

Financial Operations Report

For the Year Ended December 31, 2006

Consolidated Statement of Financial Position

December 31, 2006

Assets

Cash and cash equivalents	\$ 29,359,137
Receivables	20,182,113
Prepaid expenses, deferred charges and deposits	2,881,296
Investments, at market value	150,039,531
Fixed assets, net of depreciation	16,397,260
Total Assets	<u>\$ 218,859,337</u>

Liabilities

\$ 20,373,297

Net Assets

Unrestricted	142,006,266
Temporarily restricted	28,207,483
Permanently restricted	28,272,291
Total Net Assets	<u>198,486,040</u>
Total Liabilities and Net Assets	<u>\$ 218,859,337</u>

Consolidated Statement of Activities

Revenue, Other Additions and Transfers	Unrestricted	Temporarily Restricted	Permanently Restricted	Year Ended December 31, 2006
Contributions and grants	\$ 66,855,832	\$ 15,547,031	\$ 5	\$ 82,402,868
Bequests	25,720,810	4,683,424	—	30,404,234
Investment income	635,830	(2,835,559)	7,202,960	5,003,231
Sale of literature and other income, net	4,133,634	691,796	—	4,825,430
Total Revenue and Other Additions	<u>\$ 97,346,106</u>	<u>\$ 18,086,692</u>	<u>\$ 7,202,965</u>	<u>\$ 122,635,763</u>
Transfers (net assets released from restrictions)	26,283,493	(26,283,493)	—	—
Total Revenue, Other Additions, and Transfers	<u>\$ 123,629,599</u>	<u>(8,196,801)</u>	<u>\$ 7,202,965</u>	<u>\$ 122,635,763</u>
Expenses and Other Deductions				
Animal-protection programs				
Research and education	\$ 6,667,880	\$ —	\$ —	\$ 6,667,880
Field Services and Disaster Response program	19,445,945	—	—	19,445,945
Domestic cruelty prevention program	5,490,949	—	—	5,490,949
Wildlife programs	12,497,277	—	—	12,497,277
Animal care facilities	6,608,349	—	—	6,608,349
Campaigns, litigation, and legislation	17,501,936	—	—	17,501,936
International animal programs	8,876,168	—	—	8,876,168
Strategic communication	11,602,105	—	—	11,602,105
Supporting services				
Management and general	5,700,180	—	—	5,700,180
Fund-raising	14,112,951	—	—	14,112,951
Total Expenses and Other Deductions	<u>\$ 108,503,740</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 108,503,740</u>
Change in Net Assets from Operations	\$ 15,125,859	\$ (8,196,801)	\$ 7,202,965	\$ 14,132,023
Realized and unrealized gain on investments	10,241,596	583,896	(1,652)	10,823,840
Change in Net Assets	<u>\$ 25,367,455</u>	<u>\$ (7,612,905)</u>	<u>\$ 7,201,313</u>	<u>\$ 24,955,863</u>
Net Assets at January 1, 2006, as previously reported	\$ 116,638,811	\$ 34,934,689	\$ 21,070,978	\$ 172,644,478
Adjustments to reflect change in reporting entity—HSLF and DDAL	—	885,699	—	885,699
Net Assets at January 1, 2006, as adjusted	<u>\$ 116,638,811</u>	<u>\$ 35,820,388</u>	<u>\$ 21,070,978</u>	<u>\$ 173,530,177</u>
Net Assets, end of year	<u>\$ 142,006,266</u>	<u>\$ 28,207,483</u>	<u>\$ 28,272,291</u>	<u>\$ 198,486,040</u>