

Form 990

## Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2004

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2004 calendar year, or tax year beginning 2004, and ending

B Check if applicable:

- ☐ Address change  
☐ Name change  
☐ Initial return  
☐ Final return  
☐ Amended return  
☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization

THE FUND FOR ANIMALS, INC.

Number and street (or P O box if mail is not delivered to street address)

200 WEST 57TH STREET

Room/suite

705

City or town, state or country, and ZIP + 4

NEW YORK, NY 10019

D Employer identification number

13-6218740

E Telephone number

(212) 246-2096

F Accounting method:

☐ Cash☒ Accrual

Other (specify) ▶

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

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? ☐ Yes ☒ No

H(b) If "Yes," enter number of affiliates ▶

H(c) Are all affiliates included? ☐ Yes ☐ No

(If "No," attach a list. See instructions.)

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

I Group Exemption Number ▶

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

G Website: WWW.FUND.ORG

J Organization type (check only one) ☒ 501(c)(3) (insert no) 4947(a)(1) or 527K Check here ☐ if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 23,200,491.

## Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 18 of the instructions.)

1	Contributions, gifts, grants, and similar amounts received	STMT 1		
a	Direct public support	1a	6,540,396.	
b	Indirect public support	1b		
c	Government contributions (grants)	1c		
d	Total (add lines 1a through 1c) (cash \$ 6,512,384. noncash \$ 28,012.)	1d	6,540,396.	
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	126,217.	
3	Membership dues and assessments	3		
4	Interest on savings and temporary cash investments	4	584,241.	
5	Dividends and interest from securities	5	23,394.	
6a	Gross rents	6a	46,816.	
b	Less: rental expenses	6b	45,903.	
c	Net rental income or (loss) (subtract line 6b from line 6a)	6c	913.	
7	Other investment income (describe ▶)	7		
8a	Gross amount from sales of assets other than inventory	(A) Securities	8a	8,788.
b	Less: cost or other basis and sales expenses	15,869,852.	8b	
c	Gain or (loss) (attach schedule)	15,814,727.	8c	8,788.
d	Net gain or (loss) (combine line 8c, columns (A) and (B))	55,125.	8d	63,913.
9	Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>			
a	Gross revenue from special events contributions reported on line 1a	9a		
b	Less: direct expenses other than fundraising expenses	9b		
c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c		
10a	Gross sales of inventory, less return 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	787.	
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	7,339,861.	
13	Program services (from line 44, column (B))	13	5,371,033.	
14	Management and general (from line 44, column (C))	14	1,072,075.	
15	Fundraising (from line 44, column (D))	15	659,093.	
16	Payments to affiliates (attach schedule)	16		
17	Total expenses (add lines 16 and 44, column (A))	17	7,102,201.	
18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	237,660.	
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	19,903,029.	
20	Other changes in net assets or fund balances (attach explanation)	20	285,138.	
21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	20,425,827.	

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

Form 990 (2004)

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**Part II Statement of Functional Expenses**

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See page 22 of the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
<b>22</b> Grants and allocations (attach schedule) (cash \$ <u>407,955.</u> noncash \$ <u>89,719.</u> )	<b>22</b> 497,674.	497,674.		
<b>23</b> Specific assistance to individuals (attach schedule)	<b>23</b>			
<b>24</b> Benefits paid to or for members (attach schedule)	<b>24</b>			
<b>25</b> Compensation of officers, directors, etc.	<b>25</b> 50,000.		50,000.	
<b>26</b> Other salaries and wages	<b>26</b> 848,562.	641,559.	173,762.	33,241.
<b>27</b> Pension plan contributions	<b>27</b>			
<b>28</b> Other employee benefits	<b>28</b> 192,496.	165,547.	25,024.	1,925.
<b>29</b> Payroll taxes	<b>29</b> 72,339.	51,707.	17,957.	2,675.
<b>30</b> Professional fundraising fees	<b>30</b> 25,500.			25,500.
<b>31</b> Accounting fees	<b>31</b> 102,937.		102,937.	
<b>32</b> Legal fees	<b>32</b> 344,833.	233,963.	110,870.	
<b>33</b> Supplies	<b>33</b> 223,940.	136,244.	77,823.	9,873.
<b>34</b> Telephone	<b>34</b> 54,197.	40,003.	12,834.	1,360.
<b>35</b> Postage and shipping	<b>35</b> 411,095.	214,556.	17,342.	179,197.
<b>36</b> Occupancy	<b>36</b> 313,597.	211,556.	96,968.	5,073.
<b>37</b> Equipment rental and maintenance	<b>37</b> 21,258.	11,429.	9,059.	770.
<b>38</b> Printing and publications	<b>38</b>			
<b>39</b> Travel	<b>39</b> 108,963.	80,027.	25,138.	3,798.
<b>40</b> Conferences, conventions, and meetings	<b>40</b>			
<b>41</b> Interest	<b>41</b>			
<b>42</b> Depreciation, depletion, etc. (attach schedule)	<b>42</b> 220,002.	175,630.	44,372.	
<b>43</b> Other expenses not covered above (itemize) <u>STMT 6</u>	<b>43a</b> 3,614,808.	2,911,138.	307,989.	395,681.
<b>b</b>	<b>43b</b>			
<b>c</b>	<b>43c</b>			
<b>d</b>	<b>43d</b>			
<b>e</b>	<b>43e</b>			
<b>44</b> Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	<b>44</b> 7,102,201.	5,371,033.	1,072,075.	659,093.

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 ☐ NoIf "Yes," enter (i) the aggregate amount of these joint costs \$ 1,932,446., (ii) the amount allocated to Program services \$ 1,499,242.;(iii) the amount allocated to Management and general \$                     ; and (iv) the amount allocated to Fundraising \$ 433,204.**Part III Statement of Program Service Accomplishments** (See page 25 of the instructions.)What is the organization's primary exempt purpose? SEE FOOTNOTE

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.)

Program Service Expenses  
(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)

<b>a</b> <u>STMT 7</u>		
	(Grants and allocations \$ <u>194,674.</u> )	<u>2,356,696.</u>
<b>b</b>		
	(Grants and allocations \$ <u>                    </u> )	<u>2,566,405.</u>
<b>c</b>		
	(Grants and allocations \$ <u>303,000.</u> )	<u>447,932.</u>
<b>d</b>		
	(Grants and allocations \$ <u>                    </u> )	
<b>e</b> Other program services (attach schedule)	(Grants and allocations \$ <u>                    </u> )	
<b>f</b> Total of Program Service Expenses (should equal line 44, column (B), Program services)		<u>5,371,033.</u>

**Part IV Balance Sheets** (See page 25 of 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
<b>Assets</b>	<b>45</b> Cash - non-interest-bearing . . . . .	444.	<b>45</b>	218.
	<b>46</b> Savings and temporary cash investments . . . . .	2,490,900.	<b>46</b>	2,860,718.
	<b>47a</b> Accounts receivable . . . . .	<b>47a</b>		
	<b>b</b> Less: allowance for doubtful accounts . . . . .	<b>47b</b>	<b>47c</b>	
	<b>48a</b> Pledges receivable . . . . .	<b>48a</b>		
	<b>b</b> Less: allowance for doubtful accounts . . . . .	<b>48b</b>	<b>48c</b>	
	<b>49</b> Grants receivable . . . . .		<b>49</b>	
	<b>50</b> Receivables from officers, directors, trustees, and key employees (attach schedule) . . . . .		<b>50</b>	
	<b>51a</b> Other notes and loans receivable (attach schedule) . . . . .	<b>51a</b>		
	<b>b</b> Less: allowance for doubtful accounts . . . . .	<b>51b</b>	<b>51c</b>	
	<b>52</b> Inventories for sale or use . . . . .		<b>52</b>	
	<b>53</b> Prepaid expenses and deferred charges . . . . .	120,753.	<b>53</b>	112,504.
	<b>54</b> Investments - securities (attach schedule) <b>STMT. 9.</b> <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	15,728,910.	<b>54</b>	15,718,625.
	<b>55a</b> Investments - land, buildings, and equipment: basis . . . . .	<b>55a</b>		
	<b>b</b> Less: accumulated depreciation (attach schedule) . . . . .	<b>55b</b>	<b>55c</b>	
<b>56</b> Investments - other (attach schedule) . . . . .		<b>56</b>		
<b>57a</b> Land, buildings, and equipment: basis . . . . .	5,596,303.			
<b>b</b> Less: accumulated depreciation (attach schedule) . . . . .	<b>57b</b> 1,696,967.	3,635,484.	<b>57c</b>	3,899,336.
<b>58</b> Other assets (describe <b>STMT 10</b> ) . . . . .	306,454.	<b>58</b>	194,015.	
<b>59 Total assets</b> (add lines 45 through 58) (must equal line 74) . . . . .	22,282,945.	<b>59</b>	22,785,416.	
<b>Liabilities</b>	<b>60</b> Accounts payable and accrued expenses . . . . .	366,540.	<b>60</b>	359,589.
	<b>61</b> Grants payable . . . . .		<b>61</b>	
	<b>62</b> Deferred revenue . . . . .		<b>62</b>	
	<b>63</b> Loans from officers, directors, trustees, and key employees (attach schedule) . . . . .		<b>63</b>	
	<b>64a</b> Tax-exempt bond liabilities (attach schedule) . . . . .		<b>64a</b>	
	<b>b</b> Mortgages and other notes payable (attach schedule) . . . . .		<b>64b</b>	
	<b>65</b> Other liabilities (describe <b>STMT 11</b> ) . . . . .	2,013,376.	<b>65</b>	2,000,000.
<b>66 Total liabilities</b> (add lines 60 through 65) . . . . .	2,379,916.	<b>66</b>	2,359,589.	
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> <b>and complete lines</b> <b>67 through 69 and lines 73 and 74.</b>			
	<b>67</b> Unrestricted . . . . .	19,884,111.	<b>67</b>	20,070,597.
	<b>68</b> Temporarily restricted . . . . .	18,918.	<b>68</b>	355,230.
	<b>69</b> Permanently restricted . . . . .		<b>69</b>	
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> <b>and</b> <b>complete lines 70 through 74.</b>			
	<b>70</b> Capital stock, trust principal, or current funds . . . . .		<b>70</b>	
	<b>71</b> Paid-in or capital surplus, or land, building, and equipment fund . . . . .		<b>71</b>	
	<b>72</b> Retained earnings, endowment, accumulated income, or other funds . . . . .		<b>72</b>	
	<b>73 Total net assets or fund balances</b> (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19, column (B) must equal line 21) . . . . .	19,903,029.	<b>73</b>	20,425,827.
	<b>74 Total liabilities and net assets / fund balances</b> (add lines 66 and 73) . . . . .	22,282,945.	<b>74</b>	22,785,416.

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.

Part IV-B	<b>Reconciliation of Expenses per Audited Financial Statements with Expenses per Return</b>
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Return (see page 27 of 31)		Return	
a	Total revenue, gains, and other support per audited financial statements . . . ▶	a	7,581,183.
b	Amounts included on line a but not on line 12, Form 990:		
(1)	Net unrealized gains on investments . . \$ 195,419.		
(2)	Donated services and use of facilities \$		
(3)	Recoveries of prior year grants . . . . \$		
(4)	Other (specify):		
	\$		
	Add amounts on lines (1) through (4) ▶	b	195,419.
c	Line a minus line b . . . . . ▶	c	7,385,764.
d	Amounts included on line 12, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 . . . \$		
(2)	Other (specify):		
	\$		
	STMT 12 \$ -45,903.		
	Add amounts on lines (1) and (2) . . ▶	d	-45,903.
e	Total revenue per line 12, Form 990 (line c plus line d) . . . . . ▶	e	7,339,861.
a	Total expenses and losses per audited financial statements . . . . ▶	a	7,058,385.
b	Amounts included on line a but not on line 17, Form 990:		
(1)	Donated services and use of facilities \$		
(2)	Prior year adjustments reported on line 20, Form 990 . . . . \$		
(3)	Losses reported on line 20, Form 990 \$		
(4)	Other (specify):		
	\$		
	Add amounts on lines (1) through (4) . . ▶	b	
c	Line a minus line b . . . . . ▶	c	7,058,385.
d	Amounts included on line 17, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 . . . \$		
(2)	Other (specify):		
	\$		
	STMT 13 \$ 43,816.		
	Add amounts on lines (1) and (2) . . ▶	d	43,816.
e	Total expenses per line 17, Form 990 (line c plus line d) . . . . . ▶	e	7,102,201.

**Part V** **List of Officers, Directors, Trustees, and Key Employees** (List each one even if not compensated; see page 27 of the instructions.)

[illegible]☐ Yes ☒ No

If "Yes," attach schedule - see page 28 of the instructions

**Part VI Other Information** (See page 28 of the instructions.)

Yes No

<b>76</b> Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity . . .	<b>76</b>		<b>X</b>
<b>77</b> 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	<b>77</b>		<b>X</b>
<b>78 a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? . . . . .	<b>78 a</b>	<b>X</b>	
<b>b</b> If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year? . . . . .	<b>78 b</b>	<b>X</b>	
<b>79</b> Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement . . . . .	<b>79</b>		<b>X</b>
<b>80 a</b> 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>80 a</b>		<b>X</b>
<b>b</b> If "Yes," enter the name of the organization: _____ and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.			
<b>81 a</b> Enter direct and indirect political expenditures. See line 81 instructions. . . . .	<b>81 a</b>		
<b>b</b> Did the organization file <b>Form 1120-POL</b> for this year? . . . . .	<b>81 b</b>	<b>N/A</b>	
<b>82 a</b> Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? . . . . .	<b>82 a</b>	<b>X</b>	
<b>b</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.) . . . . .	<b>82 b</b>		
<b>83 a</b> Did the organization comply with the public inspection requirements for returns and exemption applications? . . . . .	<b>83 a</b>	<b>X</b>	
<b>b</b> Did the organization comply with the disclosure requirements relating to quid pro quo contributions? . . . . .	<b>83 b</b>	<b>X</b>	
<b>84 a</b> Did the organization solicit any contributions or gifts that were not tax deductible? . . . . .	<b>84 a</b>		<b>X</b>
<b>b</b> If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .	<b>84 b</b>	<b>N/A</b>	
<b>85 501(c)(4), (5), or (6) organizations.</b> <b>a</b> Were substantially all dues nondeductible by members? . . . . .	<b>85 a</b>	<b>N/A</b>	
<b>b</b> Did the organization make only in-house lobbying expenditures of \$2,000 or less? . . . . . If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	<b>85 b</b>	<b>N/A</b>	
<b>c</b> Dues, assessments, and similar amounts from members . . . . .	<b>85 c</b>	<b>N/A</b>	
<b>d</b> Section 162(e) lobbying and political expenditures . . . . .	<b>85 d</b>	<b>N/A</b>	
<b>e</b> Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices . . . . .	<b>85 e</b>	<b>N/A</b>	
<b>f</b> Taxable amount of lobbying and political expenditures (line 85d less 85e) . . . . .	<b>85 f</b>	<b>N/A</b>	
<b>g</b> Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? . . . . .	<b>85 g</b>	<b>N/A</b>	
<b>h</b> 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? . . . . .	<b>85 h</b>	<b>N/A</b>	
<b>86 501(c)(7) orgs.</b> Enter: <b>a</b> Initiation fees and capital contributions included on line 12 . . . . .	<b>86 a</b>	<b>N/A</b>	
<b>b</b> Gross receipts, included on line 12, for public use of club facilities . . . . .	<b>86 b</b>	<b>N/A</b>	
<b>87 501(c)(12) orgs.</b> Enter: <b>a</b> Gross income from members or shareholders . . . . .	<b>87 a</b>	<b>N/A</b>	
<b>b</b> Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) . . . . .	<b>87 b</b>	<b>N/A</b>	
<b>88</b> 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 . . . . .	<b>88</b>		<b>X</b>
<b>89 a 501(c)(3) organizations</b> Enter: Amount of tax imposed on the organization during the year under section 4911 <b>N/A</b> , section 4912 <b>N/A</b> ; section 4955 <b>N/A</b> . . . . .			
<b>b 501(c)(3) and 501(c)(4) orgs.</b> 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 . . . . .	<b>89 b</b>		<b>X</b>
<b>c</b> Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 . . . . .		<b>N/A</b>	
<b>d</b> Enter: Amount of tax on line 89c, above, reimbursed by the organization . . . . .		<b>N/A</b>	
<b>90 a</b> List the states with which a copy of this return is filed <b>SEE STATEMENT 19</b> . . . . .			
<b>b</b> Number of employees employed in the pay period that includes March 12, 2004 (See instructions) . . . . .	<b>90 b</b>	<b>48</b>	
<b>91</b> The books are in care of <b>THE FUND FOR ANIMALS, INC</b> Telephone no <b>212-246-2096</b> . . . . . Located at <b>200 WEST 57TH STREET, NEW YORK, NY</b> ZIP + 4 <b>10019</b> . . . . .			
<b>92</b> Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here <input type="checkbox"/> . . . . . and enter the amount of tax-exempt interest received or accrued during the tax year . . . . .	<b>92</b>	<b>N/A</b>	

**Part VII Analysis of Income-Producing Activities** (See page 33 of the instructions.)**Note:** Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
<b>93</b> Program service revenue:					
<b>a SALES</b>					122,705.
<b>b OTHER REVENUE</b>					3,512.
<b>c</b>					
<b>d</b>					
<b>e</b>					
<b>f</b> Medicare/Medicaid payments . . . . .					
<b>g</b> Fees and contracts from government agencies . . . . .					
<b>94</b> Membership dues and assessments . . . . .					
<b>95</b> Interest on savings and temporary cash investments . . . . .			14	584,241.	
<b>96</b> Dividends and interest from securities . . . . .			14	23,394.	
<b>97</b> Net rental income or (loss) from real estate:					
<b>a</b> debt-financed property . . . . .	531120	913.			
<b>b</b> not debt-financed property . . . . .					
<b>98</b> Net rental income or (loss) from personal property . . . . .					
<b>99</b> Other investment income . . . . .					
<b>100</b> Gain or (loss) from sales of assets other than inventory . . . . .			18	63,913.	
<b>101</b> Net income or (loss) from special events . . . . .					
<b>102</b> Gross profit or (loss) from sales of inventory . . . . .					
<b>103</b> Other revenue: <b>a</b>					
<b>b MAILING LIST REVENUE</b>			15	787.	
<b>c</b>					
<b>d</b>					
<b>e</b>					
<b>104</b> Subtotal (add columns (B), (D), and (E)) . . . . .		913.		672,335.	126,217.
<b>105</b> Total (add line 104, columns (B), (D), and (E)) . . . . .					799,465.

**Note:** Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See page 34 of 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).
<b>93A</b>	SALES OF BOOKS, VIDEOS, AND LOGO ITEMS, AT OR BELOW COST, TO INCREASE PUBLIC AWARENESS OF THE FUND FOR ANIMALS' MISSION.
<b>93B</b>	PROVISION OF SERVICES FOR ANIMAL WELFARE

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See page 34 of 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 page 34 of 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).

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

Date

JUN 23 2005

HAR

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Organization Exempt Under Section 501(c)(3)**

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

**Supplementary Information - (See separate instructions.)**

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No. 1545-0047

**2004**

Name of the organization

THE FUND FOR ANIMALS, INC.

Employer identification number

13-6218740

**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
NONE				
Total number of other employees paid over \$50,000	NONE			

**Part II 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
MEYER & GLITZENSTEIN		
1601 CT. AVE NW 700 WASHINGTON, DC 20009	LEGAL	208,524.
GRANT THORNTON, LLP		
666 THIRD AVE, NEW YORK, NY 10017	ACCOUNTING	102,937.
VEDER, PRICE, KAUFMAN AND KAMMHOLZ, P.C.		
805 THIRD AVENUE, NEW YORK, NY 10022	LEGAL	105,522.
Total number of others receiving over \$50,000 for professional services	NONE	

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

Schedule A (Form 990 or 990-EZ) 2004

JSA

**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 ► \$ <u>447,932.</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B) . . . . .	<b>1</b>	<b>X</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		
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? . . . . .	<b>2a</b>	<b>X</b>
b Lending of money or other extension of credit? . . . . .	<b>2b</b>	<b>X</b>
c Furnishing of goods, services, or facilities? . . . . .	<b>2c</b>	<b>X</b>
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? . . . . . <b>STMT 16</b>	<b>2d</b>	<b>X</b>
e Transfer of any part of its income or assets? . . . . .	<b>2e</b>	<b>X</b>
3a Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.) . . . . . <b>STMT 17</b>	<b>3a</b>	<b>X</b>
b Do you have a section 403(b) annuity plan for your employees? . . . . .	<b>3b</b>	<b>X</b>
4a Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds? . . . . .	<b>4a</b>	<b>X</b>
b Do you provide credit counseling, debt management, credit repair, or debt negotiation services? . . . . .	<b>4b</b>	<b>X</b>

**Part IV Reason for Non-Private Foundation Status** (See pages 3 through 6 of the instructions.)

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 supports organizations described in (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3))

Provide the following information about the supported organizations (See page 5 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14 ☐ An organization organized and operated to test for public safety Section 509(a)(4). (See page 5 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) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
<b>15</b> Gifts, grants, and contributions received. (Do not include unusual grants. See line 28) . . . . .	6,514,491.	7,239,412.	5,500,946.	6,071,777.	25,326,626.
<b>16</b> Membership fees received . . . . .					
<b>17</b> 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 . . . . .	350,557.	370,129.	418,314.	53,781.	1,192,781.
<b>18</b> Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975 . . . . .	681,533.	722,744.	740,803.	632,306.	2,777,386.
<b>19</b> Net income from unrelated business activities not included in line 18 . . . . .					
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf . . . . .					
<b>21</b> 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 . . . . .					
<b>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets . . . . .					
<b>23</b> Total of lines 15 through 22 . . . . .	7,546,581.	8,332,285.	6,660,063.	6,757,864.	29,296,793.
<b>24</b> Line 23 minus line 17 . . . . .	7,196,024.	7,962,156.	6,241,749.	6,704,083.	28,104,012.
<b>25</b> Enter 1% of line 23 . . . . .	75,466.	83,323.	66,601.	67,579.	
<b>26</b> Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 . . . . .					562,080.
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 2000 through 2003 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts . . . . .					1,762,795.
c Total support for section 509(a)(1) test: Enter line 24, column (e) . . . . .					28104012.
d Add: Amounts from column (e) for lines 18 2,777,386. 19 . . . . .					
22 . . . . . 26b 1,762,795. STMT 18. . . . .					4,540,181.
e Public support (line 26c minus line 26d total) . . . . .					23563831.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) . . . . .					83.8451 %
<b>27</b> 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 . . . . .	(2003) . . . . .	(2002) . . . . .	(2001) NOT APPLICABLE	(2000) . . . . .	
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 11, 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 . . . . .	(2003) . . . . .	(2002) . . . . .	(2001) . . . . .	(2000) . . . . .	
c Add: Amounts from column (e) for lines 15 . . . . . 16 . . . . .					
17 . . . . . 20 . . . . . 21 . . . . .					
d Add: Line 27a total . . . . . and line 27b total . . . . .					
e Public support (line 27c total minus line 27d total) . . . . .					
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) . . . . .					
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) . . . . .					%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) . . . . .					%
<b>28</b> Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2000 through 2003, 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 7 of the instructions.)

NOT APPLICABLE

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
<b>29</b> 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? . . . . .	<b>29</b>	
<b>30</b> 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? . . . . .	<b>30</b>	
<b>31</b> 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.) ----- ----- -----	<b>31</b>	
<b>32</b> Does the organization maintain the following:		
<b>a</b> Records indicating the racial composition of the student body, faculty, and administrative staff? . . . . .	<b>32a</b>	
<b>b</b> Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? . . . . .	<b>32b</b>	
<b>c</b> Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? . . . . .	<b>32c</b>	
<b>d</b> Copies of all material used by the organization or on its behalf to solicit contributions? . . . . .	<b>32d</b>	
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----		
<b>33</b> Does the organization discriminate by race in any way with respect to:		
<b>a</b> Students' rights or privileges? . . . . .	<b>33a</b>	
<b>b</b> Admissions policies? . . . . .	<b>33b</b>	
<b>c</b> Employment of faculty or administrative staff? . . . . .	<b>33c</b>	
<b>d</b> Scholarships or other financial assistance? . . . . .	<b>33d</b>	
<b>e</b> Educational policies? . . . . .	<b>33e</b>	
<b>f</b> Use of facilities? . . . . .	<b>33f</b>	
<b>g</b> Athletic programs? . . . . .	<b>33g</b>	
<b>h</b> Other extracurricular activities? . . . . .	<b>33h</b>	
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----		
<b>34 a</b> Does the organization receive any financial aid or assistance from a governmental agency? . . . . .	<b>34a</b>	
<b>b</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.	<b>34b</b>	
<b>35</b> 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 . . . . .	<b>35</b>	

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See page 9 of the instructions.)(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
<b>36</b> Total lobbying expenditures to influence public opinion (grassroots lobbying) . . .	<b>36</b>	<b>72,607.</b>
<b>37</b> Total lobbying expenditures to influence a legislative body (direct lobbying) . . .	<b>37</b>	<b>375,325.</b>
<b>38</b> Total lobbying expenditures (add lines 36 and 37) . . . . .	<b>38</b>	<b>447,932.</b>
<b>39</b> Other exempt purpose expenditures . . . . .	<b>39</b>	<b>6,654,269.</b>
<b>40</b> Total exempt purpose expenditures (add lines 38 and 39) . . . . .	<b>40</b>	<b>7,102,201.</b>
<b>41</b> 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	<b>41</b>	<b>505,110.</b>
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 . . . . .		
<b>42</b> Grassroots nontaxable amount (enter 25% of line 41) . . . . .	<b>42</b>	<b>126,278.</b>
<b>43</b> Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 . . . . .	<b>43</b>	
<b>44</b> Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 . . . . .	<b>44</b>	

**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 11 of the instructions.)

	<b>Lobbying Expenditures During 4-Year Averaging Period</b>				
<b>Calendar year (or fiscal year beginning in) ►</b>	<b>(a) 2004</b>	<b>(b) 2003</b>	<b>(c) 2002</b>	<b>(d) 2001</b>	<b>(e) Total</b>
<b>45</b> Lobbying nontaxable amount . . . . .	<b>505,110.</b>	<b>530,244.</b>	<b>517,908.</b>	<b>430,036.</b>	<b>1,983,298.</b>
<b>46</b> Lobbying ceiling amount (150% of line 45(e)) . . . . .					<b>2,974,947.</b>
<b>47</b> Total lobbying expenditures . . . . .	<b>447,931.</b>	<b>333,141.</b>	<b>464,458.</b>	<b>277,300.</b>	<b>1,522,830.</b>
<b>48</b> Grassroots nontaxable amount . . . . .	<b>126,278.</b>	<b>132,561.</b>	<b>129,477.</b>	<b>107,509.</b>	<b>495,825.</b>
<b>49</b> Grassroots ceiling amount (150% of line 48(e)) . . . . .					<b>743,738.</b>
<b>50</b> Grassroots lobbying expenditures . . . . .	<b>72,607.</b>	<b>85,977.</b>	<b>101,027.</b>	<b>53,093.</b>	<b>312,704.</b>

**Part VI-B Lobbying Activity by Nonelecting Public Charities****NOT APPLICABLE**

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

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.

- 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.) . . . . .

Yes	No	Amount

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



FEDERAL FOOTNOTES

=====

THE ORGANIZATIONS PRIMARY EXEMPT PURPOSE IS THE ALLEVIATION OF FEAR,  
THE PREVENTION OF PAIN AND THE RELIEF OF SUFFERING OF ANIMALS  
EVERYWHERE AND TO FOSTER HUMANE CONDUCT TOWARD ANIMALS AND ENCOURAGE  
AND SUPPORT THE COOPERATION AMONG ALL PERSONS INTERESTED IN HUMANE  
ACTIVITIES.

FORM 990, PART I - LIST OF CONTRIBUTORS

NAME AND ADDRESS	DATE	DIRECT PUBLIC SUPPORT
FOUNDATIONS		148,000.
DIRECT MAIL FROM GENERAL PUBLIC		2,767,893.
BEQUESTS & LEGACIES		3,624,503.
TOTAL CONTRIBUTION AMOUNTS		6,540,396.

THE FUND FOR ANIMALS, INC.

13-6218740

FORM 990, PART I - OTHER INCREASES IN FUND BALANCES  
=====

DESCRIPTION -----	AMOUNT -----
UNREALIZED GAIN ON SECURITIES CARRIED AT LOWER OF COST OR MARKET IN THE BOOKS OF THE ACCOUNT	195,419.
REVERSED LOSS RECOGNIZED FOR 2003 BOOKS ON PROPERTY GIVEN TO THE NYC ANIMAL SHELTER SYSTEM IN FEBRUARY 2004	89,719.
TOTAL	----- 285,138. =====

## FORM 990, PART II - OTHER EXPENSES

DESCRIPTION	TOTAL	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING
BLACK BEAUTY RANCH EXPENSES	893,243.	893,243.		
RAMONA CALIFORNIA REHAB CTR	400,286.	400,286.		
SOUTH CAROLINA SANCTUARY	27,332.	27,332.		
CARE AND FEEDING - OTHER	8,391.	8,391.		
DATA PROCESSING	5,108.		5,108.	
PRINTED LITERATURE	785,157.	473,961.	599.	310,597.
OTHER MEDIA	857,254.	848,200.		9,054.
INSURANCE	202,999.	152,249.	50,750.	
INVESTMENT ADVISORY FEES	93,864.		93,864.	
MISCELLANEOUS	152,023.	14,079.	61,914.	76,030.
CONSULTING FEES	124,285.	93,397.	30,888.	
D.C. BUILDING EXPENSE	64,866.		64,866.	
TOTALS	3,614,808.	2,911,138.	307,989.	395,681.



## FORM 990, PART III - PROGRAM SERVICE ACCOMPLISHMENTS (A THROUGH D)

ITEM	DESCRIPTION	GRANTS AND ALLOCATIONS	EXPENSES
A	ANIMAL PROTECTION - OPERATION OF A RANCH IN TEXAS FOR ABUSED ANIMALS, EMERGENCY RESCUE OF ANIMALS, OPERATION OF OTHER ANIMAL PROTECTION AND WELFARE FACILITIES AND OTHER ANIMAL PROTECTION MATTERS.	194,674.	2,356,696.
B	HUMANE EDUCATION - EDUCATE THE PUBLIC ON ISSUES AND EVENTS AFFECTING ANIMAL RIGHTS AND WELFARE.		2,566,405.
C	LEGISLATIVE - LOBBYING FOR HUMANE ANIMAL LITIGATION AND AGAINST LAWS WHICH SUBJECT ANIMALS TO MISTREATMENT.	303,000.	447,932.
TOTAL		497,674.	5,371,033.

THE FUND FOR ANIMALS, INC.

13-6218740

FORM 990, PART IV - PREPAID EXPENSES AND DEFERRED CHARGES

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
PREPAID INSURANCE	101,606.	104,635.
PREPAID RENT	8,788.	NONE
PREPAID OTHER	10,359.	7,869.
	-----	-----
TOTALS	120,753.	112,504.
	=====	=====

THE FUND FOR ANIMALS, INC.

13-6218740

FORM 990, PART IV - INVESTMENTS - SECURITIES

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
GOVERNMENT OBLIGATIONS	15,054,092.	14,899,333.
COMMON STOCK	674,818.	819,292.
	-----	-----
TOTALS	15,728,910.	15,718,625.
	=====	=====

THE FUND FOR ANIMALS, INC.

13-6218740

FORM 990, PART IV - OTHER ASSETS

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
ACCOUNTS RECEIVABLE	74,975.	2,110.
ACCRUED INTEREST REC - GEN	99,144.	85,464.
ACCRUED INTEREST REC - BBR	61,801.	55,412.
ACCRUED INTEREST REC - PLN	4,038.	6,317.
SECURITY DEPOSITS	66,496.	44,712.
	-----	-----
TOTALS	306,454.	194,015.
	=====	=====

FORM 990, PART IV - OTHER LIABILITIES

=====

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE
-----	-----	-----
NOTE PAYABLE	2,000,000.	2,000,000.
DEFERRED RENT	13,376.	NONE
	-----	-----
TOTALS	2,013,376.	2,000,000.
	=====	=====

THE FUND FOR ANIMALS, INC.

13-6218740

FORM 990, PART IV-A - OTHER REVENUE ON RETURN BUT NOT ON BOOKS

DESCRIPTION

AMOUNT

D.C. BUILDING EXPENSES	-27,656.
D.C. BUILDING DEPRECIATION	-18,247.
	-----
TOTAL	-45,903.
	=====

THE FUND FOR ANIMALS, INC.

13-6218740

FORM 990, PART IV-B - OTHER EXPENSES ON RETURN BUT NOT ON BOOKS

DESCRIPTION

AMOUNT

D.C. BUILDING EXPENSE	-27,656.
D.C. BUILDING DEPRECIATION	-18,247.
LOSS RECOGNIZED FOR TAXES FOR 2004 ON PROPERTY GIVEN TO THE NYC ANIMAL SHELTER SYSTEM IN FEBRUARY 2004 THAT WAS RECOGNIZED FOR BOOKS ON 2003 REPORT	89,719.
TOTAL	43,816.

## FORM 990, PART V - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
MS. MARIAN PROBST 200 WEST 57TH STREET NEW YORK, NY 10019	CHAIR 35	NONE	NONE	NONE
MS. BARBARA BRACK 200 WEST 57TH STREET NEW YORK, NY 10019	DIRECTOR 1	NONE	NONE	NONE
MRS. DEL DONATI 200 WEST 57TH STREET NEW YORK, NY 10019	DIRECTOR 1	NONE	NONE	NONE
MRS. JUDITH NEY 200 WEST 57TH STREET NEW YORK, NY 10019	VICE PRES 1	NONE	NONE	NONE
MRS. KATHRYN WALKER 200 WEST 57TH STREET NEW YORK, NY 10019	DIRECTOR 1	NONE	NONE	NONE
MR. EDGAR SMITH 200 WEST 57TH STREET NEW YORK, NY 10019	DIRECTOR 1	NONE	NONE	NONE
MR. MICHAEL MARKARIAN 200 WEST 57TH STREET NEW YORK, NY 10019	PRESIDENT 40	50,000.	5,070.	NONE
MR. NEAL FANG 200 WEST 57TH STREET NEW YORK, NY 10019	DIRECTOR 0.5	NONE	NONE	NONE



## FORM 990, PART V - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
MS. MARY MAX 200 WEST 57TH STREET NEW YORK, NY 10019	DIRECTOR 0.5	NONE	NONE	NONE
GRAND TOTALS		50,000.	5,070.	NONE

SCHEDULE A, PART III - EXPLANATION FOR LINE 2D  
=====

SEE FORM 990 PART V

SCHEDULE A, PART III - EXPLANATION FOR LINE 3A

=====

AN ANALYSIS AND CALCULATION IS MADE FOR ALL REQUESTS FOR FUNDS TO  
OTHER ORGANIZATIONS. IF THE SOLICITING ORGANIZATION IS IN THE  
POSITION OF AIDING IN THE FUND'S GOALS, THEN THE MONEY WILL BE  
GRANTED.

THE FUND FOR ANIMALS, INC.  
2004 FILING

13-6218740

State

ALABAMA  
ALASKA  
ARIZONA  
ARKANSAS  
CALIFORNIA  
COLORADO  
CONNECTICUT  
DISTRICT OF COLUMBIA  
FLORIDA  
GEORGIA  
ILLINOIS  
KANSAS  
KENTUCKY  
LOUISIANA  
MAINE  
MARYLAND  
MASSACHUSETTS  
MICHIGAN  
MINNESOTA  
MISSISSIPPI  
NEW HAMPSHIRE  
NEW JERSEY  
NEW MEXICO  
NEW YORK  
NORTH CAROLINA  
OHIO  
OKLAHOMA  
OREGON  
PENNSYLVANIA  
RHODE ISLAND  
SOUTH CAROLINA  
TENNESSEE  
UTAH  
VIRGINIA  
WASHINGTON  
WEST VIRGINIA  
WISCONSIN

**Department of the Treasury**  
**Internal Revenue Service**

**► Attach to Form 1041, Form 5227, or Form 990-T. See the separate instructions for Form 1041 (also for Form 5227 or Form 990-T, if applicable).**

2004

Name of estate or trust

Employer identification number

**THE FUND FOR ANIMALS, INC.**

13-6218740

**Note:** Form 5227 filers need to complete **only** Parts I and II.

**Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less**

	(a) Description of property (Example, 100 shares 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 33)	(f) Gain or (Loss) for the entire year (col. (d) less col. (e))
1						
2	Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824 . . . . .					2
3	Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts . . . . .					3
4	Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2003 Capital Loss Carryover Worksheet . . . . .					4
5	Net short-term gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on line 13, column (3) below . . . . .					5

## Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

	(a) Description of property (Example, 100 shares 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 33)	(f) Gain or (Loss) for the entire year (col. (d) less col. (e))
6	SEE STATEMENT 1			15,869,852.	15,814,727.	55,125.
7	Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824					7
8	Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts					8
9	Capital gain distributions					9
10	Gain from Form 4797, Part I					10 8,788.
11	Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2003 Capital Loss Carryover Worksheet					11 (
12	Net long-term gain or (loss). Combine lines 6 through 11 in column (f). Enter here and on line 14a, column (3) below					12 63,913.

## Part III Summary of Parts I and II

**Caution:** Read the instructions **before** completing this part.

<b>Part III Summary of Parts I and II</b> <b>Caution: Read the instructions <i>before</i> completing this part.</b>		<b>(1) Beneficiaries'</b> (see page 34)	<b>(2) Estate's</b> or trust's	<b>(3) Total</b>
<b>13 Net short-term gain or (loss)</b> . . . . .	<b>13</b>			
<b>14 Net long-term gain or (loss):</b>				
<b>a Total for year</b> . . . . .	<b>14a</b>			<b>63,913.</b>
<b>b Unrecaptured section 1250 gain (see line 18 of the worksheet on page 34)</b> . . . . .	<b>14b</b>			
<b>c 28% rate gain or (loss)</b> . . . . .	<b>14c</b>			
<b>15 Total net gain or (loss). Combine lines 13 and 14a</b> . . . . . ▶	<b>15</b>			<b>63,913.</b>

**Note:** If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4. If lines 14a and 15, column (2), are net gains, go to Part V, and **do not** complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

**For Paperwork Reduction Act Notice, see the Instructions for Form 1041.**

**Schedule D (Form 1041) 2004**

**Part IV Capital Loss Limitation****16** Enter here and enter as a (loss) on Form 1041, line 4, the smaller of:**a** The loss on line 15, column (3) or**b** \$3,000**16**If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22, is a loss, complete the **Capital Loss Carryover Worksheet** on page 36 of the instructions to determine your capital loss carryover.**Part V Tax Computation Using Maximum Capital Gains Rates** (Complete this part only if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22 is more than zero.)**Note:** If line 14b, column (2) or line 14c, column (2) is more than zero, complete the worksheet on page 37 of the instructions and skip Part V. Otherwise, go to line 17.**17** Enter taxable income from Form 1041, line 22**17****18** Enter the smaller of line 14a or 15 in column (2) but not less than zero**18****19** Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2)**19****20** Add lines 18 and 19**20****21** If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0-**21****22** Subtract line 21 from line 20. If zero or less, enter -0-**22****23** Subtract line 22 from line 17. If zero or less, enter -0-**23****24** Enter the smaller of the amount on line 17 or \$1,950**24****25** Is the amount on line 23 equal to or more than the amount on line 24?☒ **Yes.** Skip lines 25 through 27; go to line 28 and check the "No" box.☐ **No.** Enter the amount from line 23**25****26** Subtract line 25 from line 24**26****27** Multiply line 26 by 5% (.05)**27****28** Are the amounts on lines 22 and 26 the same?☒ **Yes.** Skip lines 28 through 31; go to line 32.☐ **No.** Enter the smaller of line 17 or line 22**28****29** Enter the amount from line 26 (If line 26 is blank, enter -0-)**29****30** Subtract line 29 from line 28**30****31** Multiply line 30 by 15% (.15)**31****32** Figure the tax on the amount on line 23. Use the 2004 Tax Rate Schedule on page 22 of the instructions**32**

NONE

**33** Add lines 27, 31, and 32**33**

NONE

**34** Figure the tax on the amount on line 17. Use the 2004 Tax Rate Schedule on page 22 of the instructions**34****35** Tax on all taxable income. Enter the smaller of line 33 or line 34 here and on line 1a of Schedule G, Form 1041**35**

[illegible]

## THE FUND FOR ANIMALS INC.

## TOTAL OF ALL INVESTMENTS

Date Acq	Description	INVENTORY AT 01.1.04		PURCHASES SPLITS / 2004		SALES/EXCHANGES 2004		INVENTORY at 12.31.04			
		COST		Cost	Proceeds	Cost	Date Sold	Gain/Loss	Cost	Market Value	Income
	<u>GENERAL FUND</u>	9,071,452		8,683,276	8,455,018	8,424,051		30,967	9,330,677	9,380,856	362,481
	<u>BLACK BEAUTY RANCH</u>	5,711,581		4,877,632	4,774,669	4,739,750		34,919	5,849,463	5,897,546	217,975
	<u>PLANNED GIVING ACCOUNT</u>	1,058,018		2,048,116	2,640,163	2,650,926		(10,763)	455,208	440,223	23,196
	TOTAL OF ALL INVESTMENTS	15,841,051		15,609,024	15,869,850	15,814,727		55,123	15,635,348	15,718,625	603,652



**THE FUND FOR ANIMALS, INC.**

**SCHEDULE OF INVESTMENTS**

GENERAL FUND COMMON STOCKS		INVENTORY AT 01.1.04		PURCHASES SPLITS / 2004		SALES/EXCHANGES 2004		INVENTORY AT 12.31.04									
Date Acq	Description	No. shs.	Cost	No.shs.	Cost	No.shs	Proceeds	Cost	Date Sold	Gain/Loss	COST	NO SHS	MARKET VALUE	INCOME			
PURCHASED STOCKS																	
Various 1989	Amoskeag Bankshares	5,000	36,969	1,000	25,328					0	36,969	5,000	250	-			
Jan 27, 2004	Amsouth Bancorporation			1,000	22,270					0							
Apr 23, 2004	Agere Sys Cl B(Fr Lucent)	6,077	27,442			6,074	8,382	27,437	Dec 10, 2004	(19,055)		5	4	1,200			
Various	American International Group	X		270	15,657	270	19,534	15,657	Jun 17, 2004	3,877	-	-	-	-			
Various	Avon Products Inc	X		210	6,275	210	9,233	6,275	Jun 17, 2004	2,958	-	-	-	-			
Various	AOL Time Warner	X		805	12,939	805	14,144	12,939	Jun 17, 2004	1,205	-	-	-	-			
Sep 16, 2003	Berkshire Hathaway Inc Class B	X		6	15,109	6	17,603	15,109	Jun 17, 2004	2,494	-	-	-	-			
Dec 10, 2004	China Telecom Corp			1,800	66,919					0	66,919	1,800	66,240	-			
Dec 10, 2004	China Yuchai Int'l			2,500	44,519	2,500	36,140	44,519	Dec 22, 2004	(8,379)	-	-	-	-			
Mar 17, 2003	Cisco Sys Inc	X		370	5,233												
May 1, 2004	Coca-Cola Co	X		80	1,674	450	10,462	6,907	Jun 17, 2004	3,555	-	-	-	-			
Various	Costco Wholesale Corp	X		380	16,082	380	16,853	16,082	Aug 2, 2004	771	-	-	-	95			
Mar 17, 2003	Dell Inc	X		305	9,550	305	12,364	9,550	Aug 2, 2004	2,814	-	-	-	31			
Mar 17, 2003	Disney, Walt	X		375	12,224	375	13,038	12,224	Jun 17, 2004	814	-	-	-	-			
Sep 18, 2003	Gillette Co	X		540	10,873	540	13,451	10,873	Jun 17, 2004	2,578	-	-	-	-			
Feb 13, 2004	General Electric Co	X		205	7,602	205	8,822	7,602	Jun 17, 2004	1,220	-	-	-	-			
Nov 13, 2003	Goldcorp Inc	1,500	42,435							0	42,435	1,500	54,750	1,200			
Various	Home Depot Inc	5,000	71,827	1,000	13,480												
Jan 26, 2004	Intel Corp			395	11,288	395	14,077	11,288	Jun 17, 2004	2,789	85,307	6,000	90,240	1,576			
Dec 17, 2003	InteractiveCorp	X		295	5,297					0				34			
VARIOUS	Lucent Technologies	X		250	7,085	545	15,047	12,382	Jun 17, 2004	2,665	-	-	-	-			
Mar 17, 2004	Microsoft Corp	X		200	5,394												
Apr 5, 2004	Morgan Stanley	X		175	6,136	475	14,226	14,718	Jun 17, 2004	(492)	-	-	-	-			
Various	Overseas Shipholding Group	X		100	3,188					0	100,690	8,671	32,603	-			
Sep 22, 2003	Pepsico Inc	8,671	100,690	565	15,187	565	15,661	15,187	Jun 17, 2004	474	-	-	-	-			
Feb 13, 2004	St Paul Companies Inc	X		170	6,513	170	8,279	6,513	Aug 2, 2004	1,766	-	-	-	42			
Various	Telecom Corp	1,500	43,880	600	21,779	600	21,779	16,961	Apr 23, 2004	4,818	-	-	-	-			
Jan 27, 2004	Telexis LTD Sponsored ADR	X		500	17,766	200	11,769	6,639	Dec 22, 2004	5,130	38,046	1,200	66,240	1,085			
VARIOUS	Texas Instruments Inc	X		285	12,396	285	14,372	12,396	Aug 2, 2004	1,976	-	-	-	65			
Mar 16, 2004	Viacom Inc Cl B	X		235	9,440	235	8,319	9,440	Jul 23, 2004	(1,121)	-	-	-	52			
Apr 12, 2004	Wells Fargo Corp	X		1,500	45,822					0	60,207	2,000	70,920	3,297			
Apr 23, 2004	Wrigley Wm Jr Co	X		500	14,385	3,000	56,926	52,049	Dec 7, 2004	4,877	-	-	-	1,451			
Sep 25, 2003		X		345	8,078	3,000				0							
Feb 13, 2004		X		150	4,584					0							
Apr 26, 2004		X		75	2,056	570	13,264	14,718	Jun 17, 2004	(1,454)	-	-	-	-			
Feb 11, 2004		X		225	9,270	310	11,417	12,606	Jun 17, 2004	(1,189)	-	-	-	-			
Feb 13, 2004		X		85	3,336	185	10,573	8,984	Aug 2, 2004	1,589	-	-	-	-			
Mar 17, 2003		X		185	8,984					0				-			
Jul 28, 2003		X		115	6,315	270	16,395	15,090	Jul 23, 2004	1,305	-	-	-	63			
Feb 13, 2004		X		155	8,775												
TOTAL PURCHASED STOCKS										323,243	549,078	412,130	394,145	17,985	478,176	433,047	10,191

**THE FUND FOR ANIMALS, INC.**

GENERAL FUND COMMON STOCKS (CON'T)		INVENTORY AT 01.1.04		PURCHASES SPLITS / 2004		SALES/EXCHANGES 2004		INVENTORY AT 12.31.04		MARKET VALUE		INCOME	
Date Acq	Description	No. shs.	Cost	No. shs.	Cost	Proceeds	Cost	Date Sold	Gain/Loss	COST	NO SHS	MARKET VALUE	INCOME
<b>DONATED STOCKS</b>													
Dec 31, 1998	American Funds	2,296,962	66,784										
	Dividends reinvested												
Various	Agere Sys ClB ( from Lucent)			43,609	1,295					68,079	2,340,571	75,483	1,295
Nov 16, 2004	Bell Atlantic ( Verizon)	35	1,316			48	1,316	Dec 10, 2004	(1,268)	-	-	-	-
Dec 23, 2003	Bristol Myers Squibb	130	3,565	268	11,165					11,165	268	10,857	-
Dec 27, 2004				150	3,847	3,201	3,565	Apr 22, 2004	(364)	-	-	-	-
Dec 9, 2003	Loews Corp	50	2,794			50	3,046	Apr 22, 2004	252	3,847	150	3,843	73
Jun 22, 2000	Lucent Technologies Inc	133	6,147			3	314	Apr 22, 2004	16	6,147	133	500	7
Dec 30, 2003	Proctor & Gamble Co	3	298							-	-	-	-
Sep 15, 1998	Salomon Bros Investors Fund	15,938	327							-	-	-	-
	Dividends reinvested												
Dec 18, 2003	Wachovia Corp	300	13,758	0.174	10	300	13,740	Apr 22, 2004	(18)	-	16,112	330	10
Dec 17, 2004				250	13,000					13,000	250	13,150	120
Dec 30, 2004	US Savings Bonds		301,088			301,088	301,088	Apr/May 2004	0	-	-	-	-
<b>TOTAL DONATED STOCKS</b>			<b>396,077</b>		<b>29,317</b>	<b>321,437</b>	<b>322,819</b>		<b>(1,382)</b>	<b>102,575</b>		<b>104,163</b>	<b>1,508</b>
<b>TOTAL COMMON STOCKS</b>			<b>719,320</b>		<b>578,395</b>	<b>733,567</b>	<b>716,964</b>		<b>16,603</b>	<b>102,575</b>		<b>537,210</b>	<b>11,699</b>
										<b>580,751</b>			<b>11,699</b>

**THE FUND FOR ANIMALS, INC.**

GENERAL FUND GOVERNMENT OBLIGATIONS		INVENTORY AT 01.1.04		PURCHASES SPLITS / 2004		SALES/EXCHANGES 2004			INVENTORY AT 12.31.04				
Date Acq	Description	FACE VALUE	Cost	FACE VALUE	Cost	Proceeds	Cost	Date Sold	Gain/Loss	COST	FACE VALUE	MARKET VALUE	INCOME
VARIOUS	USTN 5.625% due 2.15.2006	1,000,000	1,003,195			200,000	215,461	206,113 Jan 7, 2004	9,348				
				200,000	209,500	209,442 Jun 17, 2004	58						
				600,000	626,375	587,640 Oct 1, 2004	38,735			-	-	-	30,868
VARIOUS	UST TIP 3.00% due 7.15.2012	690,000	739,890						0	739,890	690,000	807,244	18,472
VARIOUS	USTN 4 375 % due 08.15.2012	800,000	829,024			600,000	622,219	624,305 Jan 28, 2004	(2,086)				
				200,000	197,440	204,719 Jun 17, 2004	(7,279)			-	-	-	6,035
VARIOUS	USTN 3 875% due 2.15.2013	600,000	596,906			100,000	97,863	99,484 Jan 7, 2004	(1,621)				
				200,000	200,000	198,969 Jan 15, 2004	1,031						
				100,000	100,176	99,484 Jan 16, 2004	692			198,969	200,000	197,312	8,398
Sep 5, 2003 Jan 15, 2004	UST TIP 3.625% due 01.15.2008	300,000	377,781	300,000	382,219	770,960	760,000	Oct 8, 2004	10,960	-	-	-	19,243
Oct 3, 2003 Jan 7, 2004	UST TIP 4.25% due 01.15.2010	150,000	190,666			350,000	459,207	446,583 Oct 21, 2004	12,624	-	-		13,517
Oct 3, 2003	UST TIP 3.50% due 01.15.2011	250,000	296,201	50,000	60,244				0	356,445	300,000	368,976	11,075
Jan 28, 2004 Jul 28, 2004	UST TIP 2.00% due 01.15.2014			350,000	355,964				0				
				300,000	304,886				0	660,850	650,000	686,306	9,087
Various	USTN 3.625% due 5.15.2013			110,000	111,392	111,392	111,392	Jul 29, 2004	0	-	-	-	
Feb 12, 2004	USTN 6.25% due 2.15.2007			196,000	218,953	218,953	218,953	Jul 29, 2004	0	-	-	-	
Mar 22, 2004	USTN 3.25% due 01.15.2009			470,000	482,631				0	482,631	470,000		
Jan 28, 2004	USTN 3.25% due 01.15.2009			240,000	242,775				0				
Mar 29, 2004	USTN 3.25% due 01.15.2009			10,000	10,201				0	252,976	250,000	713,700	19,314
Jul 22, 2004	USTN 4.75% due 05.15.2014			300,000	306,938	306,938			0	306,938	300,000	312,657	6,249
Oct 6, 2004	USTN 3.375% due 10.15.2009			600,000	596,859				0	596,859	600,000	594,000	4,222
Oct 7, 2004	UST TIP 2.00% due 07.15.2014			600,000	609,203	609,203			0	609,203	600,000	623,691	5,556
Oct 29, 2004	UST TIP 0.875% due 04.15.2010			650,000	647,614	647,614			0	647,614	650,000	643,702	981
Jun 17, 2004	US Treasury Bills due 7.15.2004			1,400,000	1,399,082	1,399,082	1,399,082	Jul 15, 2004	0	-	-	-	918
Jul 23, 2004	US Treasury Bills due 8.19.2004			800,000	799,293	799,293	799,293	Aug 19, 2004	0	-	-	-	707
Feb 12, 2004	Fed Nat'l Mtg 1.8750% /12.15.2010			120,000	120,710	119,898	120,710	Oct 1, 2004	(812)	-	-	-	1,787
Apr 16, 2003	Fed Nat'l Mtg 4.625% 5.1.2013	525,000	521,336						0	521,336	525,000	523,031	24,281
Aug 10, 2004	Fed Hm Ln 4.35% 9.01.2009			600,000	600,000				0	600,000	600,000	603,937	8,724
Aug 12, 2004	Fed Hm Ln 5.375% 9.08.2014			600,000	600,000				0	600,000	600,000	606,187	10,073

**THE FUND FOR ANIMALS, INC.**

GENERAL FUND GOVERNMENT OBLIGATIONS(CONT)		INVENTORY AT 01.1.04	PURCHASES SPLITS / 2004		SALESEXCHANGES 2004			INVENTORY AT 12.31.04				
Date Acq	Description	FACE VALUE	Cost	FACE VALUE	Proceeds	Cost	Date Sold	Gain/Loss	COST	FACE VALUE	MARKET VALUE	INCOME
Sep 25, 2001	Fed Nat'l Mtg 5.25% 6.15 2006	380,000	393,182		394,577	393,182	Jun 17, 2004	1,395	-	-	-	9,267
Mar 13, 2003	Fed Nat'l Mtg 5% 4 1.2018 Pool #E95579	277,060	284,593		1,288 2,971 1,281 27 3,530 16 5,503 56 6,387 00 3,850 68 3,080.12 4,715.00 3,033.25 1,744.74 1,193 70	1,323 3,052 1,316 3,626 5,653 6,561 3,955 3,164 4,843 3,116 1,792 1,226	Jan 15, 2004 Feb 15, 2004 Mar 15, 2004 Apr 15, 2004 May 15, 2004 Jun 15, 2004 Jul 15, 2004 Aug 15, 2004 Sep 15, 2004 Oct 15, 2004 Nov 15, 2004 Dec 15, 2004	(35) (81) (35) (96) (149) (174) (104) (84) (128) (82) (47) (32)	275,772.54 272,800.98 271,519.71 267,989.55 262,485.99 256,098.99 252,248.31 249,168.19 244,453 19 241,419 94 239,675.20 244,966			
Mar 11, 2003	Fed Nat'l Mtg 5% 4.1.2018 Pool #698957	692,322	712,768		6,454 4,092 4,253 4,092 35 4,163 77 4,509 72 3,766 38 4,239 78 3,650 00 3,947 41 4,093 13 4,173 13	6,645 4,213 4,379 4,213 4,287 4,643 3,877 4,365 3,758 4,064 4,214 4,296	Jan 26, 2004 Feb 25, 2004 Mar 25, 2004 Apr 25, 2004 May 25, 2004 Jun 17, 2004 Jul 17, 2004 Aug 17, 2004 Sep 27, 2004 Oct 25, 2004 Nov 25, 2004 Dec 25, 2004	(191) (121) (126) (121) (123) (133) (111) (125) (108) (117) (121) (123)	685,867.82 681,775.65 677,522 69 673,430 34 669,266 57 664,756 85 660,990 47 656,750 69 653,100 69 649,153 28 645,060 15 659,814			
Oct 29, 2002	Fed Home Ln 6.25% 03.05 2012	550,000	586,405		262,007	266,547	Nov 9, 2004	(4,540)	319,858	300,000	313,689	32,145
Dec 17, 2002	Fed Home Ln 4 50% 7.23 2007	275,000	282,293		275,000	282,293	Jul 23, 2004	(7,293)	-	-	-	6,916
Jan 9, 2003	Fed Natl Mtg 4.375% 9 15 2003	525,000	520,002					0	520,002	525,000	525,163	22,969
VARIOUS	Fed Home Ln 4 50% 11.15 2012	850,000	868,940		406,955	437,365	Jun 17, 2004	(30,410)				
May 9, 2003	Fed Hm Ln 4.25% 5.22 2013	150,000	148,950		145,079	148,950	Dec 9, 2004	(3,871)	-	-	-	6,013
TOTAL GOVERNMENT OBLIGATIONS			8,352,132	8,104,881	7,721,451	7,707,087		14,364	8,749,926 8,749,926	8,843,646		350,782
VALUATION ALLOWANCE(PL GN) VALUATION ALLOWANCE(GF)			0 0									
TOTAL INVESTMENTS / GENERAL FUND			9,071,452	8,683,276	8,455,018	8,424,051		30,967	9,330,677 9,330,677	9,380,856		362,481

**THE FUND FOR ANIMALS, INC.**

**BLACK BEAUTY RANCH**

**COMMON STOCKS**

BLACK BEAUTY RANCH												
COMMON STOCKS												
	INVENTORY AT 01.1.04				SALES/EXCHANGES 2004				INVENTORY AT 12.31.04			
Date Acq	Description	No. shs.	Cost	No. shs.	Cost	Proceeds	Cost	Date Sold	Gain/Loss	Cost	No. shs.	Market Value
Various	Agere Sys Cl B ( from Lucent)	2,767	15,958	2,765	3,816	15,955	38331	(12,139)	-	36,463	1,500	38,850
Jan 27, 2004	Amsouth Bancorporation	1,000	25,328							-		960
Apr 23, 2004		500	11,135							-		-
Dec 10,2004	China Yuchai Intd	1,500	26,711	1,500	21,684	26,711	Dec 21,2004	(5,027)		48,331	1,300	47,840
Dec 10,2004	Chine Telecom Corp	1,300	48,331							28,290	1,000	800
Nov 13, 2003	General Electric Co	1,000	28,290							-		
Various	Goldcorp Inc	3,000	44,116	1,000	13,480					-		
Jan 26, 2004										-		
Various	Lucent Technologies Inc.	4,771	63,541							57,596	4,000	60,160
Various	Overseas Shipholding Group	1,200	34,906							63,541	4,771	17,939
Jan 28, 2004				500	18,012	14,133	Apr 22, 2004	3,879		17,298	500	27,600
Apr 12, 2004	Telecom Corp	300	10,659	500	29,424	14,134	38342	15,290				787
Apr 23, 2004		1,000	30,548							44,933	1,500	53,190
Apr 23, 2004		500	14,385							-	-	2,473
Apr 23, 2004	Telstra Ltd Sponsored ADR	1,500	26,025	1,500	28,463	26,025	Dec 7,2004	2,438		-	-	725
TOTAL COMMON STOCKS			186,811		206,602	101,399	96,958		4,441	296,455		282,082
												6,758

**THE FUND FOR ANIMALS, INC.**

BLACK BEAUTY RANCH		INVENTORY AT 01.1.04		PURCHASES SPLITS / 2004		SALES/EXCHANGES 2004				INVENTORY AT 12.31.04				
GOVERNMENT OBLIGATIONS														
Date Acq	Description	Face Value	Cost	Face Value	Cost	FACE VALUE	Proceeds	Cost	Date Sold	Gain/Loss	Cost	FACE VALUE	Market Value	Income
VARIOUS	USTN 5.625% due 2.15.2006	530,000	515,847			200,000	215,477	197,192	Jan 7, 2004	18,285				
				150,000		150,000	162,000	144,845	Jan 15, 2004	17,155				
VARIOUS	UST TIP 3.00% due 7.15.2012	365,000	392,247			180,000	188,550	173,810	Jun 15, 2004	14,740	-	-	-	5,316
										0				
								392,247		0		365,000	427,020	9,490
VARIOUS	USTN 4.375 % due 08.15.2012	450,000	466,537			350,000	362,961	364,177	Jan 28, 2004	(1,216)				
				100,000		100,000	98,720	102,360	Jun 17, 2004	(3,640)	-	-	-	3,237
VARIOUS	USTN 3.875% due 2.15.2013	400,000	397,953							0				
										0				
VARIOUS	USTN 3.625% due 5.15.2013	495,000	498,419			100,000	96,141	98,464	Jan 7, 2004	(2,323)				
				395,000		395,000	388,520	399,955	Jan 15, 2004	(11,435)				
										0				
										0				666
Jan 28, 2004 Jul 28, 2004	USTN 3.25% due 01.15.2009			140,000 160,000	141,619 156,968					0 0				
Sep 5, 2003 Jan 15, 2004	UST TIP 3.625% due 1.15.2008	200,000	251,854	300,000	382,219	100,000 400,000	128,770 513,973	125,927 508,146	Sep 13, 2004 Sep 30, 2004	2,843 5,827				15,625
Oct 3, 2003 Jan 7, 2004	UST TIP 4.25% due 1.15.2010	100,000	127,111	200,000	255,917	300,000	393,605	383,028	Oct 21, 2004	10,577	-	-	-	11,507
Oct 3, 2003 Jan 16, 2004	UST TIP 3.50% due 1.15.2011	150,000	177,720	225,000	271,099					0 0				
Dec 30, 2003	UST TIP 1.875% due 7.15.2013	150,000	149,733			150,000	157,079	149,733	Sep 30, 2004	7,346	-	-	-	2,171
Jan 28, 2004 Jul 28, 2004	UST TIP 2.00% due 01.15.2014			200,000 200,000	203,408 203,257					0 0				
Jul 22, 2004	USTN 4.75% due 05.15.2014			200,000	204,625					0				5,435
Jun 17, 2004	US Treasury Bills due 7.15.2004			800,000	799,475	800,000	799,475	799,475	Jul 15, 2004	0	-	-	-	524
Jul 22, 1004	US Treasury Bills due 08.19.2004			400,000	399,647	40,000	399,647	399,647	Aug 19, 2004	0	-	-	-	354
Oct 7, 2004	UST TIP 2.00% due 07.15.2014			400,000	406,152					0				1,694
Oct 15, 2004	USTN 3.375% due 10.15.2009			400,000	397,906					0				2,799
Oct 26, 2004	UST TIP 0.875% due 04.15.2010			350,000	348,738					0				528

**THE FUND FOR ANIMALS, INC.**

**BLACK BEAUTY RANCH**

**GOVERNMENT OBLIGATIONS(CONT)**

Date Acq	Description	Face Value	Cost	Face Value	Cost	Proceeds	Date Sold	Gain/Loss	Cost	FACE VALUE	Market Value	Income
Sep 26, 2001	Fed Nat'l Mort 5.25% 6.15 2006	200,000	206,938	200,000		207,672	Jun 17, 2004	734	-	-	-	5,338
Apr 16, 2003	Fed Nat'l Mort 4.625% 05 01 2013	325,000	322,732					0	322,732	325,000	323,781	15,031
Oct 29, 2002	Fed Home Ln 6.25% 03 05 2012	300,000	319,857					0	319,857	300,000	313,689	18,750
Dec 17, 2002	Fed Home Ln 4 50% 7 23 2007	150,000	153,978	150,000		150,000	Jul 23, 2004	(3,978)	-	-	-	3,773
Jan 21, 2003	Fed Mtg 4 375% due 9 15 2015	300,000	297,144					0	297,144	300,000	300,093	13,125
VARIOUS	Fed Home Ln 4.50% 11.15.2012	600,000	612,962	300,000		287262	Jun 17, 2004	(21,050)	308,312	300,000		
								0	304,650	300,000	303,469	18,085
Mar 13, 2003	Fed Nat'l Mort 5% 04.01.2018 POOL NO. 698957	381,971	393,250	3,560.95		3,561	Jan 26, 2004	(105)	3,666	378,409.84		
				2,257.75		2,257	Feb 26, 2004	(67)	2,324	376,152.09		
				2,346.46		2,346	Mar 25, 2004	(69)	2,415	373,805.63		
				2,257.85		2,258	Apr 25, 2004	(67)	2,325	371,547.78		
				2,297.25		2,297	May 25, 2004	(68)	2,365	369,250.53		
				2,488.12		2,488	Jun 25, 2004	(74)	2,562	366,762.41		
				1,528.18		2,078	Jul 25, 2004	(61)	2,139	365,234.23		
				2,889.02		2,339	Aug 25, 2004	(69)	2,408	362,345.21		
				2,014.00		2,014	Sep 27, 2004	(59)	2,073	360,331.21		
				2,177.68		2,178	Oct 25, 2004	(64)	2,242	358,153.53		
				2,258.27		2,258	Nov 26, 2004	(67)	2,325	355,895.26		
				2,302.42		2,302	Dec 26, 2004	(68)	2,370	353,592.84	359,590	18,414
Mar 13, 2003	Fed Home Ln 5% 04.01.2018 POOL NO E96579	161,619	166,013	751.18		751	Jan 15, 2004	(20)	771	160,867.77		
				1,733.42		1,733	Feb 15, 2004	(47)	1,780	159,134.35		
				747.41		748	Mar 15, 2004	(20)	768	158,386.94		
				2,059.26		2,059	Apr 15, 2004	(57)	2,116	156,327.68		
				3,210.42		3,210	May 15, 2004	(88)	3,298	153,117.26		
				3,725.80		3,726	June 15, 2004	(101)	3,827	149,391.46		
				2,246.24		2,246	Jul 15, 2004	(61)	2,307	147,145.22		
				1,796.70		1,797	Aug 16, 2004	(49)	1,846	145,348.52		
				2,750.00		2,750	Sep 15, 2004	(75)	2,825	142,598.52		
				1,769.82		1,770	Oct 15, 2004	(48)	1,818	140,828.70		
				1,017.77		1,017	Nov 15, 2004	(28)	1,045	139,810.93		
				696.32		696	Dec 15, 2004	(19)	715	139,114.61	141,388	7,561
May 9, 2003	Fed Home Ln 4 25% 5.22 2013	75,000	74,475	7,500.00		72,539	Dec 9, 2004	(1,936)	74,475	-	-	3,006.00
Aug 10, 2004	Fed Home Ln 4 35% 9.01.2009			300,000	300,000			0	300,000	300,000	301,969	6,063
Aug 12, 2004	Fed Home Ln 5 375% 9 08.2014			200,000	200,000			0	200,000	200,000	202,063	3,358
TOTAL GOVERNMENT OBLIGATIONS VALUATION ALLOWANCE					4,671,030	4,673,270	4,642,792	30,478	5,553,008	-	5,615,464	211,217
TOTAL INVESTMENTS/BLACK BEAUTY				5,711,581	4,877,632	4,774,669	4,739,750	34,919	5,849,463	0	5,897,546	217,975
									5,849,463	0		

**THE FUND FOR ANIMALS, INC.**  
**PLANNED GIVING ACCOUNT / SMITH BARNEY**  
**TRANSFERRED MAY 6, 2004 TO DEUTSCHE BANK A/C 242557**  
**TRANSFERRED JUNE 4, 2004 TO DEUTSCHE BANK A/C 242560**  
**SCHEDULE OF INVESTMENTS**

COMMON STOCKS page1		INVENTORY @ 01.31.04		PURCHASES SPLITS / 2004		SALES/EXCHANGES 2004				INVENTORY AT 12.31.04			MARKET	
Date Acq	Description	No. shs.	Cost	No.shs.	Cost	No.shs	Proceeds	Cost	Date Sold	Gain/Loss	COST	NO SHS	MARKET VALUE	INCOME
Various	American International Group	X	270	15,657		270	15,657	15,657	Jun 4, 2004	0	-	-	-	35
Various	Avon Products Inc	X	105	6,275	SPLIT 105	210	6,275	6,275	Jun 4, 2004	0	-	-	-	59
Various	AOL Time Warner	X	805	12,939		805	12,939	12,939	Jun 4, 2004	0	-	-	-	
Sep 16, 2003	Berkshire Hathaway Inc Class B	X	6	15,109		6	15,109	15,109	Jun 4, 2004	0	-	-	-	
Mar 17, 2003	Cisco Sys Inc	X	370	5,233		450	6,907	6,907	Jun 4, 2004	0	-	-	-	
May 1, 2004		X			80	1,674								
Various	Coca-Cola Co	X	380	16,082		380	16,082	16,082	Jun 4, 2004	0	-	-	-	95
VARIOUS	Costco Wholesale Corp	X	305	9,550		305	9,550	9,550	Jun 4, 2004	0	-	-	-	31
Mar 17, 2003	Dell Inc	X	375	12,224		375	12,224	12,224	Jun 4, 2004	0	-	-	-	-
VARIOUS	Disney, Walt	X	655	13,189		115 500	3,098 10,873	2,316 10,873	Feb 13, 2004 Jun 4, 2004	782 0	- -	- -	-	138
Feb 13, 2004	Gillette Co	X			205	7,602		7,602	Jun 4, 2004	0	-	-	-	33
VARIOUS	Home Depot Inc	X	395	11,288		395	11,288	11,288	Jun 4, 2004	0	-	-	-	28
Mar 17, 2003	Intel Corp	X	295	5,297										
Apr 5, 2004		X			250	7,085		12,382	Jun 4, 2004	0	-	-	-	34
VARIOUS	InteractiveCorp	X	375	11,530										
Feb 13, 2004		X			100	3,188		14,718	Jun 4, 2004	0	-	-	-	-
Mar 17, 2003	Microsoft Corp	X	565	15,187		565	15,187	15,187	Jun 4, 2004	0	-	-	-	-



**THE FUND FOR ANIMALS, S. INC.**  
**PLANNED GIVING ACCOUNT / SMITH BARNEY**  
**TRANSFERRED MAY 6, 2004 TO DEUTSCHE BANK**  
**TRANSFERRED JUNE 4, 2004 TO DEUTSCHE BANK**  
**SCHEDULE OF INVESTMENTS**  
**COMMON STOCKS (CONT) page 2**

Date Acq	Description	No. shs.	Cost	No.shs.	Cost	No.shs	Proceeds	Cost	Date Sold	Gain/Loss	COST	NO SHS	MARKET VALUE	INCOME
Mar 17, 2003	Morgan Stanley	X	170	6,513		170	6,513	6,513	Jun 4, 2004	0	-	-	-	85
VARIOUS	Pepsico Inc	X	285	12,396		285	12,396	12,396	Jun 4, 2004	0	-	-	-	91
Mar 16, 2004	St. Paul Companies Inc	X			235	9,440	9,440	9,440	Jun 4, 2004	0	-	-	-	118
Sep 25, 2003	Texas Instruments Inc	X	345	8,078						0				
Feb 13, 2004		X			150	4,584				0				
Apr 26, 2004		X			75	2,056		14,718	Jun 4, 2004	0	-	-	-	19
Feb 11, 2004	Viacom Inc Cl B	X			225	9,270		12,606	Jun 4, 2004	0	-	-	-	37
Feb 13, 2004		X			85	3,336								
VARIOUS	Wells Fargo Corp	X	185	8,984		185	8,984	8,984	Jun 4, 2004	0	-	-	-	166
July 28, 2003	Wngley Wrm Jr Co	X	115	6,315						0				
Feb 13, 2004		X			155	8,775	15,090	15,090	Jun 4, 2004	0	-	-	-	88
											-	-	-	
TOTAL COMMON STOCKS				191,846		57,010	249,638	248,856		782	0	0	0	1,057

Form **4797**Department of the Treasury  
Internal Revenue Service (99)**Sales of Business Property**  
(Also Involuntary Conversions and Recapture Amounts  
Under Sections 179 and 280F(b)(2))

▶ Attach to your tax return. ▶ See separate instructions.

OMB No. 1545-0184

**2004**Attachment  
Sequence No. **27**

Name(s) shown on return

Identifying number

**THE FUND FOR ANIMALS, INC.****13-6218740****1** Enter the gross proceeds from sales or exchanges reported to you for 2004 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions).**1****Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft - Most Property Held More Than 1 Year** (see instructions)

(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)
<b>2 SEE STATEMENT 1</b>						<b>8,788.</b>

**3** Gain, if any, from Form 4684, line 39**3****4** Section 1231 gain from installment sales from Form 6252, line 26 or 37**4****5** Section 1231 gain or (loss) from like-kind exchanges from Form 8824**5****6** Gain, if any, from line 32, from other than casualty or theft**6****7** Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows:**7****8,788.****Partnerships (except electing large partnerships) and S corporations.** Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.**All others.** If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on Schedule D and skip lines 8, 9, 11, and 12 below.**8** Nonrecaptured net section 1231 losses from prior years (see instructions)**8****9** Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on Schedule D (see instructions)**9****Part II Ordinary Gains and Losses****10** Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less).


**11** Loss, if any, from line 7**11**

( )

**12** Gain, if any, from line 7 or amount from line 8, if applicable**12****13** Gain, if any, from line 31**13****14** Net gain or (loss) from Form 4684, lines 31 and 38a**14****15** Ordinary gain from installment sales from Form 6252, line 25 or 36**15****16** Ordinary gain or (loss) from like-kind exchanges from Form 8824**16****17** Combine lines 10 through 16**17****18** For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below:**a** If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 27, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 22. Identify as from "Form 4797, line 18a." See instructions**18a****b** Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14**18b**

For Paperwork Reduction Act Notice, see page 8 of the instructions.

Form **4797** (2004)

**Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255**

19 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)
A		
B		
C		
D		
<b>These columns relate to the properties on lines 19A through 19D. ►</b>	<b>Property A</b>	<b>Property B</b>
<b>Property C</b>	<b>Property D</b>	
20 Gross sales price (Note: See line 1 before completing.)	20	
21 Cost or other basis plus expense of sale . . . . .	21	
22 Depreciation (or depletion) allowed or allowable . .	22	
23 Adjusted basis. Subtract line 22 from line 21 . . . .	23	
24 Total gain. Subtract line 23 from line 20. . . . .	24	
<b>25 If section 1245 property:</b>		
a Depreciation allowed or allowable from line 22 . .	25a	
b Enter the smaller of line 24 or 25a . . . . .	25b	
<b>26 If section 1250 property:</b> If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.		
a Additional depreciation after 1975 (see instructions)	26a	
b Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions). . . . .	26b	
c Subtract line 26a from line 24. If residential rental property or line 24 is not more than line 26a, skip lines 26d and 26e	26c	
d Additional depreciation after 1969 and before 1976	26d	
e Enter the smaller of line 26c or 26d . . . . .	26e	
f Section 291 amount (corporations only) . . . . .	26f	
g Add lines 26b, 26e, and 26f . . . . .	26g	
<b>27 If section 1252 property:</b> Skip this section if you did not dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership)		
a Soil, water, and land clearing expenses . . . . .	27a	
b Line 27a multiplied by applicable percentage (see instructions) . .	27b	
c Enter the smaller of line 24 or 27b . . . . .	27c	
<b>28 If section 1254 property:</b>		
a Intangible drilling and development costs, expenditures for development of mines and other natural deposits, and mining exploration costs (see instructions) . . . . .	28a	
b Enter the smaller of line 24 or 28a . . . . .	28b	
<b>29 If section 1255 property:</b>		
a Applicable percentage of payments excluded from income under section 126 (see instructions) . . . .	29a	
b Enter the smaller of line 24 or 29a (see instructions)	29b	

**Summary of Part III Gains.** Complete property columns A through D through line 29b before going to line 30.

30 Total gains for all properties. Add property columns A through D, line 24 . . . . .	30
31 Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13 . . . . .	31
32 Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6 . . . . .	32

**Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less (see instructions)**

	(a) Section 179	(b) Section 280F(b)(2)
33 Section 179 expense deduction or depreciation allowable in prior years . . . . .	33	
34 Recomputed depreciation. See instructions . . . . .	34	
35 Recapture amount. Subtract line 34 from line 33. See the instructions for where to report . . . .	35	

[illegible]

**MEMORANDUM OF AGREEMENT**

**BETWEEN**

**Wilde/LWRA, INC.**

**AND**

**The Fund for Animals**

1. The Fund for Animals, Inc., 200 West 57<sup>th</sup> Street, New York, New York 10019, a non-profit New York organization hereby agrees to retain the Professional Direct Mail Fundraising Counseling services of Wilde/LWRA, Inc. (hereinafter referred to as LWRA), a Massachusetts Corporation with principal office located at 201 Summer Street, Holliston, Massachusetts 01746.
2. The period of time covered by this Agreement shall be from January 1, 2004 through December 31, 2004. The expiration date of this Agreement will be automatically renewed for a succeeding twelve months unless notice of termination of this Agreement is provided ninety (90) days prior to the maturity of the Agreement, or the Agreement is renewed before the expiration date. However, this Agreement may be terminated by either party at any time during the above time period by giving a ninety (90) days written notice of termination to the other party. The exercise by either party of the option to terminate will in no way be construed as a release or waiver of any rights or obligations accrued to date.
3. Upon termination of this Agreement, all property and material produced and used under this Agreement, will be considered the property of FFA provided full payment of all outstanding invoices, generated under this Agreement have been made. In addition, if this Agreement is terminated prior to expiration of the term, LWRA shall be entitled to a termination fee which would cover all third party invoices that have been billed to LWRA, fees equivalent to the value of "work in process" but not yet invoiced to LWRA by third party suppliers, plus the time associated by LWRA professionals on "work in process." Work on any project will be initiated only by FFA's approval of the Mailing Strategy document or other written instructions from FFA.
4. Many states require nonprofits and their counsel to register with their Attorney General's Office or State Department. Our goal is to be fully compliant with state regulations and registering our Agreements in the requisite states. As part of our Agreement, we will ask you to inform us in which states you are currently registered, and to remain compliant, must only mail to those states accordingly. As part of our contract you are agreeing to fully comply with state regulations as well, including on time maintenance of renewals and advising us of any problems you may have with any state into which we mail.

5. The services to be provided to FFA by LWRA will consist of the following:
  - a) A direct mail fundraising program will be designed and counseled through December 31, 2004 by LWRA on behalf of FFA for the purpose of building a substantial, quality donor constituency and obtaining for FFA the maximum possible direct mail gift support from such donors.
  - b) The specific fundraising mailings to be conducted by LWRA for FFA during the period January 1, 2004 through December 31, 2004 will be presented and approved by FFA prior to implementation.
17. Direct miscellaneous expenses incurred by LWRA during the conduct of its direct mail fundraising counseling services on behalf of FFA, such as copying charges, telephone, delivery charges and miscellaneous postage are to be the financial responsibility of LWRA and will not be billed for reimbursement to FFA. Travel expenses, if required, will be charged to FFA at cost.
18. All mailings produced by LWRA on behalf of FFA will be submitted to FFA for approval before mailing. FFA will maintain complete control over list selection, copy, graphics, package cost and volumes to be mailed.
19. Estimated postage for each approved mailing to be conducted by LWRA on behalf of FFA is to be paid by FFA to LWRA no less than ten (10) days in advance of the scheduled mailing date.
20. All FFA approved and authorized invoices for professional services and mailing materials and services submitted by LWRA to FFA are to be paid within thirty (30) days from date of invoice.
21. Any and all lists given to LWRA by FFA are the sole property of FFA and are not to be given, sold or assigned by LWRA to any person or entity for their use. Any mailing list provided to LWRA is and will remain the property of FFA. LWRA will not use the mailing list for any purpose without prior written approval of FFA. After the termination of this Agreement, LWRA will not maintain possession of the mailing list or any copies thereof, and the mailing list and all copies will be returned to FFA.
22. All solicited funds and gifts will be mailed directly to FFA's offices or agents. At no time will LWRA, have custody of, control over, or possession of any funds donated to FFA.
23. LWRA has examined FFA's mission statement. All funds donated through the mail will be used in the fulfillment of FFA's mission to foster humane conduct towards animals throughout the world.


24. LWRA will make projections of income of the direct mail efforts and will exercise reasonable efforts to help FFA achieve those goals. It is expressly understood, however, that any such projections by LWRA are estimates and not guarantees that any program will achieve any projected goals at the projected costs.
25. FFA and/or its vendors agree to maintain accurate records of mailing results and agree to provide LWRA with certain periodic reports during the conduct of the program for evaluation. LWRA will establish procedures to ensure that this is done on an efficient, economical basis.
15. In the event LWRA is responsible for a loss or destruction of any FFA data, creative or other materials or services produced by LWRA for FFA there will be an attempt by LWRA to recreate and replace the missing items at no cost to FFA. The total cost for this effort will not exceed the total service fee paid to LWRA by FFA as stated in the Agreement and any future addendums to this Agreement.
16. LWRA shall not be liable to FFA for any consequential, special or incidental damages of any kind relating to the performance or non-performance of services provided by LWRA under the terms of this written Agreement.
17. This Agreement may not be modified except as mutually agreed to in writing by both parties.

Accepted for Wilde/LWRA, INC.

Dated:

12/11/03

By:

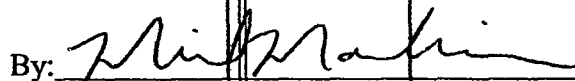
  
Lynn S. Edmonds  
President

Accepted for The Fund for Animals

Dated:

1/2/04

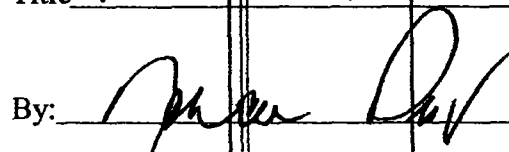
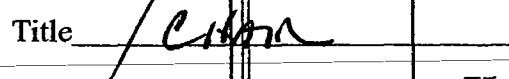
By:

  
Title President

Dated:

Jan 5, 2004

By:

  
Title 

LW Robbins  
Associates

**Professional Fund Raiser/Fund  
Raising Counsel Contract Certification**  
(Section 173-a(1) Article 7-A  
of the Executive Law)

STATE OF NEW YORK  
DEPARTMENT OF LAW  
CHARITIES BUREAU  
THE CAPITOL  
ALBANY, NY 12224

[www.oag.state.ny.us/charities/charities.html](http://www.oag.state.ny.us/charities/charities.html)

**INSTRUCTIONS:** A Professional Fund Raiser (PFR) or Fund Raising Counsel (FRC) must file with the Charities Bureau, within ten days of its execution, a copy of each contract the PFR or FRC enters into with any charitable organization required to be registered under NYS Executive Law §172. At the time of filing, the PFR or FRC must certify, under penalties for perjury, that the contract being filed is a true and correct copy of the original executed contract. This certification form may be used by a PFR or FRC when submitting a contract. A PFR or FRC is not required to use this specific form as long as its certification is substantially similar to this form.

Each contract required to be filed with the Charities Bureau must contain (a) the names, addresses and NYS Charities Bureau identification numbers of all parties to the contract; (b) a specific beginning and ending date for the contract; (c) a clear narrative description of the services to be performed by the PFR or FRC; (d) a clear statement of the financial arrangement between the charitable organization and the PFR or FRC; (e) signatures and dates of signature of all parties to the contract and (f) a statement of the charitable organization's statutory right to cancel the contract; the period during which the contract may be canceled; the address to which the notice of cancellation must be sent and the address of the Office of the Attorney General to which a duplicate must be sent. (Please refer to the reverse side of this form.) In addition, §173-a(2) of NYS Executive Law specifies that every contract between a PFR and a charitable organization shall contain, or shall be deemed to contain, a provision that within 5 days of receipt by the PFR or other person, the gross revenue received from a solicitation conducted by that PFR shall be deposited in a bank account under the exclusive control of the charitable organization. Please note that §172-d(5) of NYS Executive Law requires that prior to entering into a contract with a charitable organization, a PFR or FRC must provide that charitable organization with a statement, signed under penalties for perjury, that it is registered and in compliance with all filing requirements of the Executive Law. Section 172-d(6) of NYS Executive Law prohibits a PFR or FRC from entering into any contract, agreement, employment or engagement to raise funds or conduct any fund raising activities for any charitable organization required to be registered unless the charitable organization is registered and in compliance with all filing requirements.

**CONTRACT CERTIFICATION FOR PROFESSIONAL FUND RAISERS & FUND RAISING COUNSEL**

Name of Contracting Professional Fund Raiser or Fund Raising Counsel: Wilde/LWRA, Inc., d/b/a L.W. Robbins Associates

Name of Contracting Charitable Organization(s): The Fund for Animals

Date of Contract: \_\_\_\_\_

I, AN AUTHORIZED REPRESENTATIVE OF THE ABOVE NAMED PROFESSIONAL FUND RAISER OR FUND RAISING COUNSEL, CERTIFY UNDER PENALTIES FOR PERJURY, THAT THE ABOVE REFERENCED AND ATTACHED CONTRACT, INCLUDING ANY ACCOMPANYING EXHIBITS, ADDENDA AND ATTACHMENTS, IS A TRUE AND CORRECT COPY OF THE ORIGINAL CONTRACT EXECUTED BY THE PARTIES.

Wilde/LWRA, Inc., d/b/a L.W. Robbins Associates

X *Lyne S. Edwards*  
Signature of Authorized Representative of PFR/FRC

President

Title of Authorized Representative

Date

12/11/03

**FOR CHARITIES BUREAU OFFICE USE ONLY. DO NOT ENTER INFORMATION IN THIS SPACE.**

Charity I.D. #: \_\_\_\_\_ Contract Type: \_\_\_\_\_

Received: \_\_\_\_\_ Signed: \_\_\_\_/\_\_\_\_/\_\_\_\_ Filed: \_\_\_\_/\_\_\_\_/\_\_\_\_ Closing Statement Due: \_\_\_\_/\_\_\_\_/\_\_\_\_

Contract Period: \_\_\_\_\_

Terms: \_\_\_\_\_



**Addendum To Contract  
With Charitable Organizations  
(Section 174-a Article 7-A  
of the Executive Law)**

STATE OF NEW YORK  
DEPARTMENT OF LAW  
CHARITIES BUREAU  
THE CAPITOL  
ALBANY, NY 12224

www.oag.state.ny.us/charities/charities.html

**INSTRUCTIONS:** A Professional Fund Raiser (PFR) or Fund Raising Counsel (FRC) is required to insure that its contracts comply with §174-a of NYS Executive Law. This addendum may be used by a PFR or FRC when a contract required to be filed with the Charities Bureau by the PFR or FRC does not already conform to §174-a. The provisions of this addendum shall be accepted as complying with §174-a. If a PFR or FRC elects to use this form, the addendum must be completed and signed by all parties to the contract and must be attached to the contract when it is filed with the Charities Bureau. A PFR or FRC is not required to use this specific form. The Charities Bureau encourages professional fund raisers and fund raising counsel to execute contracts that initially comply with §174-a.

The parties to the attached contract are The Fund for Animals

(Name of Charitable Organization Per Contract)

and Wilde/LWRA, Inc., d/b/a L. W. Robbins Associates

(Name of Professional Fund Raiser or Fund Raising Counsel Per Contract)

The parties acknowledge that the attached contract was signed by the charitable organization on 2003, and by the professional fund raiser or fund raising counsel on 2003.

The parties agree that the provisions of this addendum shall be made part of the contract and shall be incorporated therein as if fully set forth in the contract itself. The parties further agree that the following terms and conditions shall supercede and control any provisions in the contract that are contrary to or inconsistent with the terms of this addendum. Therefore, the parties further agree as follows:

**(1) Charity's right to cancel this contract:** It is understood by the parties that the charitable organization has the right under New York State law to cancel this contract and that the charitable organization is not required to give any reason for the cancellation. By law, the parties to this contract cannot waive or modify this right by any pre-existing agreement or by any subsequent agreement between the parties. Therefore, the charitable organization may cancel this contract without cost, penalty or liability if the charitable organization notifies the professional fund raiser or fund raising counsel in writing as provided below.

**(2) Period during which contract may be cancelled:** If the professional fund raiser or fund raising counsel is registered with the New York State Charities Bureau, the charitable organization may cancel this contract at any time up to and including the fifteenth day after this contract was filed by the professional fund raiser or fund raising counsel with the New York State Charities Bureau, regardless of the execution date of the contract. If, however, the professional fund raiser is not registered with the New York State Charities Bureau at the time this contract is signed, the charitable organization may cancel this contract at any time after it is signed.

**(3) Procedure for cancelling this contract:** The charitable organization may cancel this contract by giving the professional fund raiser or fund raising counsel written notice of cancellation. This notice may be in the form of a letter stating that the charitable organization does not intend to be bound by the contract. The notice of cancellation may be hand-delivered or mailed to the professional fund raiser or fund raising counsel. If mailed, it must be sent to the professional fund raiser or fund raising counsel at the following address:

Wilde/LWRA, Inc., d/b/a L.W. Robbins Associates, 201 Summer Street, Holliston, MA 01746

(Name and Complete Mailing Address of Professional Fund Raiser or Fund Raising Counsel)

The charitable organization must also mail a copy of the notice of cancellation to the State of New York, Office of the Attorney General, Charities Bureau, The Capitol, Albany, NY 12224.

**(4) When the cancellation is effective:** If the notice of cancellation is hand-delivered, the cancellation is effective as soon as it is delivered to the professional fund raiser or fund raising counsel. If the notice of cancellation is mailed, the cancellation is effective as soon as the notice is deposited, properly addressed and postage pre-paid, in a mailbox.

**(5) Financial arrangement:** The parties further agree to the following financial arrangement: (Enter "NA" if the contract contains a clear statement of the financial arrangement.) N/A

In witness of their acceptance of the provisions contained in this addendum, the parties have signed this addendum on the dates set forth below.

Professional Fund Raiser/Fund Raising Counsel:

Wilde/LWRA, Inc., d/b/a L. W. Robbins Associates

Charitable Organization:

(X) Lynn S. Edmonds 12/11/03

Signature

Date

Michael Markarian 1/2/04

Signature

Date

Lynn Edmonds  
Print or type name

President  
Title

Michael Markarian  
Print or type name

President  
Title

Entity Name: n/a	Related: <input type="checkbox"/> Yes <input type="checkbox"/> No
Entity Name: n/a	Related: <input type="checkbox"/> Yes <input type="checkbox"/> No

Is the contract provided for the entire term of the fundraiser?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is there a requirement that both parties comply with the law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the Commercial Fundraiser have reasonable access to the Charitable Organization's financial records by the Charitable Organization?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the Charitable Organization have reasonable access by the Charitable Organization to the Commercial Fundraiser's operations regarding the solicitation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the Charitable Organization have the right to review, monitor and approve or disapprove of all solicitation materials used by the Commercial Fundraiser?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the Commercial Fundraiser responsible for maintaining records of the contributor (donor) list?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Can the contract be terminated by either party?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the distribution of fees, costs and revenue in the event the contract is terminated or the agreed upon responsibilities are not fulfilled?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Can the Commercial Fundraiser identify and handle contributions received by the Charitable Organization not the result of services provided?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is there notification of the types and maximum amount of costs that will be paid by the Charitable Organization, regardless of whether paid directly or deducted from proceeds?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the Commercial Fundraiser have written permission to use the person's or organization's name?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If the Commercial Fundraiser and the Charitable Organization will receive the following (check all that apply):	
A certain amount?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
A certain amount, is the gross amount to be raised limited? n/a	<input type="checkbox"/> Yes <input type="checkbox"/> No
A percentage of gross receipts?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
A percentage of the net receipts after deducting itemized costs?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes, does the contract identify what costs will be deducted? n/a	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, does the contract specify a maximum amount for each cost? n/a	<input type="checkbox"/> Yes <input type="checkbox"/> No
Other (please describe): n/a	
If the Commercial Fundraiser is provided with a solicitation for purchase of tickets to an event, and such solicitation includes and refers to any raised to be for any other persons or groups, complete the following:	
Do the persons or groups identified by name in the contract? n/a	<input type="checkbox"/> Yes <input type="checkbox"/> No
Will the persons or groups be identified by name in the conduct of the solicitation? n/a	<input type="checkbox"/> Yes <input type="checkbox"/> No
Does the contract specify the responsibilities for distributing unused tickets to named persons or groups? n/a	<input type="checkbox"/> Yes <input type="checkbox"/> No

### ATTACHMENT (Required)

Attach a copy of the signed, written contract/agreement between the Charitable Organization and Commercial Fundraiser.

### SIGNATURE (Required)

By signing below, both signers certify that the information provided is true, complete and accurate to the best of their knowledge.

Signature of Owner/Principal of Commercial Fundraiser L.W. Robbins Associates Lynn Edmonds	Printed Name Lynn Edmonds	Title President	Date 12/11/03
Signature of Officer of Charitable Organization The Fund for Animals	Printed Name Michael Markarian	Title President	Date 1/2/04

FINANCIAL STATEMENTS TOGETHER WITH  
REPORT OF INDEPENDENT CERTIFIED PUBLIC  
ACCOUNTANTS

**THE FUND FOR ANIMALS, INC.**

For the year ended December 31, 2004

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<b>Financial Statements</b>	
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Statement of Activities and Changes in Net Assets for the year ended December 31, 2004	3
Statement of Functional Expenses for the year ended December 31, 2004	4
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## REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of  
**The Fund for Animals, Inc.**

We have audited the accompanying statement of financial position of The Fund for Animals, Inc. (the "Fund") as of December 31, 2004, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America as established by the Auditing Standards Board of the American Institute of Certified Public Accountants. 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Fund for Animals, Inc. as of December 31, 2004, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*Grant Thornton LLP*

New York, New York  
February 18, 2005

The Fund for Animals, Inc.

STATEMENT OF FINANCIAL POSITION

As of December 31, 2004

ASSETS

Cash and cash equivalents	\$ 2,860,936
Investments, at fair value (Note C)	15,718,625
Prepaid expenses and accrued interest receivable	261,807
Fixed assets, net (Note D)	3,899,336
Security deposits and other assets	<u>44,712</u>

\$22,785,416

LIABILITIES AND NET ASSETS

Liabilities:

Accounts payable and accrued expenses	\$ 359,589
Note payable (Note F)	<u>2,000,000</u>

Total liabilities 2,359,589

Net assets:

Unrestricted:

Available for operations	13,605,441
Board designated – Black Beauty Ranch	<u>6,465,156</u>

Total unrestricted 20,070,597

Temporarily restricted 355,230

Total net assets 20,425,827

Total liabilities and net assets \$22,785,416

*The accompanying notes are an integral part of this statement.*

The Fund for Animals, Inc.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the year ended December 31, 2004

Changes in unrestricted net assets:

Revenues, gains and other support:

Bequests	\$ 3,624,503
Contributions	2,579,581
Investment income	607,635
Net realized gain on sale of investments	55,125
Net unrealized appreciation in fair market value of investments	195,419
Miscellaneous income	<u>182,608</u>
Total revenues, gains and other support	<u>7,244,871</u>

Expenses:

Program services:

Humane education	2,566,405
Animal rescue and protection	2,266,977
Legislative activities	<u>447,932</u>
Total program services	<u>5,281,314</u>

Supporting services:

Management and general	1,117,978
Fund-raising	<u>659,093</u>
Total supporting services	<u>1,777,071</u>

Total expenses	<u>7,058,385</u>
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Increase in unrestricted net assets	186,486
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Changes in temporarily restricted net assets:

Contributions	<u>336,312</u>
Increase in temporarily restricted net assets	<u>336,312</u>

Changes in net assets	522,798
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Net assets, beginning of year

Unrestricted:

Available for operations	14,076,874
Board designated	5,807,237
Temporarily restricted	<u>18,918</u>

19,903,029

Net assets, end of year

Unrestricted:

Available for operations	13,605,441
Board designated	6,465,156
Temporarily restricted	<u>355,230</u>

\$ 20,425,827

The accompanying notes are an integral part of this statement.

The Fund for Animals, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2004

	Program services			Supporting services		
	Humane education	Animal rescue and protection	Legislative activities	Management and general	Fundraising	Total
Animal welfare, rescue operations and cruelty investigations.						
Black Beauty Ranch operating expenses	\$ -	\$ 893,243	\$ -	\$ -	\$ -	\$ 893,243
Wild Life Rehabilitation Center, Ramona, California	-	400,286	-	-	-	400,286
Rabbit Sanctuary, South Carolina	-	27,332	-	-	-	27,332
Other	-	8,391	-	-	-	8,391
	-	<u>1,329,252</u>	-	-	-	<u>1,329,252</u>
Data processing	-	-	-	5,108	-	5,108
Educational expenses:						
Printed literature	448,381	591	24,989	599	310,597	785,157
Other media	840,860	4,640	2,700	-	9,054	857,254
Field and travel expenses	71,282	4,407	4,338	25,138	3,798	108,963
Donations	-	104,955	303,000	-	-	407,955
Insurance	-	152,249	-	50,750	-	202,999
Employee benefits	65,449	96,248	3,850	25,024	1,925	192,496
Investment advisory fees	-	-	-	93,864	-	93,864
Miscellaneous	12,343	1,007	729	61,914	76,030	152,023
Postage	199,766	2,005	12,785	17,342	179,197	411,095
Professional fees	63,682	233,963	29,715	244,695	25,500	597,555
Rent	74,795	130,675	5,104	93,295	5,073	308,942
Rental of office equipment	9,588	1,090	751	9,059	770	21,258
Salaries and related payroll taxes	621,793	22,709	48,764	241,719	35,916	970,901
Stationery and office supplies	128,058	3,156	5,030	77,823	9,873	223,940
Telephone	29,975	4,101	5,927	12,834	1,360	54,197
Utilities	433	299	250	3,673	-	4,655
D.C Building expense	-	-	-	<u>92,522</u>	-	<u>92,522</u>
Total expenses before depreciation	<u>2,566,405</u>	<u>2,091,347</u>	<u>447,932</u>	<u>1,055,359</u>	<u>659,093</u>	<u>6,820,136</u>
Depreciation	-	<u>175,630</u>	-	<u>62,619</u>	-	<u>238,249</u>
Total expenses	<u>\$ 2,566,405</u>	<u>\$ 2,266,977</u>	<u>\$ 447,932</u>	<u>\$ 1,117,978</u>	<u>\$ 659,093</u>	<u>\$ 7,058,385</u>

The accompanying notes are an integral part of this statement.



The Fund for Animals, Inc.

STATEMENT OF CASH FLOWS

For the year ended December 31, 2004

Cash flows from operating activities:	
Changes in net assets	\$ 522,798
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Depreciation	238,249
Gain on disposal of fixed assets	(8,788)
Realized gain on sale of investments	(55,125)
Unrealized appreciation in fair market value of investments	(195,419)
Changes in assets and liabilities:	
Decrease in prepaid expenses and other	98,904
Decrease in security deposits and other	21,784
Decrease in accounts payable and accrued expenses	(6,951)
Decrease in deferred rent	<u>(13,376)</u>
Net cash provided by operating activities	<u>602,076</u>
Cash flows from investing activities:	
Purchases of investments	(15,609,025)
Proceeds from sale of investments	15,869,854
Purchases of fixed assets	<u>(493,313)</u>
Net cash used in investing activities	<u>(232,484)</u>
Net increase in cash and cash equivalents	369,592
Cash and cash equivalents, beginning of year	<u>2,491,344</u>
Cash and cash equivalents, end of year	<u>\$ 2,860,936</u>
Supplemental disclosures of cash flow information:	
Cash paid for interest	<u>\$ 51,278</u>

*The accompanying notes are an integral part of this statement.*

The Fund for Animals, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

**NOTE A - ORGANIZATION**

The Fund for Animals, Inc. (the "Fund") is a New York not-for-profit corporation whose purpose is the alleviation of fear, the prevention of pain and the relief of suffering of animals everywhere and to foster humane conduct toward animals and encourage and support the cooperation among all persons interested in humane activities.

The Fund is classified as a 501(c)(3) organization and is exempt from Federal income taxes under Section 501(a) of the Internal Revenue Code. Accordingly, no provision for income taxes has been reflected in the accompanying financial statements.

**NOTE B - SUMMARY OF ACCOUNTING POLICIES**

*1. Basis of Presentation*

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America using the accrual basis of accounting. Accordingly, the Fund's financial statements distinguish between unrestricted, temporarily restricted and permanently restricted net assets, based upon the existence or absence of donor-imposed restrictions, as follows:

Unrestricted net assets – include funds that have not been restricted by an outside donor and are therefore available for use in carrying out the general operations of the Fund.

Temporarily restricted net assets – include funds that have been limited by donor-imposed stipulations that either expire with the passage of time or can be fulfilled and removed by the actions of the Fund pursuant to those stipulations.

Permanently restricted net assets – include funds whereby donors have stipulated that the principal contributed be invested and maintained in perpetuity. Income earned from these funds is generally available for expenditures according to donor-imposed restrictions, if any.

The Fund did not have any permanently restricted net assets at December 31, 2004.

*2. Cash and Cash Equivalents*

Cash and cash equivalents consist of cash and money market funds with original maturities of three months or less.

The Fund for Animals, Inc.

NOTES TO FINANCIAL STATEMENTS (continued)

December 31, 2004

NOTE B (continued)

3. *Concentration of Credit Risk*

Financial instruments, which potentially subject the Fund to concentrations of credit risk, as defined by Statement of Financial Accounting Standards No. 105, "Disclosure of Information about Financial Instruments with Off-Balance-Sheet Risk and Financial Instruments with Concentrations of Credit Risk," consisted principally of cash. The Fund maintains its cash in various bank deposit accounts, which, at times, may exceed federally insured limits. The Fund has not experienced, nor does it anticipate, any losses in such accounts.

4. *Fixed Assets, Net*

Fixed assets are stated at cost at date of acquisition or fair market value at date of contribution, if donated. Depreciation of buildings, furniture and fixtures, automobiles and equipment is recorded on a straight-line basis over the estimated useful lives of the assets, as follows:

Buildings and improvements	10 - 25 years
Furniture and fixtures	5 years
Equipment and automobiles	5 years

5. *Investments, at Fair Value*

Investments are reflected at fair value based upon quoted market prices.

6. *Contributions and Bequests*

The Fund is the beneficiary of bequests under various wills. The amounts of the bequests are not always immediately determinable. Such amounts are recorded by the Fund when the proceeds are received.

All contributions and bequests are considered to be available for unrestricted use unless specifically restricted by the donor.

The Fund for Animals, Inc.

NOTES TO FINANCIAL STATEMENTS (continued)

December 31, 2004

NOTE B (continued)

7. *Contributions of Services*

Contributions of services shall be recognized if the services received create or enhance nonfinancial assets or require specialized skills, which would need to be purchased if not provided by the donation. A number of unpaid volunteers have made contributions of their time to develop the Fund's programs. The value of this contributed time is not reflected in the accompanying financial statements since it is not susceptible to objective measurement or valuation.

8. *Donated Securities*

Marketable securities acquired by gift are initially recorded at publicly traded values at the date of donation and, if not publicly traded, then at values determined by the management of the Fund, which, in their opinion, represent fair value at the date of donation. Gains and losses are accounted for using the first-in, first-out method for the period during which the sale occurs.

9. *Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

10. *Functional Allocation of Expenses*

Costs and expenses that are incurred for or attributable to a program or supporting service are allocated directly to that category. Costs and expenses that apply to more than one functional purpose are allocated based on the amount of time employees spend on various program services as determined from their daily time and expense records. Costs of printed material are allocated on the basis of the uses made of the material, content, distribution and the intended audience.

The Fund for Animals, Inc.

**NOTES TO FINANCIAL STATEMENTS (continued)**

December 31, 2004

**NOTE E (continued)**

The Fund initially values deferred gifts of cash at face value and those of equities at market value; these values are then actuarially discounted. Published IRS discount rates are employed to determine the net present value of both contributions and liabilities pertaining to these deferred giving arrangements.

**NOTE F - NOTE PAYABLE**

In October 2003, the Fund entered into a \$2,000,000 line of credit with Deutsche Bank. At December 31, 2004, the interest rate on the outstanding borrowings of \$2,000,000 was 3.08%. The line is secured by a diversified portfolio of U.S. Government bonds and other marketable securities owned by the Fund.

**NOTE G - JOINT COSTS**

In 2004, the Fund incurred costs for multipurpose activities of \$1,932,446. These costs were for newsletters, bulletins and mailings that included fund-raising-related articles. Of these costs, \$433,204 was allocated to fund raising and \$1,499,242 was allocated to program services.

**NOTE H - COMMITMENTS AND CONTINGENCIES**

The Fund leases office facilities under operating leases. The approximate minimum annual payments for these leases are as follows:

For the year ending December 31,	
2005	\$ 77,229
2006	77,229
2007	<u>72,900</u>
	<u>\$ 227,358</u>

The Fund for Animals, Inc.

**NOTES TO FINANCIAL STATEMENTS (continued)**

December 31, 2004

**NOTE I - RETIREMENT PLAN**

The Fund maintains a retirement plan under Internal Revenue Code Section 403(b). There were no employer contributions made to this plan for the year ended December 31, 2004.

**NOTE J - SUBSEQUENT EVENTS**

On January 3, 2005, substantially all of the assets of the Fund for Animals, Inc. were acquired by the Humane Society of the United States.

## Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

► File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☒ **X**
- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

**Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

### **Part I. Automatic 3-Month Extension of Time - Only submit original (no copies needed)**

**Form 990-T corporations** requesting an automatic 6-month extension - check this box and complete Part I only. ☐

*All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.*

**Electronic Filing (e-file).** Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension, instead you must submit the fully completed signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile).

<b>Type or print</b>  File by the due date for filing your return. See instructions.	Name of Exempt Organization <b>THE FUND FOR ANIMALS, INC.</b>		Employer Identification number <b>13-6218740</b>
	Number, street, and room or suite no. If a P.O. box, see instructions. <b>200 WEST 57TH STREET 705</b>		
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>NEW YORK, NY 10019</b>		

#### Check type of return to be filed (file a separate application for each return):

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-T (corporation)	<input type="checkbox"/> Form 4720
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T(sec. 401(a) or 408(a) trust)	<input type="checkbox"/> Form 5227
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 8870

- The books are in the care of ► **THE FUND FOR ANIMALS, INC**

Telephone No. ► **212 246-2096**

FAX No. ► **212 246-2633**

- If the organization does **not** have an office or place of business in the United States, check this box ☐
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) . . . . . If this is for the **whole** group, check this box ► ☐ . If it is for part of the group, check this box ► ☐ and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a **Form 990-T corporation**) extension of time until **08/15**, **2005**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
► ☒ calendar year **2004** or  
► ☐ tax year beginning \_\_\_\_\_, \_\_\_\_\_, and ending \_\_\_\_\_, \_\_\_\_\_.

2 If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions . . . . . \$ \_\_\_\_\_

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit . . . . . \$ \_\_\_\_\_

c **Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions . . . . . \$ \_\_\_\_\_

**Caution.** If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form **8868** (Rev. 12-2004)