

**PUBLIC
DISCLOSURE
COPY**

Form **990**

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)

OMB No. 1545-0047

2007

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 **JUL 1, 2007** and ending **JUN 30, 2008**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific instructions.	C Name of organization PROJECT ANGEL FOOD		D Employer identification number 95-4115863
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite 922 N. VINE ST.		E Telephone number 323-845-1800
		City or town, state or country, and ZIP + 4 LOS ANGELES, CA 90038		F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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 **N/A**

H(c) Are all affiliates included? **N/A** Yes No (If "No," attach a list.)

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

I Group Exemption Number **N/A**

M Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

G Website: **WWW.ANGELFOOD.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 **8,968,754.**

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

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		4,869,613.	
	c Indirect public support (not included on line 1a)	1c			
	d Government contributions (grants) (not included on line 1a)	1d		393,320.	
	e Total (add lines 1a through 1d) (cash \$ 5,262,933. noncash \$ _____)	1e			5,262,933.
	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			10,465.
	5 Dividends and interest from securities	5			250.
	6 a Gross rents	6a	SEE STATEMENT 1	32,253.	
	b Less: rental expenses	6b	SEE STATEMENT 2	1,059.	
c Net rental income or (loss). Subtract line 6b from line 6a	6c			31,194.	
7 Other investment income (describe _____)	7				
8 a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		
		8a		2,543,011.	
		8b		2,218,871.	
		8c		324,140.	
d Net gain or (loss). Combine line 8c, columns (A) and (B)		STMT 3	STMT 4	8d	323,980.
9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>	a Gross revenue (not including \$ 1,540,479. of contributions reported on line 1b)	9a	1,093,149.		
	b Less: direct expenses other than fundraising expenses	9b	1,093,149.		
	c Net income or (loss) from special events. Subtract line 9b from line 9a		SEE STATEMENT 5		9c
10 a 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				
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12				5,628,822.
Expenses	13 Program services (from line 44, column (B))	13			4,208,055.
	14 Management and general (from line 44, column (C))	14			351,711.
	15 Fundraising (from line 44, column (D))	15			718,985.
	16 Payments to affiliates (attach schedule)	16			
	17 Total expenses. Add lines 16 and 44, column (A)	17			
18 Excess or (deficit) for the year. Subtract line 17 from line 12	18				350,071.
19 Net assets or fund balances at beginning of year (from line 73, column (A))	19				4,181,207.
20 Other changes in net assets or fund balances (attach explanation)	20		SEE STATEMENT 6		<2,370.>
21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21				4,528,908.

732001 12-27-07

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

Form 990 (2007)

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.

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</i>	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash \$ 0 • noncash \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b Other grants and allocations (attach schedule) (cash \$ 0 • noncash \$ 0) 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	250,000.	203,333.	24,499.	22,168.
25b Compensation of former officers, directors, key employees, etc. listed in Part V-B	0.	0.	0.	0.
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	1,907,430.	1,551,273.	186,940.	169,217.
27 Pension plan contributions not included on lines 25a, b, and c				
28 Employee benefits not included on lines 25a - 27	265,960.	229,835.	20,018.	16,107.
29 Payroll taxes	179,263.	145,820.	17,893.	15,550.
30 Professional fundraising fees				
31 Accounting fees	21,509.	18,018.	1,306.	2,185.
32 Legal fees	717.	617.	86.	14.
33 Supplies	21,954.	17,466.	1,817.	2,671.
34 Telephone	24,132.	20,684.	2,638.	810.
35 Postage and shipping	32,425.	20,572.	2,222.	9,631.
36 Occupancy	234,029.	201,266.	28,083.	4,680.
37 Equipment rental and maintenance	92,753.	80,187.	10,703.	1,863.
38 Printing and publications	41,480.	35,276.	4,787.	1,417.
39 Travel	43,580.	37,247.	4,373.	1,960.
40 Conferences, conventions, and meetings				
41 Interest	32,413.	17,745.	2,463.	12,205.
42 Depreciation, depletion, etc. (attach schedule)	255,897.	190,637.	6,817.	58,443.
43 Other expenses not covered above (itemize):				
a				
b				
c				
d				
e				
f				
g SEE STATEMENT 7	1,875,209.	1,438,079.	37,066.	400,064.
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	5,278,751.	4,208,055.	351,711.	718,985.

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 \$ 131,553. ; (ii) the amount allocated to Program services \$ 85,599. ;

(iii) the amount allocated to Management and general \$ 8,483. ; and (iv) the amount allocated to Fundraising \$ 37,471.

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 8	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
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.)	
a SEE STATEMENT A 	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	4,208,055.
b 	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
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) ►	4,208,055.

Form 990 (2007)

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	217,755.	45	134,866.
	46	Savings and temporary cash investments	320,931.	46	7,186.
	47 a	Accounts receivable		47a	
	b	Less: allowance for doubtful accounts		47b	47c
	48 a	Pledges receivable	443,674.	48a	
	b	Less: allowance for doubtful accounts	51,656.	48b	48c
	49	Grants receivable	18,250.	49	32,740.
	50 a	Receivables from current and former officers, directors, trustees, and key employees		50a	
	b	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)		50b	
	51 a	Other notes and loans receivable		51a	
	b	Less: allowance for doubtful accounts		51b	51c
	52	Inventories for sale or use		52	
	53	Prepaid expenses and deferred charges		53	43,775.
	54 a	Investments - publicly-traded securities STMT 10 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	11,874.	54a	9,225.
	b	Investments - other securities		54b	
55 a	Investments - land, buildings, and equipment: basis		55a		
b	Less: accumulated depreciation	2,205,508.	55b	55c	
56	Investments - other		56		
57 a	Land, buildings, and equipment: basis	8,366,538.	57a		
b	Less: accumulated depreciation STMT 9	413,909.	57b	57c	
58	Other assets, including program-related investments (describe ▶ DEPOSITS)	40,266.	58	0.	
59	Total assets (must equal line 74). Add lines 45 through 58	10,107,649.	59	8,572,439.	
Liabilities	60	Accounts payable and accrued expenses	694,796.	60	451,456.
	61	Grants payable		61	
	62	Deferred revenue		62	
	63	Loans from officers, directors, trustees, and key employees		63	
	64 a	Tax-exempt bond liabilities		64a	
	b	Mortgages and other notes payable	5,231,646.	64b	3,592,075.
65	Other liabilities (describe ▶)	0.	65	0.	
66	Total liabilities. Add lines 60 through 65	5,926,442.	66	4,043,531.	
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	1,403,711.	67	4,136,890.
	68	Temporarily restricted	2,777,496.	68	392,018.
	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)	4,181,207.	73	4,528,908.
	74	Total liabilities and net assets/fund balances. Add lines 66 and 73	10,107,649.	74	8,572,439.

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

Table with 5 main rows (a-e) and sub-rows for adjustments. Row a: Total revenue, gains, and other support per audited financial statements 5,626,162. Row b: Amounts included on line a but not on Part I, line 12: b1-b4. Row c: Subtract line b from line a 0. Row d: Amounts included on Part I, line 12, but not on line a: d1 (290), d2 (2,370). Row e: Total revenue (Part I, line 12). Add lines c and d 5,628,822.

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

Table with 5 main rows (a-e) and sub-rows for adjustments. Row a: Total expenses and losses per audited financial statements 5,278,461. Row b: Amounts included on line a but not on Part I, line 17: b1-b4. Row c: Subtract line b from line a 0. Row d: Amounts included on Part I, line 17, but not on line a: d1 (290), d2. Row e: Total expenses (Part I, line 17). Add lines c and d 5,278,751.

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.)

Table with 5 columns: (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. Row 1: SEE STATEMENT 11, 250,000., 25,470., 7,434.

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

Yes No

- 75 a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings 17
b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)
c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization."
d Does the organization have a written conflict of interest policy?

Table with 2 columns: Yes, No. Rows 75b, 75c, 75d with 'X' marks in the No column.

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

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

Table with 5 columns: (A) Name and address, (B) Loans and Advances, (C) Compensation (if not paid, enter -0-), (D) Contributions to employee benefit plans & deferred compensation plans, (E) Expense account and other allowances. Row 1 contains 'NONE' in column A.

Part VI Other Information (See the instructions.)

Yes No

- 76 Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change
77 Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.
78 a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?
b If "Yes," has it filed a tax return on Form 990-T for this year? N/A
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement
80 a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?
b If "Yes," enter the name of the organization N/A
81 a Enter direct and indirect political expenditures. (See line 81 instructions.) 0
b Did the organization file Form 1120-POL for this year?

Table with 2 columns: Yes, No. Rows 76, 77, 78a, 78b, 79, 80a, 81b with 'X' marks in the No column.

Part VI Other Information (continued)		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		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
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
b	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	83b	N/A
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	X
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 a	501(c)(4), (5), or (6). 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) organizations. 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) organizations. 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
88 a	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
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ 0.; section 4912 ▶ 0.; section 4955 ▶ 0.		
b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0.
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization		0.
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e	X
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f	X
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g	X
90 a	List the states with which a copy of this return is filed ▶ CA		
b	Number of employees employed in the pay period that includes March 12, 2007	90b	58
91 a	The books are in care of ▶ BEN STILP, CFO Telephone no. ▶ 323-845-1800 Located at ▶ 922 N. VINE STREET, LOS ANGELES, CA ZIP + 4 ▶ 90038		
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 ▶ N/A	91b	X
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			

Part VI Other Information (continued) Yes No

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c
 If "Yes," enter the name of the foreign country N/A

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 N/A

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) Exclu- sion code	(D) Amount	
93 Program service revenue:					
a _____					
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	10,465.	
96 Dividends and interest from securities			14	250.	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property			16	31,194.	
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	323,980.	
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))		0.		365,889.	0.
105 Total (add line 104, columns (B), (D), and (E))					365,889.

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).
 ▼ N/A

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

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

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

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
 (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

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

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 _____

Type or print name and title _____

Paid Preparer's Use Only

Preparer's signature Date FEB 17 2009 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 GREEN HASSON & JANKS LLP
10990 WILSHIRE BLVD., 16TH FLOOR
LOS ANGELES, CA 90024-3929

EIN _____ Phone no. (310) 873-1600

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

OMB No. 1545-0047

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or 4947(a)(1) Nonexempt Charitable Trust

2007

Department of the Treasury
Internal Revenue Service

Supplementary Information-(See separate instructions.)
▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization: **PROJECT ANGEL FOOD** Employer identification number: **95: 4115863**

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
PAULA DEJEAN 922 N. VINE STREET, L.A., CA 90038	DIRECTOR OF HR 37.50	84,529.	4,491.	0.
DON MACAULAY 922 N. VINE STREET, L.A., CA 90038	DIR. OF OPERATIONS 37.50	75,250.	4,492.	0.
ROBERT BOLLER 922 N. VINE STREET, L.A., CA 90038	DIRECTOR OF PROGRAMS 37.50	65,012.	4,492.	0.
DALLAS WRIGHT 922 N. VINE STREET, L.A., CA 90038	IT MANAGER 37.50	61,350.	4,615.	0.
ORVILLE BIGELOW 922 N. VINE STREET, L.A., CA 90038	NUTRITION SRVC. MNGR 37.50	60,000.	4,615.	0.
Total number of other employees paid over \$50,000	▶ 6			

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
LAUREN GURVICH 59 WEST 12TH ST., NEW YORK, NY 10011	FASHION MERCHANDISE CONS.	76,200.
Total number of others receiving over \$50,000 for professional services	▶ 0	

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	▶ 0	

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.) 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.		X
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?	2a	X
b Lending of money or other extension of credit?	2b	X
c Furnishing of goods, services, or facilities?	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE PART V-A, FORM 990	2d	X
e Transfer of any part of its income or assets?	2e	X
3 a Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.)	3a	X
b Did the organization have a section 403(b) annuity plan for its employees?	3b	X
c Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement	3c	X
d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d	X
4 a Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g	4a	X
b Did the organization make any taxable distributions under section 4966?	4b	N/A
c Did the organization make a distribution to a donor, donor advisor, or related person?	4c	N/A
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 year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts	0.	
g Enter the aggregate value of assets in all funds or accounts included on line 4f at the end of the tax year	0.	

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

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
 Type I Type II Type III-Functionally Integrated Type III-Other

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

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

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 8 of the instructions.)

Part IV A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.**
Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	5,527,478.	4,632,930.	4,584,065.	3,405,219.	18,149,692.
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	1,332,014.	1,256,690.	1,098,891.	2,149,332.	5,836,927.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	205,447.	199,634.	180,150.	167,852.	753,083.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	7,064,939.	6,089,254.	5,863,106.	5,722,403.	24,739,702.
24 Line 23 minus line 17	5,732,925.	4,832,564.	4,764,215.	3,573,071.	18,902,775.
25 Enter 1% of line 23	70,649.	60,893.	58,631.	57,224.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 378,056.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 374,503.
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 18,902,775.
d Add: Amounts from column (e) for lines: 18 753,083. 19 _____ 22 _____ 26b 374,503.					26d 1,127,586.
e Public support (line 26c minus line 26d total)					26e 17,775,189.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 94.0348%
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: N/A					
(2006) _____ (2005) _____ (2004) _____ (2003) _____					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: N/A					
(2006) _____ (2005) _____ (2004) _____ (2003) _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					27c N/A
d Add: Line 27a total _____ and line 27b total _____					27d N/A
e Public support (line 27c total minus line 27d total)					27e N/A
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)					27f N/A
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h N/A %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.					

Part V Private School Questionnaire (See page 9 of the instructions.)

N/A

(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.)		

34 a	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 11 of the instructions.)

N/A

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

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

4-Year Averaging Period Under Section 501(h)

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

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 14 of the instructions.)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
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.)			0.

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

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

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

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

Table with 3 columns: Question, Yes, No. Rows include: (i) Cash (No X), (ii) Other assets (No X), (i) Sales or exchanges of assets with a noncharitable exempt organization (No X), (ii) Purchases of assets from a noncharitable exempt organization (No X), (iii) Rental of facilities, equipment, or other assets (No X), (iv) Reimbursement arrangements (No X), (v) Loans or loan guarantees (No X), (vi) Performance of services or membership or fundraising solicitations (No X).

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. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received: N/A

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

52 a 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: N/A

Schedule table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

Schedule B

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

Supplementary Information for
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

OMB No. 1545-0047

2007

Name of organization

PROJECT ANGEL FOOD

Employer identification number

95-4115863

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule-see instructions.)

General Rule-

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

Special Rules-

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ► \$ _____

Caution: Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

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

Schedule B (Form 990, 990-EZ, or 990-PF) (2007)

Name of organization PROJECT ANGEL FOOD	Employer identification number 95-4115863
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Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	<hr/> <hr/> <hr/> <hr/>	\$ 200,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	<hr/> <hr/> <hr/> <hr/>	\$ 250,200.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	<hr/> <hr/> <hr/> <hr/>	\$ 150,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	<hr/> <hr/> <hr/> <hr/>	\$ 500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	<hr/> <hr/> <hr/> <hr/>	\$ 200,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	<hr/> <hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

FORM 990	RENTAL INCOME	STATEMENT	1
KIND AND LOCATION OF PROPERTY		ACTIVITY NUMBER	GROSS RENTAL INCOME
ALVARADO		1	32,253.
TOTAL TO FORM 990, PART I, LINE 6A			32,253.

FORM 990	RENTAL EXPENSES	STATEMENT	2
DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
DEPRECIATION EXPENSES		1,059.	
- SUBTOTAL -	1		1,059.
TOTAL TO FORM 990, PART I, LINE 6B			1,059.

FORM 990	GAIN (LOSS) FROM PUBLICLY TRADED SECURITIES	STATEMENT	3	
DESCRIPTION	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	NET GAIN OR (LOSS)
SALE OF SECURITIES	26,693.	26,853.	0.	<160.>
TO FORM 990, PART I, LINE 8	26,693.	26,853.	0.	<160.>

FORM 990 GAIN (LOSS) FROM SALE OF OTHER ASSETS STATEMENT 4

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED
SALE OF ALVARADO PROPERTY	06/30/03	09/01/07	DONATED

NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
CLINICA ROMERO	2,543,011.	2,250,000.	0.	45,551.	338,562.

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED
SALE OF EQUIPMENT	VARIOUS	VARIOUS	PURCHASED

NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
UNRELATED THIRD PARTIES	0.	1,388,650.	12,409.	1,386,637.	<14,422.>
TO FM 990, PART I, LN 8	2,543,011.	3,638,650.	12,409.	1,432,188.	324,140.

FORM 990 SPECIAL EVENTS AND ACTIVITIES STATEMENT 5

DESCRIPTION OF EVENT	GROSS RECEIPTS	CONTRIBUT. INCLUDED	GROSS REVENUE	DIRECT EXPENSES	NET INCOME OR (LOSS)
DIVINE DESIGN	1,170,144.	449,810.	720,334.	720,334.	0.
ANGEL ART	834,868.	756,987.	77,881.	77,881.	0.
ANGEL AWARDS	337,492.	200,055.	137,437.	137,437.	0.
OTHER EVENTS	291,124.	133,627.	157,497.	157,497.	0.
TO FM 990, PART I, LINE 9	2,633,628.	1,540,479.	1,093,149.	1093149.	0.

FORM 990	OTHER CHANGES IN NET ASSETS OR FUND BALANCES	STATEMENT	6
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DESCRIPTION	AMOUNT
UNREALIZED LOSS	<2,370.>
TOTAL TO FORM 990, PART I, LINE 20	<2,370.>

FORM 990	OTHER EXPENSES	STATEMENT	7
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DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
DIRECT MAIL	425,343.	33,932.	8,483.	382,928.
COMMUNITY OUTREACH	222,798.	211,792.	9,434.	1,572.
UTILITIES	73,418.	62,929.	8,025.	2,464.
MEAL DELIVERY	85,404.	84,485.	389.	530.
INSURANCE	48,269.	41,811.	5,535.	923.
CONSULTANTS & OUTSIDE SERVICES	36,923.	30,932.	2,241.	3,750.
CLIENT OUTREACH & EDUCATION	29,053.	28,914.	119.	20.
MISCELLANEOUS	3,666.	2,809.	392.	465.
BANK CHARGES	14,046.	9,051.	1,263.	3,732.
STAFF & BOARD DEVELOPMENT	2,865.	2,464.	344.	57.
EMPLOYMENT RECRUITMENT	3,398.	2,905.	234.	259.
FOOD & CONTAINERS DUES, SUBSCRIPTIONS & PUBLICATIONS	905,663.	905,663.		
INVESTMENT FEES	6,595.	2,914.	317.	3,364.
VOLUNTEER MANAGEMENT	290.		290.	
	17,478.	17,478.		
TOTAL TO FM 990, LN 43	1,875,209.	1,438,079.	37,066.	400,064.

FORM 990	STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE PART III	STATEMENT	8
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EXPLANATION

NOURISH THE BODY AND SPIRIT OF MEN, WOMEN AND CHILDREN AFFECTED BY HIV/AIDS, CANCER, AND OTHER LIFE-THREATENING ILLNESSES. FROM OUR KITCHEN, PROJECT ANGEL FOOD STAFF AND VOLUNTEERS COOK AND DELIVER FREE AND NUTRITIOUS MEALS PREPARED TO LOVE. WE ACT OUT OF A SENSE OF URGENCY BECAUSE HUNGER AND ILLNESS DO NOT WAIT.

FORM 990 DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 9

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
LAND AND BUILDING	6,971,699.	64,964.	6,906,735.
LEASEHOLD IMPROVEMENTS	8,366.	482.	7,884.
KITCHEN EQUIPMENT	873,361.	99,759.	773,602.
OFFICE EQUIPMENT	112,918.	48,049.	64,869.
VEHICLES	156,599.	104,462.	52,137.
EVENT EQUIPMENT	55,967.	55,967.	0.
FURNITURE AND FIXTURES	187,628.	40,226.	147,402.
TOTAL TO FORM 990, PART IV, LN 57	8,366,538.	413,909.	7,952,629.

FORM 990 NON-GOVERNMENT SECURITIES STATEMENT 10

SECURITY DESCRIPTION	COST/FMV	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	TOTAL NON-GOV'T SECURITIES
MARKETABLE EQUITIES	FMV		9,225.		9,225.
TO FORM 990, LINE 54A, COL B			9,225.		9,225.

FORM 990 PART V-A - LIST OF CURRENT OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES STATEMENT 11

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
JOHN GILE 922 N. VINE STREET LOS ANGELES, CA 90038	CEO 37.50	150,000.	20,855.	7,434.
BEN STILP 922 N. VINE STREET LOS ANGELES, CA 90038	CFO 37.50	100,000.	4,615.	0.
DON A. FRACCHIA 922 N. VINE STREET LOS ANGELES, CA 90038	CHAIR 1.00	0.	0.	0.
MERRILY NEWTON 922 N. VINE STREET LOS ANGELES, CA 90038	CHAIR EMERITUS 1.00	0.	0.	0.
RODERICK CARTER 922 N. VINE STREET LOS ANGELES, CA 90038	TREASURER 1.00	0.	0.	0.
CAROL R. COBEN 922 N. VINE STREET LOS ANGELES, CA 90038	SECRETARY 1.00	0.	0.	0.
COREY PENDLETON 922 N. VINE STREET LOS ANGELES, CA 90038	BOARD MEMBER 1.00	0.	0.	0.
JEROME JANGER, ESQ. 922 N. VINE STREET LOS ANGELES, CA 90038	BOARD MEMBER 1.00	0.	0.	0.
JAMES COMISAR 922 N. VINE STREET LOS ANGELES, CA 90038	BOARD MEMBER 1.00	0.	0.	0.
BRIAN D'ANGONA, M.D. 922 N. VINE STREET LOS ANGELES, CA 90038	BOARD MEMBER 1.00	0.	0.	0.
JOHN MCLLWEE 922 N. VINE STREET LOS ANGELES, CA 90038	BOARD MEMBER 1.00	0.	0.	0.

PROJECT ANGEL FOOD

95-4115863

COLIN GITTENS 922 N. VINE STREET LOS ANGELES, CA 90038	BOARD MEMBER 1.00	0.	0.	0.
JANET HOLDEN 922 N. VINE STREET LOS ANGELES, CA 90038	BOARD MEMBER 1.00	0.	0.	0.
VICKI LOVINE 922 N. VINE STREET LOS ANGELES, CA 90038	BOARD MEMBER 1.00	0.	0.	0.
MICHAEL SAGE 922 N. VINE STREET LOS ANGELES, CA 90038	BOARD MEMBER 1.00	0.	0.	0.
PAUL PAPILE 922 N. VINE STREET LOS ANGELES, CA 90038	BOARD MEMBER 1.00	0.	0.	0.
REV. LEE WALKER 922 N. VINE STREET LOS ANGELES, CA 90038	BOARD MEMBER 1.00	0.	0.	0.
PETER M. GURSKI 922 N. VINE STREET LOS ANGELES, CA 90038	BOARD MEMBER 1.00	0.	0.	0.
ROBERT BAUER 922 N. VINE STREET LOS ANGELES, CA 90038	BOARD MEMBER 1.00	0.	0.	0.
ROBIN FUJIMOTO 922 N. VINE STREET LOS ANGELES, CA 90038	BOARD MEMBER 1.00	0.	0.	0.

TOTALS INCLUDED ON FORM 990, PART V-A

250,000.	25,470.	7,434.
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Project Angel Food
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Program Service Accomplishments

Project Angel Food's mission is to nourish the body and spirit of men, women and children affected by HIV/AIDS, cancer, and other life-threatening illnesses.

Project Angel Food is unique: they are the only organization that delivers freshly-cooked, nutritiously-appropriate meals, free-of-charge to men, women and children debilitated by life-threatening illnesses throughout all of Los Angeles County.

During the twelve months covered in this audit, Project Angel Food realized many milestones. In September 2007, they moved their headquarters from a rented space at 7574 Sunset Boulevard to their first permanent home at 922 Vine Street, with a much-needed expanded kitchen and dispatch area. Moving to the Vine Street building was also a wise decision financially: they are no longer subject to rising rents and instead are investing that money into their own building, laying the foundation for decades of continuing service. On November 15, 2007, Project Angel Food cooked their five millionth meal, which was personally delivered by Mayor Antonio Villaraigosa. From July 1, 2007 to June 30, 2008, they cooked and delivered 535,062 meals to the homes of more than 2,000 people in need throughout Los Angeles County.

History of Project Angel Food

In 1989, Project Angel Food was conceived by a group of caring friends driven to action after witnessing their loved ones' health deteriorate as a result of disease and the malnutrition that accompanies it. Project Angel Food's first meals were cooked and delivered out of a donated church kitchen. Nineteen years later, Project Angel Food is a nationally-respected organization with an involved Board of Directors, a professional staff and more than 1,500 active volunteers. Yet their goals remain consistent: they continue to combat the hardships endured by people with HIV/AIDS, cancer and other life-threatening illnesses through cooking and delivering free, nutritious meals to their homes

Project Angel Food Work

Six days a week volunteers arrive at Project Angel Food's kitchen at 8am to begin a day of cooking and packing more than 1,500 meals that have been designed by an on-staff Registered Dietician to address the nutritional and physical needs of the people we serve. Once the meals are cooked, "plated" and sealed, they move to dispatch for routing. (A meal for Saturday is delivered on Friday.) Meals are then divided into routes that serve all of Los Angeles County – from Lancaster, to Long Beach, and Pomona to the West Valley. Project Angel Food will also deliver meals to a doctor's office or medical clinic if a client has such frequent doctors' visits that they cannot be home for deliveries.

Project Angel Food's professional staff of registered dieticians, certified by the American Dietetic Association, is specialized in nutrition and disease. For example, they understand that people undergoing chemotherapy often have no interest in eating and that every bite must be nutritionally powerful. Therefore, Project Angel Food purchases pasta with a high protein count, serves impactful vegetables like broccoli and spinach, and makes sure that desserts are nutritionally valuable.

Project Angel Food's meals also help manage a range of secondary medical conditions like hypertension, heart disease, and low body weight that can be brought on by poor nutrition, the stresses of a life-threatening illness, and its often grueling treatments. Project Angel Food also take great care to ensure their meals are both delicious and visually appealing - two very important considerations when feeding people facing life threatening illnesses and the depression that often accompanies it.

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Program Service Accomplishments

Project Angel Food's Breakfast - Critical First Meal program, which supplements their regular meal delivery, is aimed at their most vulnerable client, those with so few resources that they rely exclusively on Project Angel Food for their food needs. Project Angel Food knows that the additional breakfast meal has a positive impact on their well-being by providing crucial calories and nutrients, and reducing the level of food insecurity. Breakfast is also vital because many of their clients take morning medications, and they no longer have to do so on an empty stomach (or worse, delay their medications until their mid-day meal arrives.)

Project Angel Food also empowers clients to make healthier, more informed eating choices overall. Throughout the year, each client speaks with a Registered Dietitian at regular intervals. For example, a client with significant fluctuations in his/her health will speak monthly with a dietitian, whereas someone with a more consistent medical scenario might only need to check in once or twice per year. During these nutritional counseling sessions, clients learn about the complex interrelationship between their diet, exercise and lifestyle patterns, disease status, medication and general health.

The People Project Angel Food Serves

Project Angel Food proudly serves any man, woman, or child struggling by HIV/AIDS, cancer, or other life-threatening illness rendering them too weak to shop for groceries or cook their own meals. Clients range in age from 14 – 99 years old. Project Angel Food serves all of Los Angeles County and their client population reflects its diversity: 65% of their clients are people of color; they serve more women, 35%, than anytime in their history; they honor people of all sexual orientations.

The majority of Project Angel Food's clients are everyday people who led productive lives and careers prior to their disability from life-threatening illness. In fact, Project Angel Food's annual client survey reveals a wide range of occupations held by clients before their diagnosis—school teachers, nurse assistants, welders, carpenters, legal secretaries, engineers, accountants, truck drivers, computer technicians, hair stylist and salesmen.

Evaluation of Project Angel Food Program

Project Angel Food's staff – registered dietitians, client services team, kitchen staff, dispatch and delivery driving crew -- work together to monitor the number of meals planned, prepared, delivered and received. This system of checks and balances ensures that no one who needs a meal is missed, and keeps the nutrition and client services team aware of each particular client's health.

Project Angel Food also distributes an annual Client Satisfaction Survey to better understand the degree to which they are meeting their clients' needs. The survey also affords clients the chance to self-report on the impact the program is having on their lives with room for comments relating to services.

Project Angel Food also seeks ongoing verbal feedback and perspective from their clients in two ways. The Client Advisory Board (CAB) is a group that meets quarterly and is open to all clients of the agency. These meetings typically follow an agenda with a specific topic to discuss followed by a question-and-answer session that gives clients a forum to voice their opinions about the agency's services. In addition, Project Angel Food has two clients who serve on the agency's Board of Directors. These two client representatives bring a unique perspective to the organization's governance and make sure that the focus remains on the best interests of the people that they serve.

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Program Service Accomplishments

Organizational Structure

Project Angel Food is governed by a twenty-one member volunteer Board of Directors including two Client Representatives nominated by the Client Advisory Board. The Board of Directors provides strategic vision and direction for agency endeavors, and assumes financial and legal oversight of the organization. A six-member management team oversees the daily operations of the agency. Forty-five staff members comprise the program, kitchen and dispatch teams (including client services, nutrition services and volunteer services), fulfilling the mission of the organization. They are supported by a dedicated corps of volunteers and the seven members of the development, special events and administrative staffs.

Volunteers continue to be the heart and soul of Project Angel Food. In 2007, 1,500 volunteers contributed 44,000 hours of service, the equivalent of 22 full-time staff, and an incredible cost-saving to the organization. More importantly, volunteers provide a critical human touch to the Project Angel Food program with an element of caring and compassion that is unmatched and often missing from the lives of the people served.

Collaborations

Every week, Project Angel Food is an agency of collaboration. Nationally, they are an active member of the Association of Nutrition Services Agencies (ANSA). Locally, they collaborate with more than ninety social service and medical organizations throughout Los Angeles County but, of course, welcome referrals from all groups and individuals. With many organizations, they have reciprocal agreements to share copies of client intake forms and documentation so that clients are spared duplicative, exhaustive and time-consuming intake and document-gathering process. By collaborating and building relationships with many organizations, Project Angel Food "drills" into the various communities of Los Angeles County and address the nutritional needs of the many people struggling with HIV/AIDS, cancer and other life-threatening illnesses.

Project Angel Food's Commitment to the Community

Nearly two decades of continuous service prove Project Angel Food's effectiveness in the preparation and delivery of quality food that support the specific nutritional needs of people affected by HIV/AIDS, cancer and other life-threatening illnesses. Today, Project Angel Food cooks and delivers more than 10,000 meals a week to people for whom a healthy meal, delivered with a warm smile, is truly life-saving. For Life, For Love, For as long as it takes.

NOTES PAYABLE

Notes payable consist of the following at June 30, 2008:

Note Payable - Bank, Secured by a Deed of Trust on Land and Building (Vine Street), Interest Rate of 6.95%, Monthly Principal and Interest Payments of \$20,520 with a Final Principal and Interest Payment of \$2,736,889 in January 2016. \$ 3,054,297

Note Payable - Government Agency, Secured by a Deed of Trust on Land and Building (Vine Street), Service Payback Loan Amortized over a Ten Year Period Ending October 2015 367,778

TOTAL NOTES PAYABLE \$ 3,422,075

LINES OF CREDIT

Project Angel Food had a revolving line of credit in the amount of \$350,000 from a bank at an interest rate of 7.25%. The line of credit was secured by a deed of trust on land and building (Alvarado). This line of credit was paid in full following the sale of the Alvarado property.

Project Angel Food has a revolving line of credit in the amount of \$400,000 from a bank at an interest rate of 1% over the bank's prime rate. The bank's prime rate was 5% as of June 30, 2008. The line of credit is secured by a deed of trust on land and building (Vine Street). The outstanding balance as of June 30, 2008 was \$170,000. This line of credit matures in October 2012. Subsequent to year end, the line of credit was renegotiated. The line of credit was increased to \$900,000 at an interest rate of 1% over the bank's prime rate. The line of credit matures September 1, 2011.

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Depreciation Expense

Description	Depreciation
Leasehold Improvement	866
Kitchen Equipment	100,468
Furniture & Fixture	25,414
Office Equipment	30,462
Vehicles	33,723
Alvarado Property	1,059
Event Equipment	6,218
Vine Street Property	<u>57,687</u>
Total	255,897

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Green Hasson & Janks, LLP

Drawer: Clients

Client Name: PROJECT ANGEL FOOD

Client Number: 4230

File Section: BUSINESS TAX 990

Document Type: TAX RETURN

Description: 2007 PUBLIC DISCLOSURE

Year: 2007

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