

**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation**

2007

Department of the Treasury
Internal Revenue Service

Note: The foundation may be able to use a copy of this return to satisfy state reporting requirements

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

G Check all that apply Initial return Final return Amended return Address change Name change

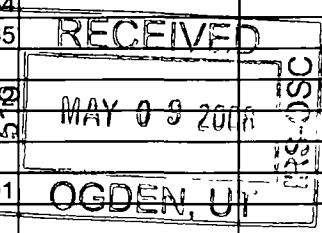
Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation Aequus Institute	A Employer identification number 52-1620982
	Number and street (or P O box number if mail is not delivered to street address) Room/suite P.O. Box 3485	B Telephone number (see page 10 of the instructions) 800-441-1963
	City or town, state, and ZIP code Elmira NY 14905	C If exemption application is pending, check here <input type="checkbox"/> D 1 Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/> E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

H Check type of organization: Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ **5,942,852**

J Accounting method: Cash Accrual
 Other (specify) _____ (Part I, column (d) must be on cash basis)

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received (attach schedule)				
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments	95	95	95	
4 Dividends and interest from securities	98,333	98,333	98,333	
5 a Gross rents				
b Net rental income or (loss)				
6 a Net gain or (loss) from sale of assets not on line 10	802,818			
b Gross sales price for all assets on line 6a 1,297,930				
7 Capital gain net income (from Part IV, line 2)		802,818		
8 Net short-term capital gain				
9 Income modifications				
10 a Gross sales less returns and allowances 3,219				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)	3,219			
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	904,465	901,246	98,428	
13 Compensation of officers, directors, trustees, etc	61,000	24,250		36,750
14 Other employee salaries and wages	45,000	11,250		33,750
15 Pension plans, employee benefits	10,451	2,612		7,839
16 a Legal fees (attach schedule)	2,891	723		2,168
b Accounting fees (attach schedule)	27,455	6,864		20,591
c Other professional fees (attach schedule)	8,165	8,165		
17 Interest				
18 Taxes (attach schedule) (see page 14 of the instructions)	19,460	2,612		
19 Depreciation (attach schedule) and depletion	3,500			
20 Occupancy				
21 Travel, conferences, and meetings	10,343	2,391		7,952
22 Printing and publications	7,356			7,356
23 Other expenses (attach schedule)	16,004			16,004
24 Total operating and administrative expenses.				
Add lines 13 through 23	211,625	58,867		132,410
25 Contributions, gifts, grants paid	572,065			572,065
26 Total expenses and disbursements. Add lines 24 and 25	783,690	58,867		704,475
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	120,775			
b Net investment income (if negative, enter -0-)		842,379		
c Adjusted net income (if negative, enter -0-)			98,428	



SCANNED Revenue 3 2008

Operating and Administrative Expenses

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)			
		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	767,951	308,986	308,986
	3	Accounts receivable			
		Less: allowance for doubtful accounts			
	4	Pledges receivable			
		Less: allowance for doubtful accounts			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)			
	7	Other notes and loans receivable (attach schedule)			
		Less: allowance for doubtful accounts			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges	8,464	450	450
	10 a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	154,837	145,219	145,219
	c	Investments—corporate bonds (attach schedule)	278,119	881,803	881,803
	11	Investments—land, buildings, and equipment basis			
	Less: accumulated depreciation (attach schedule)				
12	Investments—mortgage loans				
13	Investments—other (attach schedule)	4,308,541	4,599,898	4,599,898	
14	Land, buildings, and equipment basis			18,792	
	Less: accumulated depreciation (attach schedule)			12,296	
15	Other assets (describe)				
16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	5,527,908	5,942,852	5,942,852	
Liabilities	17	Accounts payable and accrued expenses		3,384	
	18	Grants payable	213,000	209,500	
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe)			
	23	Total liabilities (add lines 17 through 22)	213,000	212,884	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input checked="" type="checkbox"/>				
	24	Unrestricted	5,314,908	5,729,968	
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg, and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds				
30	Total net assets or fund balances (see page 17 of the instructions)	5,314,908	5,729,968		
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	5,527,908	5,942,852		

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	5,314,908
2	Enter amount from Part I, line 27a	2	120,775
3	Other increases not included in line 2 (itemize) <u>Unrealized gains on investments</u>	3	294,285
4	Add lines 1, 2, and 3	4	5,729,968
5	Decreases not included in line 2 (itemize)	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	5,729,968

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a Publicly traded securities		P	Various	Various
b Acacia partnership distributions		P	Various	Various
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale		(h) Gain or (loss) (e) plus (f) minus (g)
a 292,211		287,414		4,797
b 798,021				798,021
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(I) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any		
a				4,797
b				798,021
c				
d				
e				
2 Capital gain net income or (net capital loss)		{ If gain, also enter in Part I, line 7 { If (loss), enter -0- in Part I, line 7		2 802,818
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8		} }		3

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2006	627,734	5,462,219	0.114923
2005	476,374	5,271,604	0.090366
2004	791,564	4,893,872	0.161746
2003	458,280	4,670,246	0.098128
2002	650,354	5,127,783	0.126829
2 Total of line 1, column (d)			2 0.591992
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3 0.118398
4 Enter the net value of noncharitable-use assets for 2007 from Part X, line 5			4 5,658,211
5 Multiply line 4 by line 3			5 669,921
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 8,424
7 Add lines 5 and 6			7 678,345
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.			8 704,475

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

Table with 11 rows for excise tax calculations. Includes sub-tables for credits/payments (6a-6d) and a 'Refunded' amount of 5,040.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Columns include question number, 'Yes', and 'No' checkboxes. Includes questions about political campaigns, tax on political expenditures, and asset reporting.

Part VII-A Statements Regarding Activities (continued)

11a	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)			X
b	If "Yes," did the foundation have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in the attachment for line 11a?		N/A	
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract?			X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?		X	
Website address ▶ <u>www.aequus.org</u>				
14	The books are in care of ▶ <u>Nancy Padilla</u>	Telephone no ▶	<u>800-441-1963</u>	
	Located at ▶ <u>Post Office Box 3485 Elmira NY</u>	ZIP+4 ▶	<u>91711</u>	
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the year		▶	15 N/A

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	X
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2007?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 2007, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2007? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ 20 _____, 20 _____, 20 _____, 20 _____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 22 of the instructions)	2b	N/A
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20 _____, 20 _____, 20 _____, 20 _____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2007 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2007)	3b	N/A
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2007?	4b	X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to:
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?
(3) Provide a grant to an individual for travel, study, or other similar purposes?
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions)
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?
b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)?
Organizations relying on a current notice regarding disaster assistance check here
c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?
If "Yes," attach the statement required by Regulations section 53.4945-5(d)
6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?
If you answered "Yes" to 6a, also file Form 8870
7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?
b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

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 and deferred compensation, (e) Expense account, other allowances. Rows include Larry Arnn, Edwin Feulner, David Keyston, and Patrick Parker.

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). If none, enter "NONE."

Table with 5 columns: (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 and deferred compensation, (e) Expense account, other allowances. Row 1 contains 'None'.

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

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter

"NONE."	(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
None		
		
		
		
		
		

Total number of others receiving over \$50,000 for professional services ▶

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
3 All other program-related investments See page 24 of the instructions	
Total. Add lines 1 through 3 ▶	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	5,435,227
b	Average of monthly cash balances	1b	291,649
c	Fair market value of all other assets (see page 25 of the instructions)	1c	17,501
d	Total (add lines 1a, b, and c)	1d	5,744,377
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	5,744,377
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see page 25 of the instructions)	4	86,166
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	5,658,211
6	Minimum investment return. Enter 5% of line 5	6	282,911

Part XI Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	282,911
2a	Tax on investment income for 2007 from Part VI, line 5	2a	8,424
b	Income tax for 2007 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	8,424
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	274,487
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	274,487
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	274,487

Part XII Qualifying Distributions (see page 26 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	704,475
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	704,475
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	8,424
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	696,051

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2006	(c) 2006	(d) 2007
1 Distributable amount for 2007 from Part XI, line 7				274,487
2 Undistributed income, if any, as of the end of 2006:				
a Enter amount for 2006 only				
b Total for prior years: 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2007				
a From 2002	805,558			
b From 2003	231,934			
c From 2004	553,210			
d From 2005	228,843			
e From 2006	368,217			
f Total of lines 3a through e	2,187,762			
4 Qualifying distributions for 2007 from Part XII, line 4 ▶ \$ 704,475				
a Applied to 2006, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see page 27 of the instructions)				
c Treated as distributions out of corpus (Election required—see page 27 of the instructions)				
d Applied to 2007 distributable amount				274,487
e Remaining amount distributed out of corpus	429,988			
5 Excess distributions carryover applied to 2007 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	2,617,750			
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions				
e Undistributed income for 2006 Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions				
f Undistributed income for 2007. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2008				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2002 not applied on line 5 or line 7 (see page 27 of the instructions)	805,558			
9 Excess distributions carryover to 2008. Subtract lines 7 and 8 from line 6a	1,812,192			
10 Analysis of line 9:				
a Excess from 2003	231,934			
b Excess from 2004	553,210			
c Excess from 2005	228,843			
d Excess from 2006	368,217			
e Excess from 2007	429,988			

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2007, enter the date of the ruling

[Empty box for ruling date]

b Check box to indicate whether the foundation is a private operating foundation described in section

4942(j)(3) or 4942(j)(5)

2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed.

Table with 5 columns: Tax year (a) 2007, Prior 3 years (b) 2006, (c) 2005, (d) 2004, (e) Total. Rows include 2b, 2c, 2d, 2e, 3, 3a(1), 3a(2), 3b, 3c(1), 3c(2), 3c(3), 3c(4).

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see page 28 of the instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2))

None

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

None

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number of the person to whom applications should be addressed

Nancy Padilla Post Office Box 3485 Elmira NY 14905 800-441-1963

b The form in which applications should be submitted and information and materials they should include:

Letter of proposal with a budget attached.

c Any submission deadlines:

None

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

Study of Christian Science religion. The free market system and related areas.

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

<p>Recipient</p> <p>Name and address (home or business)</p>	<p>If recipient is an individual, show any relationship to any foundation manager or substantial contributor</p>	<p>Foundation status of recipient</p>	<p>Purpose of grant or contribution</p>	<p>Amount</p>
<p>a <i>Paid during the year</i> See listing attached</p>				<p>572,065</p>
<p>Total</p>			<p>▶ 3a</p>	<p>572,065</p>
<p>b <i>Approved for future payment</i></p>				
<p>Total</p>			<p>▶ 3b</p>	

Name as shown on return Aeguus Institute	ID number 52-1620982
---------------------------------------------	-------------------------

STATEMENT #1 - DETAIL OF SALES (Part I, Line 10a)

Sales of books, C.D.'s and pamphlets	3,219
GROSS PROFIT	<u>3,219</u>

STATEMENT #2 - OTHER PROFESSIONAL FEES (Part I, Line 16c)

Investment management fees	8,165
----------------------------	-------

STATEMENT #3 - TAXES (Part I, Line 18)

Foreign income taxes	2,612
Federal excise taxes	16,848
TOTAL TAXES	<u>19,460</u>

STATEMENT #4 - OTHER EXPENSES (Part I, Line 23)

Bank charges	545
Dues and subscriptions	2,591
Entertainment and meals	1,477
Insurance	2,874
Miscellaneous	465
Office supplies	1,331
Outside services	1,668
Postage	2,613
Telephone	2,440
TOTAL OTHER EXPENSES	<u>16,004</u>

**Aequus Institute
Securities Owned
December 31, 2007**

Type	Stock Name	Buy Qty.	Buy Date	Cost	Market Value
Stocks:					
	ING Group	4,000	07/18/02	100,002	87,600
	Newmont Mining	1,180	10/30/03	50,208	57,619
	Total			150,210	145,219
Bonds:					
	Mellon Financial Note	75,000	05/14/98	76,370	77,800
	Treasury Note 1/15/08	69,000	Various	87,342	89,344
	FNMA 5/15/08	31,000	Various	31,271	31,155
	FNMA 10/15/08	40,000	Various	39,997	40,325
	Treasury Note 12/15/2008	40,000	Various	39,142	40,050
	Treasury Note 1/15/2009	39,000	Various	38,051	39,067
	FNMA 2/15/10	45,000	10/17/07	44,403	45,295
	Treasury Note 4/15/2010	49,000	Various	49,965	53,856
	Treasury Note 7/15/2012	41,000	Various	47,629	51,598
	Treasury Note 8/15/2015	39,000	Various	54,401	56,303
	Treasury Note 11/15/2018	17,000	Various	23,016	24,037
	Pimco Fixed Income C	13,780	Various	155,010	174,317
	Pimco Fixed Income M	13,905	Various	155,333	158,656
	Total			841,930	881,803
Pooled Investment Partnership:					
	Acacia Partners			2,304,797	4,599,898
	Total			2,304,797	4,599,898

AEQUUS INSTITUTE
Grants Awarded
Year 2007

GRANT RECIPIENT	DATE AWARDED	AMOUNT AWARDED
GEORGE WASHINGTON'S MOUNT VERNON P.O. Box 110 Mount Vernon, VA 22121 Purpose: General Operations	02/06/07	1,000
INTERCOLLEGIATE STUDIES INSTITUTE 3901 Centerville Rd. Wilmington, Delaware 19807-0431 Purpose: General Operations	02/07/07	3,000
ST JAMES SCHOOL 17641 College Road St. James, Maryland 21781 Purpose: General Operations	02/07/07	1,000
REGIS UNIVERSITY 3333 Regis Boulevard, Mail Stop F-20 Denver, Colorado 80221-1099 Purpose: General Operations	02/07/07	4,000
ACTON INSTITUTE 161 Ottawa NW, Ste. 301 Grand Rapids, MI 49503 Purpose: General Operations	02/07/07	1,000
VICTIMS OF COMMUNISM MEMORIAL FUND 1521 Sixteenth Street, NW Washington, DC 20036 Purpose: General Operations	02/07/07	1,000
LEADERS FOR LIBERTY INSTITUTE P.O. Box 162671 Sacramento, CA 95813 Purpose: General Operations	03/12/07	3,000
FREE Fdt for Research on Econ and Environment 662 Ferguson Road Bozeman, MT 58718 Purpose: Conference Series	04/14/07	1,000
GEORGE MASON UNIVERSITY - LEC 4400 University Drive, MSN 3G4 Fairfax, VA 22030-4444 Purpose: Program for Judges	04/14/07	5,000
HERITAGE FOUNDATION 214 Massachusetts Avenue Washington, DC 20002 Purpose: General Operations	04/14/07	100,000
LANDMARK LEGAL FOUNDATION 3100 Broadway, Suite 1110 Kansas City, MO 64111 Purpose: General Operations	04/14/07	2,500
PHILADELPHIA SOCIETY 11620 Rutan Circle Jerome, Michigan 49249 Purpose: Annual Meeting and General Operations	04/14/07	5,000

AEQUUS INSTITUTE
Grants Awarded
Year 2007

GRANT RECIPIENT	DATE AWARDED	AMOUNT AWARDED
ST. VINCENT COLLEGE - CPET 300 Fraser Purchase Road Latrobe, PA 15650 Purpose: Conference Series	04/14/07	1,000
US ENGLISH FOUNDATION 1747 Pennsylvania Avenue, N.W. Washington, D.C. 20006 Purpose: Nat'l Assimilation Index, Briefing Series	04/14/07	1,000
THE BOOKMARK P.O. Box 881143 Santa Clarita, CA 91380 Purpose: ERG for Printing and Publishing	04/14/07	14,000
NOVUS ORDO SECLORUM Box 11 Mount Joy, PA 17552 Purpose: General Operations	04/14/07	3,000
FORESIGHT INSTITUTE P.O. Box 61058 Palo Alto, CA 94306 Purpose: General Operations	04/14/07	2,000
CATO INSTITUTE 1000 Massachusetts Avenue, N.W. Washington D.C. 20001-5403 Purpose: Magazine Publication, Regulation	04/14/07	2,500
C.S. ASSOC. OF PUPILS OF BETTY ANN RIDLEY 3000 United Founders Boulevard, #100G Oklahoma City, OK 73112 Purpose: Newsletter Mailing	06/04/07	1,250
BRUIN ALUMNI ASSOCIATION P.O. Box 221 Culver City, CA 90232 Purpose: General Operations	08/09/07	1,000
CAPITAL RESEARCH CENTER 1513 16th Street, N.W. Washington, DC 20036 Purpose: General Operations	08/09/07	5,000
CLAREMONT INSTITUTE 937 W. Foothill Boulevard Claremont, CA 91711 Purpose: General Operations	08/09/07	40,000
COALITION ON URBAN RENEWAL & EDUCATION 6033 W. Century Boulevard, Suite 590 Los Angeles, CA 90045 Purpose: Cure.net Outreach Project	08/09/07	2,500
FUND FOR AMERICAN STUDIES 1706 New Hampshire Avenue, N.W. Washington, DC 2009 Purpose: General Operations	08/09/07	1,000

AEQUUS INSTITUTE
Grants Awarded
Year 2007

GRANT RECIPIENT	DATE AWARDED	AMOUNT AWARDED
INSTITUTE OF WORLD POLITICS 1521 16th Street, N.W. Washington, DC 20036 Purpose: General Operations	08/09/07	15,000
INTERCOLLEGIATE STUDIES INSTITUTE 3901 Centerville Road Wilmington, DE 19807 Purpose: Educational Optrns. Mktg. & Outreach	08/09/07	30,000
REASON FOUNDATION 3415 S. Sepulveda Boulevard, Suite 400 Los Angeles, CA 90034 Purpose: General Operations	08/09/07	2,500
C.S. ASSOC. OF PUPILS OF BETTY ANN RIDLEY 1150 17th Street NW, Suite 307 Washington, DC 20036 Purpose: CD Recording & Reproduction Costs	08/09/07	2,500
CLIFTON HOUSE 3440 Beltline Boulevard, Suite 102 St. Louis Park, MN 55416 Purpose: Capital Campaign	08/09/07	1,500
DAYSTAR FOUNDATION 3000 United Founders Boulevard, Suite 104G Oklahoma City, OK 73112 Purpose: Storage Rental	08/09/07	2,400
FRIENDS OF FIRST CHURCH, BERKELEY 146 Brookfield Drive Moraga, CA 94556 Purpose: Building Renovations	08/09/07	5,000
TWELVEACRES, INC. 595 Millich Drive Campbell, CA 95008 Purpose: General Operations	08/09/07	5,000
SHIMER COLLEGE 3424 South State Street Chicago, IL 60616 Purpose: General Operations	08/09/07	190,000
ZAWADI AFRICAN EDUCATIONAL FUND P.O. Box 541046 Cincinnati, OH 45254 Purpose: General Operations	08/24/07	1,000
AMERICAN ACADEMY FOR LIBERAL EDUCATION 1050 17th Street, N.W., Suite 400 Washington, DC 20036 Purpose: General Operations	10/15/07	10,000
THOMAS MORE COLLEGE OF LIBERAL ARTS Six Manchester Street Merrimack, NH 03054 Purpose: General Operations	11/15/07	1,000

AEQUUS INSTITUTE
Grants Awarded
Year 2007

GRANT RECIPIENT	DATE AWARDED	AMOUNT AWARDED
ACTON INSTITUTE 161 Ottawa NW, Ste. 301 Grand Rapids, MI 49503 Purpose: General Operations	12/12/07	2,500
ATLAS ECONOMIC RESEARCH FOUNDATION 2000 N. 14th Street Arlington, VA 22201 Purpose: General Operations	12/12/07	5,000
BILL OF RIGHTS INSTITUTE 200 Glebe Road, Suite 200 Arlington, VA 22203 Purpose: Property Rights Curriculum Project	12/12/07	1,000
CLAREMONT INSTITUTE 937 W. Foothill Boulevard Claremont, CA 91711 Purpose: Colorado Project	12/12/07	5,000
COMPETITIVE ENTERPRISE INSTITUTE 1001 Connecticut Avenue, NW, Suite 1250 Washington, D.C. 20036 Purpose: General Operations	12/12/07	5,000
INSTITUTE OF ECONOMIC AFFAIRS 2000 North 14th Street, Suite 550 Arlington, VA 22201 Purpose: General Operations	12/12/07	2,000
INSTITUTE FOR HUMANE STUDIES 3301 North Fairfax Drive, Suite 440 Arlington, VA 22201 Purpose: General Operations	12/12/07	2,500
MACKINAC CENTER FOR PUBLIC POLICY P.O. Box 568 Midland, Michigan 48640 Purpose: General Operations	12/12/07	1,000
PACIFIC RESEARCH INSTITUTE 755 Sansome Street, Suite 450 San Francisco, CA 94111 Purpose: Education Studies Program	12/12/07	2,500
TAX FOUNDATION 2001 L Street, N.W. Suite 1050 Washington, DC 20036 Purpose: General Operations	12/12/07	1,000
THE BOOKMARK P.O. Box 881143 Santa Clarita, CA 91380 Purpose: ERG for Printing Costs	12/12/07	4,500
CS ENDTIME CTR dba Church of C.J. & MBE CS 3225-J S. Wadsworth Boulevard Denver, CO 80227 Purpose: Publishing & Mailing Costs	12/12/07	2,500

AEQUUS INSTITUTE
Grants Awarded
Year 2007

GRANT RECIPIENT	DATE AWARDED	AMOUNT AWARDED
FRIENDS OF FIRST CHURCH, BERKELEY 146 Brookfield Drive Moraga, CA 94556 Purpose: Building Renovations	12/12/07	2,500
HEALING UNLIMITED P.O. Box 732 Sand Point, ID 83864 Purpose: Book Publishing	12/12/07	5,000
LONGYEAR FOUNDATION & MUSEUM 1125 Boylston Street Chestnut Hill, MA 02467 Purpose: Furniture	12/12/07	2,500
NOVUS ORDO SECLORUM Box 11 Mount Joy, PA 17552 Purpose: Printing Costs	12/12/07	2,500
DAYSTAR FOUNDATION 3000 United Founders Boulevard, Suite 104G Oklahoma City, OK 73112 Purpose: Bldg Purchase, Plaque	12/12/07	50,415
OMAHA ZOOLOGICAL SOCIETY 3701 S. 10th Street Omaha, NE 68107 Purpose: General Operations	12/27/07	1,000
SALVATORI CENTER OF CMC 500 E. 9th Street Claremont, CA 91711 Purpose: General Operations	12/27/07	1,000
CLAREMONT INSTITUTE 937 W. Foothill Boulevard Claremont, CA 91711 Purpose: General Operations	12/27/07	3,000
CHURCHILL CENTRE 1150 17th Street NW, Suite 307 Washington, DC 20036 Purpose: General Operations	12/27/07	1,000
ZAWADI AFRICAN EDUCATIONAL FUND P.O. Box 541046 Cincinnati, OH 45254 Purpose: General Operations	12/27/07	1,000

2007 GRANT TOTAL	572,065
-------------------------	----------------