

Return of Organization Exempt From Income Tax

2007

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

Open to Public Inspection

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 2007 calendar year, or tax year beginning _____, 2007, and ending _____, 20

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

C Name of organization
MUHAMMAD SUBUH FOUNDATION

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
P.O. BOX 8571

City or town, state or country, and ZIP + 4
3009AN ROTTERDAM, NETHERLANDS

D Employer identification number
52 : 1742864

E Telephone number
(010) 2271865

F Accounting method: Cash Accrual
 Other (specify) ▶

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

- 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
- I** Group Exemption Number ▶
- M** Check if the organization is **not** required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

G Website: ▶ WWW.MSUBUHFOUNDATION.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.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶

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

		(A) Securities		(B) Other			
Revenue	1 Contributions, gifts, grants, and similar amounts received:						
	a Contributions to donor advised funds					1a	234.877
	b Direct public support (not included on line 1a)					1b	
	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 \$ 115.549 noncash \$ 119.328)					1e	234.877
	2 Program service revenue including government fees and contracts (from Part VII, line 93)					2	
	3 Membership dues and assessments					3	
	4 Interest on savings and temporary cash investments					4	30.099
	5 Dividends and interest from securities					5	
	6a Gross rents					6a	
	b Less: rental expenses					6b	
c Net rental income or (loss). Subtract line 6b from line 6a					6c		
7 Other investment income (describe ▶ UNREALIZED GAINS)					7	858.998	
8a Gross amount from sales of assets other than inventory							
					8a		
					8b		
					8c		
d Net gain or (loss). Combine line 8c, columns (A) and (B)					8d	(48.229)	
9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>							
					9a		
					9b		
c Net income or (loss) from special events. Subtract line 9b from line 9a					9c		
10a Gross sales of inventory, less returns and allowances							
					10a		
b Less: cost of goods sold					10b		
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	15.000	
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11					12	1.090.745	
Expenses	13 Program services (from line 44, column (B))					13	264.205
	14 Management and general (from line 44, column (C))					14	29.095
	15 Fundraising (from line 44, column (D))					15	
	16 Payments to affiliates (attach schedule)					16	
	17 Total expenses. Add lines 16 and 44, column (A)					17	293.300
Net Assets	18 Excess or (deficit) for the year. Subtract line 17 from line 12					18	797.445
	19 Net assets or fund balances at beginning of year (from line 73, column (A))					19	3.265.456
	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	4.062.901

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 \$ <u>257,490</u> noncash \$ _____) If this amount includes foreign grants, check here <input checked="" type="checkbox"/>	257,490	257,490		
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	3,000		3,000	
25b	Compensation of former officers, directors, key employees, etc. listed in Part V-B				
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)				
26	Salaries and wages of employees not included on lines 25a, b, and c				
27	Pension plan contributions not included on lines 25a, b, and c				
28	Employee benefits not included on lines 25a - 27	3,700		3,700	
29	Payroll taxes				
30	Professional fundraising fees				
31	Accounting fees	8,241		8,241	
32	Legal fees	2,592		2,592	
33	Supplies	665		665	
34	Telephone				
35	Postage and shipping				
36	Occupancy				
37	Equipment rental and maintenance				
38	Printing and publications				
39	Travel	9,051		9,051	
40	Conferences, conventions, and meetings				
41	Interest				
42	Depreciation, depletion, etc. (attach schedule)	6,715	6,715		
43	Other expenses not covered above (itemize):				
a	BANK & CREDIT CARD CHARGES	1,846		1,846	
b	-----				
c	-----				
d	-----				
e	-----				
f	-----				
g	-----				
44	Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	293,300	264,205	29,095	

Joint Costs. Check if you are following SOP 98-2.
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____; (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ► TO ENCOURAGE AND DEEPEN RELIGIOUS EXPERIENCE	Program Service Expenses
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.)	(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others.)
a PROVIDED GRANTS FOR THE ACQUISITION OF PROPERTY FOR WORSHIP ----- ----- ----- ----- ----- (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input checked="" type="checkbox"/>	75,532
b PROVIDED GRANTS FOR RELIGIOUS, SOCIAL AND CULTURAL DEVELOPMENT PROJECTS ----- ----- ----- ----- ----- (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input checked="" type="checkbox"/>	121,858
c PROVIDED GRANTS TO PARENT ORGANIZATION, WORLD SUBUD ASSOCIATION FOR VARIOUS PROJECTS, PROGRAMS AND ACTIVITIES ----- ----- ----- ----- ----- (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	60,000
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). ►	257,490

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	97,660	45	74,840
	46 Savings and temporary cash investments	1,817,439	46	2,015,996
	47a Accounts receivable			
	b Less: allowance for doubtful accounts			
	47a	77,923	47c	54,351
	47b			
	48a Pledges receivable			
	b Less: allowance for doubtful accounts			
	48a		48c	
	48b			
	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)			
	b Less: allowance for doubtful accounts	408,156	51c	395,784
	51a			
	51b			
	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	47,734	54a	20,680	
b Investments—other securities (attach schedule) <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	435,258	54b	1,416,715	
55a Investments—land, buildings, and equipment: basis	269,962			
b Less: accumulated depreciation (attach schedule)	101,706			
55a	174,991	55c	168,276	
55b				
56 Investments—other (attach schedule)		56		
57a Land, buildings, and equipment: basis				
b Less: accumulated depreciation (attach schedule)				
57a		57c		
57b				
58 Other assets, including program-related investments (describe ► <u>OPTIONS ESI PTY, LTD., AUSTRALIA</u>)	355,011	58	121,728	
59 Total assets (must equal line 74). Add lines 45 through 58	3,414,172	59	4,268,380	
Liabilities	60 Accounts payable and accrued expenses	4,151	60	60,480
	61 Grants payable	30,000	61	20,000
	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 ►)	114,565	65	124,998
66 Total liabilities. Add lines 60 through 65	148,716	66	205,478	
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	1,731,510	67	2,765,206
	68 Temporarily restricted	656,157	68	351,966
	69 Permanently restricted	877,789	69	945,730
	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)	3,265,456	73	4,062,902	
74 Total liabilities and net assets/fund balances. Add lines 66 and 73	3,414,172	74	4,268,380	

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	NOT QUANTIFIED
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	✓	
83b	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?		✓
84b	b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
85a	501(c)(4), (5), or (6). Were substantially all dues nondeductible by members?		
85b	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	
85g	g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		
85h	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?		
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		✓
88b	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		✓
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ ; section 4912 ▶ ; section 4955 ▶		
89b	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		
	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 ▶		
89e	e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		✓
89f	f All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?		✓
89g	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?		
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, 2007 (See instructions.)	90b	0
91a	The books are in care of ▶ <u>LEONARD VAN WILLENSWAARD</u> Telephone no. ▶ (<u>010</u>) <u>2271865</u> Located at ▶ <u>SPOORLAAN 4, 2908BG CAPELLE/YSSEL, NETHERLANDS</u> ZIP + 4 ▶		
91b	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 ▶ <u>NETHERLANDS</u> 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 ► NETHERLANDS

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 <u>CONTRIBUTIONS, GIFTS, LEGACIES</u>					234.877
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	30.099	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	(48.229)	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a <u>UNREALIZED GAINS</u>			18	858.998	
b <u>FREEFALL PROVISION INCOLLECTABLE DEBTS</u>			14	15.000	
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				855.868	234.877
105 Total (add line 104, columns (B), (D), and (E))					1.090.745

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).
▼	

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

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

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

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

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

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

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

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
	✓

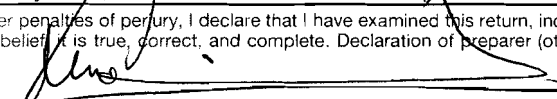
	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	----- -----			
b	----- -----			
c	----- -----			
Totals				

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:  Date: 24 APRIL 2008

Type or print name and title: LEONARD VAN WILLENSWAARD, TRUSTEE/TREASURER

Paid Preparer's Use Only

Preparer's signature: _____ Date: _____ Check if self-employed:

Firm's name (or yours if self-employed), address, and ZIP + 4: _____ Preparer's SSN or PTIN (See Gen. Inst. X): _____

EIN: _____ Phone no.: _____