

HUMANEWATCH.ORG

THE HUMANE SOCIETY OF THE UNITED STATES

COMBINED FINANCIAL STATEMENTS
AND REPORT OF INDEPENDENT AUDITORS

DECEMBER 31, 1994



900 Seventeenth Street, N.W.
Washington, D.C. 20006-2590
202/331-9380
202/331-9890 FAX

*Members of the American Institute of
Certified Public Accountants*

REPORT OF INDEPENDENT AUDITORS

To the Board of Directors of
The Humane Society of the United States
Gaithersburg, Maryland

We have audited the accompanying combined balance sheet of The Humane Society of the United States as of December 31, 1994 and 1993 and the related combined statements of revenue, expenses and changes in fund balances, of functional expenses and of cash flows for the years then ended. These combined financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these combined financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of The Humane Society of the United States and affiliates as of December 31, 1994 and 1993 and the combined results of its operations and their cash flows for the years then ended, in conformity with generally accepted accounting principles.

Thomas Havey & Co., LLP

February 11, 1995

THE HUMANE SOCIETY OF THE UNITED STATES

COMBINED BALANCE SHEET

DECEMBER 31, 1994

(With Comparative Totals at December 31, 1993)

	<u>Unrestricted Funds</u>	
	<u>General Fund</u>	<u>Board- Designated Funds</u>
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents (Note 1f)	\$ 1,857,316	\$ 4,794,223
Accounts receivable	24,426	-
Accrued interest receivable	-	35,539
Prepaid expenses	56,741	-
Inventory, at cost	116,987	-
Deposits	27,676	-
Due from (to) other funds	4,395,991	(3,677,289)
Pension intangible asset (Note 6)	-	-
Total current assets	<u>6,479,137</u>	<u>1,152,473</u>
Deferred compensation annuity contracts (Note 8)	291,616	-
Notes receivable	81,896	186,928
Investments (Note 3)	594,967	15,094,535
Property and equipment, at cost less accumulated depreciation of \$2,257,920 and \$1,895,826, respectively (Note 2)	<u>9,734,164</u>	<u>-</u>
Total assets	<u>\$17,181,780</u>	<u>\$16,433,936</u>

LIABILITIES AND FUND BALANCES

Current liabilities:		
Accounts payable	\$ 1,234,754	\$ -
Other liabilities	220,418	-
Total current liabilities	<u>1,455,172</u>	<u>-</u>
Accrued pension obligation (Note 6)	612,559	-
Deferred compensation liability (Note 8)	291,616	-
Total liabilities	<u>2,359,347</u>	<u>-</u>
Fund balances:		
Unrestricted	14,822,433	-
Board-designated endowment fund	-	248,285
Board-designated investment fund	-	15,803,238
Board-designated special purpose funds	-	382,413
Restricted funds	-	-
Endowment funds	-	-
Annuity funds	-	-
Trust fund	-	-
Total fund balances - Exhibit "B"	<u>14,822,433</u>	<u>16,433,936</u>
Total liabilities and fund balances	<u>\$17,181,780</u>	<u>\$16,433,936</u>

See accompanying notes to the combined financial statements.

<u>Restricted Funds</u>	<u>Endowment Funds</u>	<u>Annuity Funds</u>	<u>Trust Fund</u>	<u>1994 Total</u>	<u>1993 Total</u>
\$ 612,849	\$ 552,601	\$ 160,824	\$ 73,817	\$ 8,051,630	\$ 7,773,040
-	-	-	-	24,426	59,453
1,458	9,574	29,477	13,653	89,701	120,334
-	-	-	-	56,741	162,885
-	-	-	-	116,987	-
-	-	-	-	27,676	15,652
-	(17,353)	(701,588)	239	-	-
-	-	-	-	-	18,027
<u>614,307</u>	<u>544,822</u>	<u>(511,287)</u>	<u>87,709</u>	<u>8,367,161</u>	<u>8,149,391</u>
-	-	-	-	291,616	277,271
-	-	-	-	268,824	631,898
62,494	2,686,491	3,688,946	1,451,442	23,578,875	23,034,938
-	-	-	-	9,734,164	9,241,994
<u>\$ 676,801</u>	<u>\$ 3,231,313</u>	<u>\$ 3,177,659</u>	<u>\$ 1,539,151</u>	<u>\$42,240,640</u>	<u>\$41,335,492</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,234,754	\$ 446,926
-	-	-	-	220,418	252,910
-	-	-	-	1,455,172	699,836
-	-	-	-	612,559	626,311
-	-	-	-	291,616	277,271
-	-	-	-	2,359,347	1,603,418
-	-	-	-	14,822,433	13,082,439
-	-	-	-	248,285	248,285
-	-	-	-	15,803,238	17,338,938
-	-	-	-	382,413	389,232
676,801	-	-	-	676,801	778,971
-	3,231,313	-	-	3,231,313	3,230,362
-	-	3,177,659	-	3,177,659	3,120,912
-	-	-	1,539,151	1,539,151	1,542,935
<u>676,801</u>	<u>3,231,313</u>	<u>3,177,659</u>	<u>1,539,151</u>	<u>39,881,293</u>	<u>39,732,074</u>
<u>\$ 676,801</u>	<u>\$ 3,231,313</u>	<u>\$ 3,177,659</u>	<u>\$ 1,539,151</u>	<u>\$42,240,640</u>	<u>\$41,335,492</u>

THE HUMANE SOCIETY OF THE UNITED STATES

COMBINED STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND BALANCES

YEAR ENDED DECEMBER 31, 1994

(With Comparative Totals for the Year Ended December 31, 1993)

	<u>Unrestricted Funds</u>	
	<u>General Fund</u>	<u>Board-Designated Funds</u>
Revenue and other additions:		
Dues and contributions	\$15,747,814	\$ -
Grants and trust contributions	1,186,757	-
Bequests (Note 1g)	1,270,657	2,762,989
Investment income:		
Endowment	176,621	-
Board-designated	11,136	588,304
Other	280,916	-
Rental income	466,941	-
Gain (loss) on sale of investments	(6,213)	392,096
Sales of literature and other income, net of catalog expenses of \$175,441	1,037,910	-
	<u>20,172,539</u>	<u>3,743,389</u>
Expenses and other deductions:		
Program services	18,621,425	-
Payments to annuitants	-	-
Management and general	1,677,270	155,530
Membership development	1,197,065	-
Fund raising	2,277,777	-
	<u>23,773,537</u>	<u>155,530</u>
Excess (deficiency) of revenues over expenses	(3,600,998)	3,587,859
Transfers:		
Apportionment of prior years' bequest revenue recognized in General Fund (Note 1g)	5,122,845	(5,122,845)
Other transfers	218,147	(7,533)
Net increase (decrease) for the year	1,739,994	(1,542,519)
Fund balances at beginning of year	<u>13,082,439</u>	<u>17,976,455</u>
Fund balances at end of year - Exhibit "A"	<u>\$14,822,433</u>	<u>\$16,433,936</u>

See accompanying notes to the combined financial statements.

Restricted Funds	Endowment Funds	Annuity Funds	Trust Fund	1994 Total	1993 Total
\$ -	\$ -	\$ 25,000	\$ -	\$15,772,814	\$13,829,313
112,837	-	-	-	1,299,594	1,630,828
-	-	-	-	4,033,646	5,688,528
-	-	-	-	176,621	193,168
-	-	-	-	599,440	487,629
16,201	-	206,255	73,645	577,017	716,070
-	-	-	-	466,941	396,117
(7,527)	18,815	27,342	(15,120)	409,393	942,726
-	-	377	2,650	1,040,937	606,824
<u>121,511</u>	<u>18,815</u>	<u>258,974</u>	<u>61,175</u>	<u>24,376,403</u>	<u>24,491,203</u>
26,157	-	-	55,725	18,703,307	14,512,348
-	-	161,865	-	161,865	160,787
948	17,864	26,324	9,234	1,887,170	1,936,749
-	-	-	-	1,197,065	2,721,891
-	-	-	-	2,277,777	1,681,400
<u>27,105</u>	<u>17,864</u>	<u>188,189</u>	<u>64,959</u>	<u>24,227,184</u>	<u>21,013,175</u>
94,406	951	70,785	(3,784)	149,219	3,478,028
-	-	-	-	-	-
<u>(196,576)</u>	<u>-</u>	<u>(14,038)</u>	<u>-</u>	<u>-</u>	<u>-</u>
(102,170)	951	56,747	(3,784)	149,219	3,478,028
<u>778,971</u>	<u>3,230,362</u>	<u>3,120,912</u>	<u>1,542,935</u>	<u>39,732,074</u>	<u>36,254,046</u>
<u>\$ 676,801</u>	<u>\$ 3,231,313</u>	<u>\$ 3,177,659</u>	<u>\$ 1,539,151</u>	<u>\$39,881,293</u>	<u>\$39,732,074</u>

THE HUMANE SOCIETY OF THE UNITED STATES
COMBINED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 1994
(With Comparative Totals for the Year Ended December 31, 1993)

	Public Education, Membership Information and Publications	Cruelty Investigations and Regional Offices	Wildlife, Animal Habitat and Sheltering	Youth and Higher Education
Salaries	\$ 1,409,624	\$ 1,159,879	\$ 910,087	\$ 325,127
Payroll taxes	110,534	91,136	71,509	25,546
Employee benefits	334,284	275,617	216,260	77,511
Total compensation	1,854,442	1,526,632	1,197,856	428,184
Consultants and contracted services	631,121	33,426	62,569	606
Professional fees	2,866	1,739	-	-
Office supplies and expenses	109,596	45,500	18,176	43,465
Telephone	53,568	92,449	46,298	12,781
Postage and shipping	75,397	166,840	32,012	192,135
Occupancy and building expense	131,058	106,401	52,314	23,171
Investment expenses and trustees' fees	-	-	-	-
Board meetings and conference expenses	210,224	309	732	-
Travel, meals and lodging	244,204	342,299	207,267	21,278
Insurance and bonds	32,854	32,071	14,244	1,032
Depreciation	109,712	109,712	43,885	-
Equipment rental and maintenance	46,316	36,905	13,865	7,690
Contributions and grants	12,217	500	55,630	-
Real estate and personal property taxes	15,415	11,675	860	-
Educational material, publications and campaigns	2,471,965	247,001	862,864	340,717
Mailings (Note 7)	3,985,350	-	-	-
Payments to annuitants	-	-	-	-
Total	<u>\$ 9,986,305</u>	<u>\$ 2,753,459</u>	<u>\$ 2,608,572</u>	<u>\$1,071,059</u>

See accompanying notes to the combined financial statements.

Legal Assistance, Legislation and Government Relations	Laboratory, Bioethics and Farm Animals	Gifts and Grants to Other Humane Organizations	Payments to Annuitants	Management and General	Membership Development	Fund Raising	1994 Total	1993 Total
\$ 633,979	\$ 380,683	\$ -	\$ -	\$ 610,293	\$ -	\$ 296,374	\$ 5,726,046	\$ 5,350,732
49,813	29,912	-	-	47,952	-	23,287	449,689	422,608
150,650	90,460	-	-	153,138	-	70,426	1,368,346	1,194,977
834,442	501,055	-	-	811,363	-	390,087	7,544,081	6,968,317
95,891	19,490	-	-	93,484	21,060	46,395	1,004,042	919,022
44,393	-	-	-	102,824	-	-	151,822	113,431
12,556	4,415	-	-	36,552	-	17,179	287,439	237,820
24,997	11,198	-	-	28,333	-	6,302	275,926	227,483
4,659	3,357	-	-	30,588	10	62,278	567,276	526,238
43,660	21,730	-	-	120,693	-	15,249	514,276	458,846
-	-	-	-	319,425	-	-	319,425	304,645
-	-	-	-	38,134	-	-	249,399	187,453
25,636	39,378	-	-	52,065	-	17,174	949,301	945,230
13,368	12,564	-	-	24,649	-	940	131,722	83,277
43,885	43,885	-	-	91,550	-	-	442,629	402,274
16,648	2,765	-	-	25,573	-	5,526	155,288	109,532
-	358	247,785	-	55,725	-	-	372,215	309,063
32,660	44,745	-	-	48,089	-	180	153,624	97,457
137,652	740	-	-	8,103	-	158,104	4,227,146	3,951,764
-	-	-	-	-	1,175,995	1,558,363	6,719,708	5,010,536
-	-	-	161,865	-	-	-	161,865	160,787
<u>\$1,330,447</u>	<u>\$ 705,680</u>	<u>\$ 247,785</u>	<u>\$ 161,865</u>	<u>\$ 1,887,170</u>	<u>\$ 1,197,065</u>	<u>\$ 2,277,777</u>	<u>\$24,227,184</u>	<u>\$21,013,175</u>

THE HUMANE SOCIETY OF THE UNITED STATESCOMBINED STATEMENT OF CASH FLOWS

	<u>Year Ended December 31,</u>	
	<u>1994</u>	<u>1993</u>
Cash flows from operating activities:		
Dues and contributions	\$15,262,406	\$ 13,829,313
Grants and trust contributions	1,299,594	1,630,828
Bequests	3,086,328	3,782,782
Investment income	1,384,854	1,362,407
Rental income	467,024	396,117
Sales of literature and other income	1,070,817	796,521
Salaries, payroll taxes and benefits	(7,590,196)	(6,650,773)
Mailing vendors	(6,610,690)	(5,010,536)
Service providers, vendors and others	(8,700,246)	(8,781,911)
Net cash provided by (used for) operating activities	<u>(330,109)</u>	<u>1,354,748</u>
Cash flows from investing activities:		
Principal payments received on notes receivable	382,442	491,868
Purchase of investments	(8,750,411)	(12,872,863)
Proceeds from sale of investments	9,542,380	9,391,714
Purchase of property and equipment	(568,765)	(655,440)
Proceeds from sale of property and equipment	<u>3,053</u>	<u>7,261</u>
Net cash provided by (used for) investing activities	<u>608,699</u>	<u>(3,637,460)</u>
Net increase (decrease) in cash	278,590	(2,282,712)
Cash balance:		
Beginning of year	<u>7,773,040</u>	<u>10,055,752</u>
End of year - Exhibit "A"	<u>\$ 8,051,630</u>	<u>\$ 7,773,040</u>

Supplemental disclosure of non-cash investing activities:

During 1994 and 1993, bequests received by the Society included one note receivable of \$19,370 and two notes receivable totaling \$276,025, respectively. During 1994 and 1993, bequests received by the Society included donated investments valued at \$649,986 and \$1,629,721, respectively. During 1994, property and equipment increased by \$445,000 and investments increased by \$277,778 from donations of property.

See accompanying notes to the combined financial statements.

THE HUMANE SOCIETY OF THE UNITED STATES
COMBINED STATEMENT OF CASH FLOWS

	<u>Year Ended December 31,</u>	
	<u>1994</u>	<u>1993</u>
Reconciliation of net increase (decrease) in fund balances to net cash provided by (used for) operating activities:		
Excess of revenue over expenses - Exhibit "B"	\$ 149,219	\$ 3,478,028
Non-cash charges (credits) not affecting cash flows:		
Depreciation	442,628	402,274
Non-cash bequests	(669,356)	(1,905,746)
Gain on sale of investments	(408,142)	(942,726)
Loss on disposition of fixed assets	75,916	173,026
Non-cash contributions	(722,778)	-
Changes in accruals of operating assets and liabilities:		
Decrease (increase) in accounts receivable	35,027	(37,361)
Decrease (increase) in accrued interest receivable	30,633	(34,460)
Decrease (increase) in prepaid expenses	106,144	(112,314)
Decrease (increase) in deposits	(12,024)	16,671
Increase in inventory	(116,987)	-
Decrease (increase) in pension intangible asset	18,027	106,542
Increase (decrease) in accounts payable	787,828	(188)
Increase (decrease) in other liabilities	(32,492)	90,167
Increase (decrease) in accrued pension obligation	(13,752)	120,835
Net cash provided by (used for) operating activities	<u>\$(330,109)</u>	<u>\$ 1,354,748</u>

See accompanying notes to the combined financial statements.

THE HUMANE SOCIETY OF THE UNITED STATES

NOTES TO COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 1994

Note 1. Summary of Significant Accounting Policies

- a. Basis of Presentation - The accompanying combined financial statements include the assets, liabilities, fund balances and activities of the Society's financially interrelated organizations that are controlled by the management of the Society. The interrelated organizations are Humane Society International, National Association for Humane Education and Environment, Humane Society of Canada for the Protection of Animals and the Environment, Center for Respect of Life and Environment, Earthkind USA, Earthkind International, International Center of Earth Concerns, National Humane Education Center and The Wildlife Land Trust. All balances and transactions among the organizations included in the combined financial statements have been eliminated.
- b. Method of Accounting - The combined financial statements have been prepared on the accrual basis of accounting.
- c. Depreciation - Depreciation of property and equipment is computed on the straight-line method at rates calculated to prorate the cost of the assets over their estimated useful lives (see Note 2).
- d. Investments - Investments are recorded at cost or, in the case of gifts and bequests, fair market value at date of donation.
- e. Allocation of Joint Costs - All joint costs of informational materials or activities that include a fund raising appeal are allocated between fundraising and the appropriate program or membership development function (see Note 7).
- f. Cash and Cash Equivalents - For the purposes of the combined Statement of Cash Flows, cash is considered as amounts available for immediate withdrawal from bank accounts and highly-liquid cash investments such as money market accounts. The Society regards certificates of deposit, regardless of their maturity dates, as short-term investments rather than cash equivalents.
- g. Bequests - Individual bequests in excess of \$25,000 are recognized as revenue in the General Fund at the rate of 20% and in the Board Designated Fund at the rate of 80% in the year of receipt. The 80% reported as revenue in the Board Designated Fund is transferred to the General Fund equally over the following four years. The effect of this policy is to apportion individual bequests to the General Fund over a five year period.
- h. Inventory - Inventory is recorded at cost using the first-in first-out (FIFO) method of accounting.

Note 2. Property and Equipment

At December 31, 1994 and 1993 property and equipment consisted of the following:

	<u>Useful Life</u>	<u>December 31, 1994</u>	<u>December 31, 1993</u>
Land			
Buildings and improvements	10 to 40 years	\$ 3,413,121	\$ 3,176,871
Office furniture and equipment	10 years	6,580,743	6,135,194
Automobiles	3 years	1,944,380	1,810,388
		<u>53,840</u>	<u>15,367</u>
		11,992,084	11,137,820
Less: Accumulated depreciation		<u>(2,257,920)</u>	<u>(1,895,826)</u>
Net property and equipment		<u>\$ 9,734,164</u>	<u>\$ 9,241,994</u>

Note 3. Investments

The Society's investments at December 31, 1994 and 1993 are summarized as follows:

	<u>December 31, 1994</u>		<u>December 31, 1993</u>	
	<u>Cost or Value at Date of Gift</u>	<u>Market Value</u>	<u>Cost or Value at Date of Gift</u>	<u>Market Value</u>
U.S. Corporate stocks	\$ 15,899,190	\$ 18,893,837	\$ 17,107,283	\$ 21,165,006
Foreign corporate stocks	1,456,745	1,305,109	-	-
Government obligations	2,766,459	2,710,687	3,501,192	3,602,787
Real property	1,016,937	977,867	638,927	638,927
Personal property	158,184	158,184	160,249	152,135
Certificates of deposit	286,000	286,000	190,000	190,000
U.S. Corporate bonds	1,965,529	1,869,383	1,437,287	1,509,713
Foreign corporate bonds	<u>29,831</u>	<u>27,024</u>	<u>-</u>	<u>-</u>
	<u>\$ 23,578,875</u>	<u>\$ 26,228,091</u>	<u>\$ 23,034,938</u>	<u>\$ 27,258,568</u>

Note 4. Future Minimum Lease Receipts

The Society, as lessor, leases space to other parties under various agreements. Total monthly rental payments due under these leases as of December 31, 1994 amount to \$37,263. Future minimum rental payments due under noncancellable leases with terms of one year or more are as follows:

	<u>Amount</u>
Year Ending December 31, 1995	\$ 438,711
1996	450,400
1997	117,566
1998	91,494
1999	<u>26,046</u>
	<u>\$1,124,217</u>

Note 5. Tax Status

The Society qualifies under Section 501(c)(3) of the Internal Revenue Code and is classified as an organization which is not a private

Note 5. Tax Status (continued)

foundation. Therefore, the Society is generally not subject to tax under present income tax laws; however, any unrelated business income may be subject to Federal and state income taxes.

Note 6. Pension Plan for Employees

The Humane Society of the United States Retirement Income Plan is a defined benefit plan that provides regular employees of the Society benefits equal to 2% of earnings for each year of credited service up to a maximum of 25 years. Participants accrue benefits over the years of their employment, although normal pension benefits are not payable until age 65. Participants choosing earlier payment receive substantially reduced benefits.

Based on the latest actuarial valuation prepared by CIGNA Employee Benefits Services, Inc. as of January 1, 1994 and 1993, the net periodic pension cost of the plan for the years ended December 31, 1994 and 1993 is summarized as follows:

	1994	1993
Service cost	\$ 429,790	\$ 357,474
Interest cost	317,454	268,423
Actual return on plan assets	(245,465)	(277,391)
Net amortization and deferral	73,014	136,170
Net periodic pension cost	<u>\$ 574,793</u>	<u>\$ 484,676</u>

The following assumptions were used by the actuary in determining net periodic pension cost:

	1994	1993
a. Weighted average discount rate	8.0%	6.50%
b. Weighted average rate of compensation increase	5.5%	5.50%
c. Expected long-term rate of return on plan assets	8.5%	9.50%

The plan's funded status projected to December 31, 1994 and 1993 is summarized as follows:

	1994	1993
Accumulated benefit obligation:		
Vested	\$ 3,080,964	\$ 3,281,963
Nonvested	89,582	115,990
	<u>3,170,546</u>	<u>3,397,953</u>
Additional benefit based on estimated future salary levels	1,152,885	1,389,815
Projected benefit obligation	<u>4,323,431</u>	<u>4,787,768</u>
Fair value of plan assets held by the insurance company	<u>3,315,245</u>	<u>2,771,642</u>
Deficiency of plan assets over projected benefit obligation	(1,008,186)	(2,016,126)
Adjustment to recognize minimum liability	-	(18,027)
Unrecognized prior service cost	62,796	122,127
Unrecognized net loss	113,980	1,045,259
Unrecognized transition liability	<u>218,851</u>	<u>240,456</u>
Net pension obligation included on balance sheet	<u><u>\$ (612,559)</u></u>	<u><u>\$ (626,311)</u></u>

Note 6. Pension Plan for Employees (continued)

The Society's funding policy is to contribute an amount annually based upon actuarial and economic assumptions designed to achieve adequate funding of projected benefit obligations. On this basis the Society contributed \$570,518 and \$257,299 to the Plan in 1994 and 1993, respectively. In 1994 and 1993, Statement of Financial Accounting Standards No. 87 required the Society to record an additional pension liability and an offsetting intangible asset equal to the excess of the accumulated benefit obligation over the total of plan assets. Recording this additional liability did not affect the results of operations, fund balances or cash requirements to fund the pension plan in either year.

Note 7. Allocation of Joint Costs

The Humane Society has allocated the joint costs of providing educational materials and activities that include a fund-raising appeal. For the years ended December 31, 1994 and 1993, the allocation of the joint costs is summarized as follows:

	<u>1994</u>	<u>1993</u>
Membership development		
Programs	\$ 1,175,995	\$ 2,715,594
Fund raising	3,985,350	1,189,648
	<u>1,558,363</u>	<u>1,105,294</u>
Total joint cost	<u>\$ 6,719,708</u>	<u>\$ 5,010,536</u>

Note 8. Deferred Compensation Plan

In 1983, the Society established the HSUS Deferred Compensation Plan for certain executive employees. The Society and the participants may elect to defer a portion of the compensation which the participants would otherwise be entitled to receive in cash; those deferrals are invested in annuity contracts offered by an insurance company. The annuity contracts are owned by the Society, subject to the claims of its general creditors. The obligation of the Society under this plan is purely contractual and is not secured. All income earned by the annuity contracts is added to the deferred compensation liability. The amounts deferred by participants during 1994 and 1993, which are included in the amounts reported in the accompanying financial statements as salaries, were \$24,500 and \$26,500, respectively.

The annuity contract assets and the related liability at December 31, 1994 and 1993 totaled \$291,616 and \$277,271, respectively.

Note 9. Uninsured Cash Balance

The Society maintains its cash in bank accounts which at times, may exceed federally insured limits. The Society has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

THE HUMANE SOCIETY OF THE UNITED STATES
FEDERAL FORM 990
FOR THE YEAR ENDED DECEMBER 31, 1994

#53-0225390

SCHEDULE "3"
Continued

Part V. List of Officers and Board of Directors

<u>Name</u>	<u>Title</u>	<u>Time Devoted</u>	<u>Salary</u>	<u>Contributions to Employee Benefit Plan</u>	<u>Expense Account and Other Allowances</u>
H. I. (Sonny) Bloch 250 Revere Road Roslyn, NY 11577	Director	none	-0-	none	none
Donald Cashen 81415 Alexander Chapel Hill, NC 27514	Director	none	-0-	none	none
Anita S. Coupe, Esq. Morgan, Lewis & Bockius 101 Park Ave., 44th fl. New York, NY 10178	Director	none	-0-	none	none
Judi Friedman 101 Lawton Road Canton, CT 06019	Director	none	-0-	none	none
Harold H. Gardiner P. O. Box 9198 Salt Lake City, UT 84109	Director	none	-0-	none	none
Alice R. Garey 2030 Carriage Lane Arroyo Grande, CA 93420	Director	none	-0-	none	none
Dr. Jane Goodall P. O. Box 599 Ridgefield, CT 06877	Director	none	-0-	none	none
Jennifer Leaning 113 Tower Road Lincoln, MA 01773	Director	none	-0-	none	none
Amy Freeman Lee 127 Canterbury Hill San Antonio, TX 78209	Secretary/ Director	none	-0-	none	none

THE HUMANE SOCIETY OF THE UNITED STATES
FEDERAL FORM 990
FOR THE YEAR ENDED DECEMBER 31, 1994

53-0225390
SCHEDULE "3"
Continued

Part V. List of Officers and Board of Directors

<u>Name</u>	<u>Title</u>	<u>Time Devoted</u>	<u>Salary</u>	<u>Contributions to Employee Benefit Plan</u>	<u>Expense Account and Other Allowances</u>
Eugene W. Lorenz 11410 Isaac Newton Sq. Restpm. VA 22090	Director	none	-0-	none	none
Jack W. Lydman 2815 Que St., N.W. Washington, D.C. 20007	Director	none	-0-	none	none
Virginia (Pat) Lynch 98 Clarendon San Francisco, CA 94114	Director	none	-0-	none	none
William Mancuso 10 Mason Street Greenwich, CT 06830	Director	none	-0-	none	none
Thomas L. Meinhardt 1501 East McMillian Cincinnati, OH 45206	Director	none	-0-	none	none
O. J. Ramsey, Esq. P. O. Box 276270 Sacramento, CA 95827	Chairman	none	-0-	none	none
James D. Ross SE Financial Services 450 S. Third St. Louisville, KY 40202	Director	none	-0-	none	none
Marilyn G. Seyler 815 Dickson Parkway Mansfield, OH 44907	Director	none	-0-	none	none
Mr. John E. Taft 2158 Baldwin Road Ojai, CA 93023	Director	none	-0-	none	none

THE HUMANE SOCIETY OF THE UNITED STATES
FEDERAL FORM 990
FOR THE YEAR ENDED DECEMBER 31, 1994

53-0225390
SCHEDULE "3"
Continued

Part V. List of Officers and Board of Directors

<u>Name</u>	<u>Title</u>	<u>Time Devoted</u>	<u>Salary</u>	<u>Contributions to Employee Benefit Plan</u>	<u>Expense Account and Other Allowances</u>
Carroll S. Thrift Carlson Travel Network P.O. Box 52027 Knoxville, TN 37950	Director	none	-0-	none	none
Robert F. Welborn, Esq. P.O. Box 208 Franktown, CO 80116	Director	none	-0-	none	none
David O. Wiebers, MD 3873 Hidden Hills Lane, NE Rochester, MN 55906	Vice Chm.	none	-0-	none	none
Marilyn E. Wilhelm The Wilhelm Schole 3003 Richmond Houston, TX 77098	Director	none	-0-	none	none
K. William Wiseman P. O. Box 120 Woolwich, ME 04579	Director	none	-0-	none	none

THE HUMANE SOCIETY OF THE UNITED STATES
FEDERAL FORM 990
FOR THE YEAR ENDED DECEMBER 31, 1994

#53-0225390

SCHEDULE "3"

Part V. List of Officers and Board of Directors

<u>Name</u>	<u>Title</u>	<u>Time Devoted</u>	<u>Salary</u>	<u>Contributions to Employee Benefit Plan</u>	<u>Expense Account and Other Allowances</u>
John A. Hoyt	Chief Exec.				
	Officer	Full	\$ 197,000	\$ 29,704	\$ -
Paul G. Irwin	President	Full	186,039	24,217	-
Murdaugh S. Madden	Vice Pres.	Full	61,770	8,866	-
Patricia A. Forkan	Executive				
	Vice Pres.	Full	97,087	10,657	-
John W. Grandy	Vice Pres.	Full	92,087	16,035	-
Michael W. Fox	Vice Pres.	Full	75,000	11,157	-
G.Thomas Waite III	Treasurer	Full	88,407	10,359	-
Roger Kindler	Vice Pres.	Full	89,087	10,043	-
Randall Lockwood	Vice Pres.	Full	61,500	10,046	-
Martin Stephens	Vice Pres.	Full	54,000	9,665	-
David Wills	Vice Pres.	Full	83,087	10,224	-
Deborah Salem	Vice Pres.	Full	55,000	4,338	-
Janet D. Frake	Asst Secy	Full	49,662	6,064	-
Marcia Glaser	Asst Secy	Full	40,000	4,473	-
Richard M. Clugston	Vice Pres.	Full	54,500	9,861	-
Wayne Pacelle	Vice Pres.	Full	41,846	1,395	-
Kenneth White	Vice Pres.	Full	63,200	9,876	-
Amy F. Lee	Secretary	Part	-0-	-0-	-
			<u>\$1,389,272</u>	<u>\$186,980</u>	<u>\$ -</u>

The above Officers can be reached at the address on page one of Form 990.

See attached list of Board of Directors who serve part time and receive no compensation.



FEB 10 1995

FOR OFFICE USE ONLY:

\$ 25.00 7-3-95

LTRS: AUG 01 1995

STATE OF MINNESOTA

OFFICE OF THE ATTORNEY GENERAL

HUBERT H. HUMPHREY III
Attorney General

(612) 296-6172 (Voice)
(612) 296-1410 (TDD)

CHARITIES DIVISION
Suite 1200, NCL Tower
445 Minnesota Street
St. Paul, MN 55101-2130

Upon request this material can be made available in alternate formats.

CHARITABLE ORGANIZATION ANNUAL REPORT

INSTRUCTIONS:

- Complete and sign this annual report form.
- Attach a copy of the IRS form 990 or 990EZ along with all attachments and schedules, including Schedule A. (If one was not filed, complete question 9 of this form.)
- Attach a \$25.00 registration fee made payable to State of Minnesota if the organization raised or expended \$25,000 or more.
- Attach a copy of the organization's certified audit if it received \$100,000 or more in total contributions.
- File items A-D at one time, not in separate mailings.

For Year Ending: DEC 31 1994

Federal EIN Number: 53-0225390

1. The Humane Society of the United States

Legally Established Name of Organization

2100 - L Street, N. W.

G. Thomas Waite III

Address or Principal Office

Contact Person

Washington, D. C. 20037

202/452-1100

City

State

Zip

Telephone Number

2. Has the name, address and/or telephone number changed in the last year? Yes _____ No x _____
If name has changed, please provide former name: _____

3. Has the organization's accounting year changed since the last report or registration statement was filed? Yes _____ No x _____ If yes, provide new date _____

4. **ATTACH** a list of names, addresses and titles of all current officers, board members, trustees and key employees, along with compensation schedules of the board members and top five highest paid employees. See copy of Form 990 attached.

AT-00113-01 (12/94)

10. Identify the name and address of any outside professional fund-raiser (includes solicitors and/or consultants within or outside the State of Minnesota) employed by the organization and the total amount of compensation they received during the year.

Name See Note 1 attached
Street and Number _____
City _____, State _____, Zip _____, Compensation: _____

If more than one, attach schedule.

NOTE: All information and documentation provided as part of this registration, including this form, shall be public records. A charitable organization is not required to file a list of its donors. If this list is filed, it will become part of the organization's registration and will be treated as a public record.

SIGNATURES AND ACKNOWLEDGMENT

We hereby state and acknowledge that we are duly constituted officers of the organization named in this Annual Report, being the President (Title) _____
Treasurer (Title) thereof, respectively, that this Annual Report is executed on behalf of the organization pursuant to resolution of the _____
Board of Directors (Board of Directors or Trustees, or if none, other Managing Group) duly adopted on the _____ day of _____, 19_____, approving the content of this Annual Report and all its attachments.

TWO SIGNATURES REQUIRED

Paul G. Irwin
Name (Print)
Paul G. Irwin
Signature
President
Title
6/26/95
Date

G. Thomas Waite III
Name (Print)
G. Thomas Waite III
Signature
Treasurer
Title
6/21/95
Date

HSUS

NOTE 1

Note Regarding Use of Services of a Fund-raising
Consultant or Commercial Fundraiser

The Society does its own soliciting; no outside persons or entities solicit "on behalf of" the Society. The Society uses an outside firm, Columbia Direct Marketing Corporation, 60 West Street, Suite 405, Annapolis, MD 21401, to assist it on mailing matters and creative and production matters, such as the style of direct mail pieces, but the firm has no managerial or supervisory control over solicitation campaigns, handles no money raised, and has no formal/written contract. In view of the above, the Society does not believe that Columbia Direct Marketing Corporation meets the definition of fund-raising consultant or commercial fundraiser within the substantive intent of applicable state statutes.