

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)

2006

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ 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 **January 1**, 2006, and ending **December 31**, 20 **06**

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

C Name of organization: **Great Wall China Adoption**
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite: **248 Addie Roy Road A102**
 City or town, state or country, and ZIP + 4: **Austin, TX 78746**

D Employer identification number: **74 2786077**

E Telephone number: **(512) 323-9595**

F Accounting method: Cash Accrual
 Other (specify) ▶

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? 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

G Website: ▶ **www.gwca.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.

I Group Exemption Number ▶ **8586**

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 ▶ **13,127,920**

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	55,915	
	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 \$ 55,915 noncash \$)	1e		55,915
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2		12,105,413
	3 Membership dues and assessments	3		
	4 Interest on savings and temporary cash investments	4		280,901
	5 Dividends and interest from securities	5		182,303
	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			
Revenue	8a Gross amount from sales of assets other than inventory See Attachment 1.	(A) Securities	(B) Other	
	b Less: cost or other basis and sales expenses	503,388	8a	
	c Gain or (loss) (attach schedule)	390,383	8b	
	d Net gain or (loss). Combine line 8c, columns (A) and (B)	113,005	8c	
	8d			113,005
	9 Special events and activities (attach schedule). If any amount is from gaming, check here ▶ <input type="checkbox"/>			
	a Gross revenue (not including \$ of contributions reported on line 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			
Revenue	10a Gross sales of inventory, less returns and allowances	10a		
	b Less: cost of goods sold			
	c Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	10c		
	11 Other revenue (from Part VII, line 103)	11		
	12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12		12,737,537
Expenses	13 Program services (from line 44, column (B))	13		8,480,878
	14 Management and general (from line 44, column (C))	14		426,034
	15 Fundraising (from line 44, column (D))	15		
	16 Payments to affiliates (attach schedule)	16		
	17 Total expenses. Add lines 13 and 14, column (A)	17		8,906,912
Net Assets	18 Excess or (deficit) for the year. Subtract line 17 from line 12	18		3,830,625
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19		9,345,992
	20 Other changes in net assets or fund balances (attach explanation)	20		
	21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21		13,176,617

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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 \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b	Other grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
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)	126,480	118,891	7,589	
25b	b Compensation of former officers, directors, key employees, etc. listed in Part V-B (attach schedule)				
25c	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) (attach schedule)				
26	Salaries and wages of employees not included on lines 25a, b, and c	585,336	556,069	29,267	
27	Pension plan contributions not included on lines 25a, b, and c	8,741	8,260	481	
28	Employee benefits not included on lines 25a - 27	54,324	51,336	2,988	
29	Payroll taxes	53,369	50,434	2,935	
30	Professional fundraising fees				
31	Accounting fees	3,537		3,537	
32	Legal fees	156,562		156,562	
33	Supplies	8,824	8,821	3	
34	Telephone	17,103	15,016	2,087	
35	Postage and shipping	114,065	113,065	1,000	
36	Occupancy	121,178	120,072	1,106	
37	Equipment rental and maintenance				
38	Printing and publications	15,002	15,002		
39	Travel	16,629	12,354	4,275	
40	Conferences, conventions, and meetings	8,071	7,209	862	
41	Interest				
42	Depreciation, depletion, etc. (attach schedule)	18,139		18,139	
43	Other expenses not covered above (itemize): See Attachment 2	7,599,552	7,404,349	195,203	
43a	-----				
43b	-----				
43c	-----				
43d	-----				
43e	-----				
43f	-----				
43g	-----				
44	Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	8,906,912	8,480,878	426,034	

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 Attachment 3 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 Attachment 4 - (a) _____ _____ _____ _____ _____ (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	\$2,489,654
b See Attachment 4 - (b) _____ _____ _____ _____ _____ (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	\$532,124
c See Attachment 4 - (c) _____ _____ _____ _____ _____ (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	\$5,370,500
d See Attachment 4 - (d) _____ _____ _____ _____ _____ (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	\$88,600
e Other program services (attach schedule) (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	0
f Total of Program Service Expenses (should equal line 44, column (B), Program services). . . . ▶	8,480,878

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	4,344,037	45	7,436,943
	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) (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		53	
	54a Investments—publicly-traded securities <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	4,911,633	54a	5,677,282
	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	149,241			
b Less: accumulated depreciation (attach schedule)	126,261	23,773	57c	
58 Other assets, including program-related investments (describe ►)		58		
59 Total assets (must equal line 74). Add lines 45 through 58	9,279,443	59	13,137,205	
Liabilities	60 Accounts payable and accrued expenses	-66,549	60	-39,412
	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)		64b	
	65 Other liabilities (describe ►)		65	
66 Total liabilities. Add lines 60 through 65	-66,549	66	-39,412	
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	9,345,992	67	13,176,617
	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)	9,345,992	73	13,176,617
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	9,279,443	74	13,137,205

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	12,737,537
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):	b4	
	Add lines b1 through b4	b	
c	Subtract line b from line a	c	12,737,537
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	12,737,537

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

a	Total expenses and losses per audited financial statements	a	8,906,912
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	8,906,912
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	8,906,912

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
Joseph William 248 Addie Roy Road, Ste A102, Austin, TX 78746	Chairman, 3h	0	0	0
Gene J. Wu 248 Addie Roy Road, Ste A102, Austin, TX 78746	Treasurer, 5h	0	0	0
Mark K. Koshnick 248 Addie Roy Road, Ste A102, Austin, TX 78746	Vice Chairman, 2h	0	0	0
Kenneth W. Frost 248 Addie Roy Road, Ste A102, Austin, TX 78746	Director, 1h	0	0	0
Snow X. Wu 248 Addie Roy Road, Ste A102, Austin, TX 78746	President/Secretary, 60h	115,139	14,544	0

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?		✓
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 _____		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	✓	
b	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	✓	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		✓
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
	84b _____		
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		
	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.		
	c Dues, assessments, and similar amounts from members	85c _____	
	d Section 162(e) lobbying and political expenditures	85d _____	
	e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e _____	
	f Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f _____	
	g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	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?	85h _____	
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12	86a _____	
	b Gross receipts, included on line 12, for public use of club facilities	86b _____	
87	501(c)(12) orgs. Enter: a Gross income from members or shareholders	87a _____	
	b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	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	✓
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	✓
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 _____; section 4912 _____; section 4955 _____		
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	✓
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958	▶ _____	
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization	▶ _____	
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e	✓
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f	✓
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	
90a	List the states with which a copy of this return is filed ▶ <u>Not required by State of Texas</u>		
b	Number of employees employed in the pay period that includes March 12, 2006 (See instructions.)	90b _____	30
91a	The books are in care of ▶ <u>The Organization</u> Telephone no. ▶ <u>(512) 323-9595</u> Located at ▶ <u>248 Addie Roy Road, A102, Austin, TX</u> ZIP + 4 ▶ <u>78746</u>		
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)? 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.	91b	✓

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** |

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 Professional Service Fee					12,105,413
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					280,901
95 Interest on savings and temporary cash investments					182,303
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					113,005
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))					12,681,622
105 Total (add line 104, columns (B), (D), and (E))					12,681,622

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).
93-a	Fees related to adoption service provided to families adopting children from China.

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, from any individual? Yes No
 (b) Did the organization, during the year, pay premiums, directly or indirectly, for any life insurance policy? 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).

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

	(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

	(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

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

Please Sign Here

Signature of officer: *Snow Wu* Date: May 14, 2007

Type or print name and title: Snow Wu, President/Secretary

Paid Preparer's Use Only

Preparer's signature: _____ Date: _____

Check if self-employed

Preparer's SSN or PTIN (See Gen. Inst. X): _____

Firm's name (or yours if self-employed), address, and ZIP + 4: _____

EIN: _____

Phone no.: () _____



SCHEDULE A
(Form 990 or 990-EZ)

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

OMB No. 1545-0047

2006

Department of the Treasury
Internal Revenue Service

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

Name of the organization Great Wall China Adoption	Employer identification number 74 : 2786077
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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
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 Yes No

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 Yes No

b Lending of money or other extension of credit?

2b Yes No

c Furnishing of goods, services, or facilities?

2c Yes No

d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?

2d Yes No

e Transfer of any part of its income or assets?

2e Yes No

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 Yes No

b Did the organization have a section 403(b) annuity plan for its employees?

3b Yes No

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 Yes No

d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?

3d Yes No

4a Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g

4a Yes No

b Did the organization make any taxable distributions under section 4966?

4b Yes No

c Did the organization make a distribution to a donor, donor advisor, or related person?

4c Yes No

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

N/A

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

N/A

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 ▶ _____

N/A

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

N/A

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% 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% 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.

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	258,494	74,059	79,481	10,791	422,825
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	10,921,060	7,059,455	4,503,169	3,951,042	26,434,726
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	150,005	90,529	82,290	80,634	403,458
19 Net income from unrelated business activities not included in line 18.	0	0	4,508	0	4,508
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	11,329,559	7,224,043	4,669,448	4,042,467	27,265,517
24 Line 23 minus line 17	408,499	164,588	166,279	91,425	830,791
25 Enter 1% of line 23	113,296	72,240	46,694	40,425	

26 Organizations described on lines 10 or 11:

a Enter 2% of amount in column (e), line 24 ▶ 26a

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 2002 through 2005 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts ▶ 26b

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

d Add: Amounts from column (e) for lines: 18 _____ 19 _____
22 _____ 26b _____ ▶ 26d

e Public support (line 26c minus line 26d total) ▶ 26e

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

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:

(2005) _____ (2004) _____ (2003) _____ (2002) _____

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:

(2005) _____ (2004) _____ (2003) _____ (2002) _____

c Add: Amounts from column (e) for lines: 15 422,825 16 _____
17 26,434,726 20 _____ 21 _____ ▶ 27c 26,857,551

d Add: Line 27a total _____ and line 27b total _____ ▶ 27d

e Public support (line 27c total minus line 27d total) ▶ 27e 26,857,551

f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) ▶ 27f 27,265,517

g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) ▶ 27g 98.50 %

h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) ▶ 27h 1.48 %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, 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)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.) ----- ----- -----		
32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?		
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d Copies of all material used by the organization or on its behalf to solicit contributions?		
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----		
33 Does the organization discriminate by race in any way with respect to:		
a Students' rights or privileges?		
b Admissions policies?		
c Employment of faculty or administrative staff?		
d Scholarships or other financial assistance?		
e Educational policies?		
f Use of facilities?		
g Athletic programs?		
h Other extracurricular activities?		
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.) ----- ----- -----		
34a Does the organization receive any financial aid or assistance from a governmental agency?		
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.		
35 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation		

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 10 of the instructions.)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

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

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

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

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
 See the instructions for lines 45 through 50 on page 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(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

(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:

- 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, lectures, or any other means
- i** Total lobbying expenditures (Add lines c through h.)

Yes	No	Amount

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

Depreciation and Amortization
(Including Information on Listed Property)

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

Name(s) shown on return Great Wall China Adoption	Business or activity to which this form relates Adoption	Identifying number 74-2786077
---	--	---

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	\$108,000
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	\$430,000
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6		
(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7		
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 2005 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 2007. 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) 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	

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 2006	17	12,997
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 <input type="checkbox"/>		

Section B—Assets Placed in Service During 2006 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		8,056	5 Yrs	HY	200 DB	3,223
c 7-year property		7,066	7 Yrs	HY	200 DB	2,019
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 2006 Tax Year Using the Alternative Depreciation System

20a Class life					
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	18,139
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

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

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

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? <input type="checkbox"/> Yes <input type="checkbox"/> No								24b If "Yes," is the evidence written? <input type="checkbox"/> Yes <input type="checkbox"/> No	
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost	
25 Special allowance for qualified New York Liberty or Gulf Opportunity Zone property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)							25		
26 Property used more than 50% in a qualified business use:									
		%							
		%							
		%							
27 Property used 50% or less in a qualified business use:									
		%				S/L -			
		%				S/L -			
		%				S/L -			
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1.							28		
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1.								29	

Section B—Information on Use of Vehicles

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

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

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

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

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

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2006 tax year (see instructions):					
43 Amortization of costs that began before your 2006 tax year.					43
44 Total. Add amounts in column (f). See the instructions for where to report					44

SUPPORTING SCHEDULE – ATTACHMENT 1

Great Wall China Adoption

EIN: 74-2786077

Form 990, 2006

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

Line 8 – List of Gross Sales and Capital Gains Distributions of Securities

Capital gain distribution:

Fund Name	Avg. Cost Basis (\$)	Proceeds (\$)	Gain/(Loss) Distribution (\$)
Franklin Mutual Shares A	---	---	21,892
Franklin Founding Allocation	---	---	30,376
Columbia Acorn B	---	---	1,216
Pioneer High Yield B	---	---	3,186
Franklin Income A	---	---	3,820
Pimco Real Return B	---	---	3
Franklin Equity Income A	---	---	25,517
TA Idex Asset Alloc Mod GR A	---	---	25,666
Total Capital Gain Distributions	-	-	111,676

Capital gain/ loss

Fund Name	Avg. Cost Basis (\$)	Proceeds (\$)	Gain/(Loss) Distribution (\$)
Franklin Strategic Income A	50,588	50,000	(588)
Franklin Fed Tax Free Income A	127,839	127,837	(2)
Franklin Founding Allocation A	76,803	80,961	4,158
Franklin Equity Income A	27,030	27,947	917
Franklin US Government Sec A	71,528	67,137	(4,391)
Franklin Income A	36,595	37,830	1,235
Total Capital Gain/Loss	390,383	391,712	1,329

Total Capital Gain Distribution + Capital Gain = 113,005

SUPPORTING SCHEDULE - ATTACHMENT 2

Great Wall China Adoption

EIN: 74-2786077

Form 990, 2006

Part II - Statement of Functional Expenses

Line 43 - Other Expenses

Description	(A) Total	(B) Program Services	(C) Mgmt. & General	(D) Fund- raising
Administration	3,803	1,528	2,275	
Adoption Training and Workshop	84,615	84,293	322	
Advertising and Promotion	127,291	127,014	277	
Bank Service Fee	-1,178		-1,178	
Facility: Janitor Service and Supplies	5,618		5,618	
Client China Registration Fee	718,280	718,280		
Client China SWI Fund	660,125	660,125		
Computer/Internet Support	21,674	21,654	20	
Adoption Services				
Client Travel Service	1,119,000	1,119,000		
Foreign Adoption Program Fees	3,585,000	3,585,000		
Home Study	181,400	181,400		
International Special Care Fees	597,500	597,500		
Translation Agency	69,000	69,000		
Donations-out	88,760	88,600	160	
Kitchen Expense	1,173		1,173	
Membership Due	2,019	89	1,930	
Merchant Service Charge	127,494		127,494	
Miscellaneous	534	220	314	
Networking Program	148,077	148,077		
Facility: Repair and Maintenance	14,857		14,857	
Registration/Certification Fees	1,169	950	219	
GWFFU Program	180	180		
Staff Training	1,439	1,439		
Temp Staffing Agency Fee	38,631		38,631	
Utility Bill	3,091		3,091	
Total	7,599,552	7,404,349	195,203	

SUPPORTING SCHEDULE – ATTACHMENT 3

Great Wall China Adoption

EIN: 74-2786077

Form 990, 2006

Part III – Organization’s primary exempt purpose

Great Wall China Adoption was established to support humanitarian causes for at-risk children in China. Their work focuses on those who are left homeless for any number of reasons. Finding a family for every child remains the mission of *GWCA*.

SUPPORTING SCHEDULE – ATTACHMENT 4

Great Wall China Adoption

EIN: 74-2786077

Form 990, 2006

Part III - Statement of Program Service Accomplishments

(a) PLACEMENT OF CHILDREN

In 2006, *Great Wall China Adoption* placed 543 children and has serviced 1127 families waiting to travel to China to bring the children home. An additional 1473 families had applied and were in various stages of the adoption processes at the end of the year. The adoption stages are: application, adoption/education training, home study, assembling documents, filing Immigration and Naturalization Services, waiting for a child assignment, travel orientation, travel to China, post placement supervision, and family support.

(b) EDUCATION AND INFORMATION

During the year, approximately 7003 information packages were mailed to the prospective adoptive individuals and families. *Great Wall China Adoption* also held 408 adoption workshops for the interested adoptive families national wide, attended by over 2040 families; 285 adoptions training, travel preparation, Chinese culture class and post adoption support group meetings such as culture clubs with more than 1425 families.

Great Wall China Adoption sponsored and organized two annual East Meets West China Adoption Conferences, the only national conference in the United States, dedicated to educate the general public and the adoption community regarding Chinese adoptions. The conference offers the attendees the opportunity to hear from nationally known speakers and adoption experts from the fields of social work, cultures, medicine, law, and finance. This educational event has gained support from both U.S. and Chinese officials. Orphanage directors travel all the way from China to meet children they cared for prior to being adopted by American families, and to speak to conference attendees about orphanage conditions, how children are cared for, and China's social welfare system. Representing the Chinese government, Officials from the Chinese consulate addressed the attendees on Chinese welfare system, and Chinese adoption laws and policies. East Meets West Conference is held twice a year and at different cities. In 2006, two conferences were held in Atlanta, GA, and Minneapolis, MN separately. Approximately 500 people attended the two conferences. *Great Wall* has a team of staff responsible for organizing all the logistics of these annual conferences.

In 2006, *Great Wall* published Information Guide – a very comprehensive step-by-step guide regarding China adoption policies and procedures. Approximately 5,000 publications were sent out to the general public. 12 outreach newsletters were published and sent to over 250 other social services organizations providing up to date information on China adoption laws, Hague Conventions, and adoption related issues. 12 educational newsletters were published and sent to

over 8,000 families providing education and information on latest adoption policies and procedures, adoption stories written by fellow adoptive families.

Great Wall organized a national reunion in China. The families along with their adopted children adopted as infants, but, now aged from 5 to 12 years old, traveled back to China to learn more of their Chinese heritage. The reunion group was able to visit children's orphanages, meet other school aged local Chinese children, visited world-famous ancient warriors in city of Xi'an and participated in many cultural activities.

To better educate our families and prepare them for the journey of adoption, *Great Wall China Adoption* has set up 68 regional offices in 50 states to provide education and support to the families. The regional offices provide educational seminars and individual meetings.

(c) INTERNATIONAL ADOPTION TRANSACTIONS

Great Wall China Adoption is a state licensed, not-for-profit international agency devoting all its attention and expertise to finding a loving home for the thousands of abandoned children (mainly unwanted girls) living in the orphanages across China. Its mission is to bring as many as abandoned children out of orphanages as possible. Its U.S. staff and local Chinese representative worked diligently to ensure that the adoption process went smoothly and problem-free, and was conducted in the best interest of the adopted children and the adoptive families. Since it is an international adoption, the majority of its tasks are carried by *Great Wall China Adoption* local Chinese representatives in China, which includes:

- Translation and review of the documents
- Delivery and registration of the documents with China Center of Adoption Affairs (Chinese government adoption authorities)
- Monitoring the status of the paperwork, working with Chinese adoption officials on a daily basis
- Traveling all over China to different orphanages, keeping close contact with orphanages
- Obtaining the newest information on the children, updating home office of any new requirements and progress of the adoption
- Scheduling adoption appointment with American Consulate in Guangzhou, China for the adoptive families
- Making travel arrangement for the adoptive families and escorting them the entire time while they are in China
- Interpreting and translating for the adoptive families while their adoption in China

With the hard work by our U.S. staff and local Chinese representatives, *Great Wall China Adoption* has provided and will continue to provide the first-class service to the children and families they all deserve.

(d) DONATIONS FOR HELPING THE ABANDONED CHILDREN IN CHINA

Great Wall China Adoption definitely has the best interest of children in mind. It not only works extremely hard to locate loving homes for the abandoned Chinese children, it is also doing its best to offer help to the many children that are not fortunate enough to be adopted. With *Great Wall* donations, orphanages are able to provide training to its care takers; many children are able to have colorful toys to stimulate their sensory growth; children got new donated clothes for the Chinese New Year; many equipment such as refrigerator, digital cameras, computers, printers, were also donated to improve the life of children still in orphanages.

(e) ACHIEVEMENTS THAT ARE NOT MEASUABLE

Great Wall China Adoption believes that every child deserves love and a home they can call their own. The children adopted through *Great Wall China Adoption* are showed with endless love by their adoptive families. Physically and developmentally, they blossom like flowers after being adopted. Many of our adoptive parents sought our help after years of painful infertility treatment. The joy and excitement of becoming parent(s) are just beyond description. For these infertile parent(s), it's a lifetime dream coming true. For *Great Wall China Adoption's* staff, creating families for the children and adoptive parent(s) is our greatest achievement.

The impact that *Great Wall* education workshops, training classes, and East Meets West China Adoption conference has created is far from being measurable. They greatly increased the awareness that there are still thousands of abandoned children waiting in the Chinese orphanages for a loving home.

Great Wall China Adoption's noble charitable work has attracted many people who want to be in the profession of doing good things to the society. Due to the success of *Great Wall China Adoption's* program, it has generated more than 128 jobs in U.S in the past year.

SUPPORTING SCHEDULE – ATTACHMENT 5

Great Wall China Adoption

EIN: 74-2786077

Form 990, 2006

Part IV – Balance Sheets

Line 54 – Investments-securities

Description	End-Year Market Value
Mutual Funds	\$ 5,677,282
Total	\$ 5,677,282

SUPPORTING SCHEDULE - ATTACHMENT 6

Continue from the previous page

Phone	9/18/1998	45	200DB	5	40	5	45
Phone	9/18/1998	180	200DB	5	161	19	180
Cable	9/18/1998	44	200DB	5	39	5	44
Network Card	9/18/1998	200	200DB	5	179	21	200
Computer	9/18/1998	1015	200DB	5	910	105	1015
Computer	9/18/1998	1015	200DB	5	910	105	1015
Monitor	9/18/1998	150	200DB	5	134	16	150
Phone	9/18/1998	70	200DB	5	63	7	70
Computer	9/18/1998	2021	200DB	5	1812	209	2021
Computer Ref	10/16/1998	-154	200DB	5	-138	-16	-154
Phone	10/16/1998	180	200DB	5	161	19	180
Phone	10/16/1998	90	200DB	5	80	10	90
Phone	10/16/1998	48	200DB	5	43	5	48
Phone Indicator	12/31/1998	12	200DB	5	11	1	12
Printer	12/31/1998	60	200DB	5	54	6	60
SUBTOTAL		9518			8531	987	9518
Voice Phone	2/14/1999	57	200DB	5	52	5	57
CD Writer	6/1/1999	350	200DB	5	313	37	350
2nd Answering Line	12/3/1999	32	200DB	5	29	3	32
Computer	12/10/1999	1284	200DB	5	1151	133	1284
SUBTOTAL		1724			1545	178	1723
Damage Claim	2/20/2001	-819	200DB	5	-713	-106	-819
Artigent Telephone	2/23/2001	8000	200DB	5	6963	1037	8000
Refrigrator	3/5/2001	384	200DB	5	334	50	384
Coffer Maker Refund	3/10/2001	-190	200DB	5	-165	-25	-190
Phone Refund	3/10/2001	-108	200DB	5	-94	-14	-108
Microwave	3/10/2001	140	200DB	5	122	18	140
Coffer Maker	3/10/2001	390	200DB	5	340	50	390
Server	3/20/2001	21601	200DB	5	18801	2800	21601
DSL Cable	4/15/2001	8	200DB	5	7	1	8
TV	4/15/2001	4100	200DB	5	3568	532	4100
Fax Machme	5/6/2001	250	200DB	5	218	32	250
Credit Card Machine	5/6/2001	333	200DB	5	290	43	333
Mornitor	5/10/2001	220	200DB	5	192	28	220
Xerox 3 in 1	5/10/2001	600	200DB	5	522	78	600
Vacuum	7/13/2001	200	200DB	5	174	26	200
Computer Refund	7/26/2001	-579	200DB	5	-504	-75	-579
IBM Typewriter Refund	10/9/2001	-595	200DB	5	-518	77	-441
IBM Typewriter	10/9/2001	380	200DB	5	331	49	380
Sharp AR-287	10/19/2001	8500	200DB	5	7398	1102	8500
SUBTOTAL		42815			37266	5703	42969
Return Cell	7/18/2002	-16	200DB	5	-14	-1	-15
Cell phone	7/18/2002	330	200DB	5	287	17	304
Cell phone	7/18/2002	16	200DB	5	14	1	15
Network Connection	7/26/2002	250	200DB	5	218	13	231
Return camera	8/15/2002	-162	200DB	5	-141	-9	-150
Digital Camera	8/15/2002	729	200DB	5	635	38	673
Safe	10/11/2002	515	200DB	5	448	27	475
Scan for office use	11/5/2002	178	200DB	5	155	9	164
Funds Transfer	11/7/2002	-130	200DB	5	-113	-7	-120
Return Scan	11/7/2002	-18	200DB	5	-16	-1	-17
Return Camera	11/15/2002	-75	200DB	5	-66	-4	-70
Camera	11/15/2002	40	200DB	5	35	2	37
Camera	11/15/2002	75	200DB	5	66	4	70
Software	12/16/2002	400	200DB	5	348	21	369
SUBTOTAL		2132			1856	110	1966
Dell Printer	3/7/2003	189	200DB	5	148	16	164
Digital/Video Camera	3/10/2003	710	200DB	5	556	62	618
Monitor	3/10/2003	279	200DB	5	219	24	243
Printer	3/10/2003	199	200DB	5	156	17	173
Monitor	3/10/2003	330	200DB	5	259	28	287
Hotwater Machme	3/10/2003	90	200DB	5	71	8	79
Dell Computers	3/14/2003	6108	200DB	5	4789	528	5317
Return Monitor	4/11/2003	-302	200DB	5	-237	-26	-263
Return Video Camera	4/11/2003	-535	200DB	5	-419	-46	-465

SUPPORTING SCHEDULE - ATTACHMENT 6

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Returned Video Camera	4/11/2003	-74	200DB	5	-58	-6	-64
Hardware for Gateway Server	4/11/2003	95	200DB	5	75	8	83
Internal DVD/CD Player for computers	6/13/2003	55	200DB	5	43	5	48
Comb TV	6/13/2003	110	200DB	5	86	10	96
Refurbish DVD Rewriter	10/25/2003	59	200DB	5	46	5	51
SUBTOTAL		7313			5734	632	6366
Dell Computers	4/8/2004	3857	200DB	5	2469	555	3024
Antivirus Software	5/3/2004	565	200DB	5	362	81	443
Backup Battery	5/3/2004	275	200DB	5	176	40	216
T-Mobile Cell Phone	12/8/2004	300	200DB	5	192	43	235
Memory for Computer	12/10/2004	1089	200DB	5	697	157	854
Vedio camera	12/31/2004	857	200DB	5	549	123	672
SUBTOTAL		6943			4445	999	5444
Return notebook	02/05/2005	-2,056 74	200DB	5	-823	-493	-1316
notebook	02/05/2005	2,056 74	200DB	5	823	493	1316
Photo prntr	02/05/2005	216 66	200DB	5	87	52	139
Prntr in hallway	03/06/2005	1,101 57	200DB	5	441	264	705
Firewall x2	04/06/2005	759 99	200DB	5	304	182	486
Serach engm software	05/02/2005	99 00	200DB	5	40	24	64
Cable	05/02/2005	9 99	200DB	5	4	2	6
Screen for projection	05/02/2005	144 49	200DB	5	58	35	93
Harddriver for Dell server	05/02/2005	159 93	200DB	5	64	38	102
For server (Invoice#217212614)	05/05/2005	1,508 00	200DB	5	603	362	965
For computer (Invoice#311625034)	05/05/2005	904 40	200DB	5	362	217	579
Hardware for Dell server from Fry's	05/25/2005	169.00	200DB	5	68	40	108
Screen for projection	06/10/2005	-144 49	200DB	5	-58	-35	-93
DVD/VCR combo player	07/10/2005	99 99	200DB	5	40	24	64
Sony mini tape player	07/10/2005	359 99	200DB	5	144	86	230
Cable	07/10/2005	22 98	200DB	5	9	6	15
DVD/VCR player	09/12/2005	-59 97	200DB	5	-24	-14	-38
DVD/VCR player	09/12/2005	59 97	200DB	5	24	14	38
Notebook (acct# 501-7147355-001)	12/19/2005	1,470 00	200DB	5	588	353	941
SUBTOTAL		6882			2754	1651	4405
Qqest Software Systems	2/21/2006	2810	200DB	5	0	1124	1124
Sony labtop	03/06/2006	2200	200DB	5	0	880	880
Auto email software	03/06/2006	837	200DB	5	0	335	335
Bluetooth mouse	03/13/2006	60	200DB	5	0	24	24
Sony labtop	04/04/2006	-2200	200DB	5	0	-880	-880
Sony labtop	04/04/2006	2190	200DB	5	0	876	876
T-mobile wireless device	06/07/2006	-152	200DB	5	0	-61	-61
Wireless mouse for Sony labtop	06/07/2006	25	200DB	5	0	10	10
Screen Protection	09/15/2006	338	200DB	5	0	135	135
Computer	09/15/2006	842	200DB	5	0	337	337
Phone sets(2)	10/05/2006	40	200DB	5	0	16	16
Project screen	10/17/2006	230	200DB	5	0	92	92
credit authorized by Ms. Arlene (ext. 44147)	10/17/2006	-12	200DB	5	0	-5	-5
Unknown	11/06/2006	94	200DB	5	0	38	38
Flat screen	12/14/2006	704	200DB	5	0	282	282
T-mobil wireless card	04/04/2006	50	200DB	5	0	20	20
SUBTOTAL		8056			0	3223	3223
Depreciation of equipment in 2006						12318	
FURNITURE							
File Cabnets	5/25/1996	47	200DB	7	42	5	47
Office Furniture	4/6/1996	500	200DB	7	444	56	500
Office Furniture	4/6/1996	210	200DB	7	187	23	210
Office Furniture	4/6/1996	84	200DB	7	75	9	84
Office Furniture	5/9/1996	58	200DB	7	51	7	58
Office Furniture	10/28/1996	60	200DB	7	53	7	60
SUBTOTAL		960			852	107	959

SUPPORTING SCHEDULE - ATTACHMENT 6

Continue from the previous page

File Cabinet	2/10/1997	50	200DB	7	44	6	50
Office Furniture	12/29/1997	1380	200DB	7	1223	157	1380
SUBTOTAL		1430			1267	163	1430
Office Chair	5/19/1998	20	200DB	7	18	2	20
Chair/Desk	8/19/1998	390	200DB	7	346	44	390
File Cabinet	8/19/1998	425	200DB	7	376	49	425
Office Desk	9/5/1998	165	200DB	7	146	19	165
Chair	9/18/1998	40	200DB	7	36	4	40
Table	9/18/1998	150	200DB	7	133	17	150
Foldm	12/31/1998	20	200DB	7	18	2	20
Folding	12/31/1998	15	200DB	7	14	1	15
SUBTOTAL		1225			1087	138	1225
File Cabinet	2/15/1999	250	200DB	7	221	29	250
Conference Table	4/1/1999	3197	200DB	7	2833	364	3197
Desks	4/1/1999	355	200DB	7	315	40	355
Office Furniture	12/10/1999	908	200DB	7	804	104	908
SUBTOTAL		4710			4173	537	4710
Computer Desk	4/13/2000	120	200 DB	7	104	5	109
Office Furniture	11/1/2000	3200	200DB	7	2775	121	2896
Office Furniture	12/19/2000	3000	200DB	7	2601	114	2715
Office Furniture	12/22/2000	2000	200DB	7	1734	76	1810
SUBTOTAL		8320			7214	316	7530
Furniture	2/9/2001	18000	200DB	7	14653	956	15609
Loveseat	2/28/2001	1149	200DB	7	925	64	989
Return Computer Desk	3/10/2001	-120	200DB	7	-80	-11	-91
Sofa and End Table	3/10/2001	1910	200DB	7	1555	101	1656
Furniture	3/27/2001	19000	200DB	7	15467	1009	16476
Sofa	4/15/2001	1500	200DB	7	1221	80	1301
Char	4/15/2001	340	200DB	7	276	18	294
Chma Cabinet	5/6/2001	2500	200DB	7	2035	133	2168
Guest Chair	5/6/2001	280	200DB	7	228	15	243
Furniture Refund	5/10/2001	-200	200DB	7	-133	-19	-152
Furniture Discount	5/10/2001	-45	200DB	7	-37	-2	-39
Furniture	7/2/2001	7607	200DB	7	6193	404	6597
Paintng/Picture	11/6/2001	1427	200DB	7	1162	76	1238
Children Chairs	11/6/2001	209	200DB	7	170	11	181
Picture	11/6/2001	150	200DB	7	122	8	130
Picture	11/6/2001	150	200DB	7	122	8	130
SUBTOTAL		53857			43879	2851	46730
Concil Table	2/2/2002	616 6	200DB	7	456	46	502
Rug in the hunger	2/2/2002	80 51	200DB	7	59	6	65
SUBTOTAL		697			515	52	567
Draw hanging rail set	9/24/2003	450	200DB	7	286	47	333
SUBTOTAL		450			286	47	333
Office furniture	4/5/2006	2555	200DB	7	0	730	730
Office furniture	7/27/2006	4511	200DB	7	0	1289	1289
SUBTOTAL		7066			0	2019	2019
Depreciation of furniture in 2006						5822	
TOTAL		192701			148656	21064	169720
Depreciation for 2006		149241			108122	18139	126261