gain or (loss)	13		
14 Net long-term gain or (loss):			
a Total for year	14a		255,341.
b Unrecaptured section 1250 gain (see line 18 of the worksheet on page 36).	14b		
c 28% rate gain	14c		
15 Total net gain or (loss). Combine lines 13 and 14a	15		255,341.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4. If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the Capital Loss Carryover Worksheet, as necessary.

Part IV Capital Loss Limitation

<p>16 Enter here and enter as a (loss) on Form 1041, line 4, the smaller of</p> <p style="margin-left: 20px;">a The loss on line 15, column (3) or</p> <p style="margin-left: 20px;">b \$3,000</p>	<p>16 ()</p>
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If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22, is a loss, complete the **Capital Loss Carryover Worksheet** on page 39 of the instructions to determine your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates (Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22 is more than zero.)

Note: If line 14b, column (2) or line 14c, column (2) is more than zero, complete the worksheet on page 38 of the instructions and skip Part V. Otherwise, go to line 17.

<p>17 Enter taxable income from Form 1041, line 22</p>	17	
<p>18 Enter the smaller of line 14a or 15 in column (2) but not less than zero</p>	18	
<p>19 Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2)</p>	19	
<p>20 Add lines 18 and 19</p>	20	
<p>21 If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- ▶</p>	21	
<p>22 Subtract line 21 from line 20. If zero or less, enter -0-</p>	22	
<p>23 Subtract line 22 from line 17. If zero or less, enter -0-</p>	23	
<p>24 Enter the smaller of the amount on line 17 or \$2,050</p>	24	
<p>25 Is the amount on line 23 equal to or more than the amount on line 24?</p> <p><input type="checkbox"/> Yes. Skip lines 25 through 27, go to line 28 and check the "No" box</p> <p><input type="checkbox"/> No. Enter the amount from line 23</p>	25	
<p>26 Subtract line 25 from line 24</p>	26	
<p>27 Multiply line 26 by 5% (.05)</p>		27
<p>28 Are the amounts on lines 22 and 26 the same?</p> <p><input type="checkbox"/> Yes. Skip lines 28 through 31, go to line 32</p> <p><input type="checkbox"/> No. Enter the smaller of line 17 or line 22</p>	28	
<p>29 Enter the amount from line 26 (If line 26 is blank, enter -0-)</p>	29	
<p>30 Subtract line 29 from line 28</p>	30	
<p>31 Multiply line 30 by 15% (.15)</p>		31
<p>32 Figure the tax on the amount on line 23. Use the 2006 Tax Rate Schedule on page 23 of the instructions</p>		32
<p>33 Add lines 27, 31, and 32</p>		33
<p>34 Figure the tax on the amount on line 17. Use the 2006 Tax Rate Schedule on page 23 of the instructions</p>		34
<p>35 Tax on all taxable income. Enter the smaller of line 33 or line 34 here and on line 1a of Schedule G, Form 1041</p>		35

CHILDREN'S HOPE INTERNATIONAL
 Schedule D Detail of Long-term Capital Gains and Losses

43-1672909

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
CAPITAL GAINS (LOSSES) FROM SECURITIES					
SALE OF PUBLICLY TRADED SECURITIES	VAR	VAR	265,621.	209,366.	56,255.
TOTAL CAPITAL GAINS (LOSSES) FROM SECURITIES					
			265,621.	209,366.	56,255.
Totals			265,621.	209,366.	56,255.

JSA
 6F0970 2 000

FEDERAL FOOTNOTES

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FORM 990, PART II, LINE 42 AND PART IV, LINE 57

LAND	\$596,000
BUILDINGS	3,764,025
BUILDING IMPROVEMENTS	57,739
EQUIPMENT	288,719
FURNITURE	720,254
VEHICLES	23,003
CAPITAL LEASES	148,110

	\$5,597,850
ACCUMULATED DEPRECIATION	761,662

	\$4,836,188

DEPRECIATION EXPENSE FOR THE YEAR ENDED DECEMBER 31, 2006 WAS \$358,523. ASSETS ARE DEPRECIATED USING THE STRAIGHT-LINE METHOD, OVER THE USEFUL LIVES OF THE ASSETS WHICH RANGE FROM 3 TO 30 YEARS.

FEDERAL FOOTNOTES

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FORM 990 PART VI LINE 91C

CHI ALSO HAS OFFICES IN RUSSIA, KAZAKHSTAN, AND VIETNAM.

Application for Extension of Time To File an Exempt Organization Return

► File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only Part I and check this box X
- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only Part II (on page 2 of this form)

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

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

Section 501(c)(3) corporations required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for section 501(c)(3) corporations required to file Form 990-T) However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*

Type or print File by the due date for filing your return See instructions	Name of Exempt Organization CHILDREN'S HOPE INTERNATIONAL	Employer identification number 43-1672909
	Number, street, and room or suite no. If a P O box, see instructions 11780 BORMAN DR.	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions SAINT LOUIS, MO 63146	

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

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

• The books are in the care of ► CHILDREN'S HOPE INTERNATIONAL

Telephone No ► 314 890-0086 FAX No ► _____

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

1 I request an automatic 3-month (6 months for a section 501(c)(3) corporation required to file Form 990-T) extension of time until 08/15, 2007, to file the exempt organization return for the organization named above. The extension is for the organization's return for

► calendar year 2006 or

► tax year beginning _____, _____, and ending _____, _____

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

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	3a	\$ <u>NONE</u>
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	3b	\$ <u>NONE</u>
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3c	\$ <u>NONE</u>

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

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

RubinBrown LLP 43-0765318
One North Brentwood St. Louis, MO 63105