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The Humane Society Of The United States And Affiliates

Consolidated Financial Statements
December 31, 2009

McGladrey & Pullen
Certified Public Accountants

Contents

McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report On The Financial Statements

To the Board of Directors
The Humane Society of the United States
Washington, D.C.

We have audited the accompanying consolidated balance sheet of The Humane Society of the United States and Affiliates (the Society) as of December 31, 2009, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Society'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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Humane Society of the United States and Affiliates as of December 31, 2009, and the changes in their net assets and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report, dated August 6, 2010, on our consideration of the Society's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our tests of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

As described in Note 1 to the consolidated financial statements, during the year ended December 31, 2009, The Society for Prevention of Cruelty to Animals of Broward County, Inc., a not-for-profit organization, combined with The Humane Society of the United States and became a consolidated affiliate.

McGladrey & Pullen, LLP

Gaithersburg, Maryland
August 6, 2010

The Humane Society Of The United States And Affiliates

Consolidated Balance Sheet
December 31, 2009

Assets	
Cash And Cash Equivalents	$ 27,191,714
Investments	146,863,011
Investments To Fund Deferred Compensation Liability	381,469
Accrued Interest Receivable	706,529
Prepaid Expenses And Other Assets	1,444,724
Contributions, Bequests, And Other Receivables, net	20,286,084
Assets Held For Investment Purposes	2,063,388
Property And Equipment, net	19,116,012
Total assets	$ 218,052,931

Liabilities And Net Assets	
Liabilities	
Accounts payable and accrued expenses	$ 8,608,372
Annuities and unitrusts	7,366,793
Accrued severance obligation	1,533,297
Deferred compensation liability	381,469
Accrued postretirement benefit obligation	8,782,274
Total liabilities	26,672,205
Commitments And Contingencies (Notes 14 And 17)	
Net Assets	
Unrestricted	
Board designated	71,036,713
Undesignated	40,659,429
	111,696,142
Temporarily restricted	46,433,368
Permanently restricted	33,251,216
Total net assets	191,380,726
Total liabilities and net assets	$ 218,052,931

See Notes To Consolidated Financial Statements.

The Humane Society Of The United States And Affiliates

Consolidated Statement Of Activities And Changes In Net Assets
Year Ended December 31, 2009

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support and revenue:				
Contributions	$ 78,736,471	$ 16,525,317	$ -	$ 95,261,788
Bequests	14,402,528	6,845,569	2,549,178	23,797,275
Royalty income	3,737,751	256,677	-	3,994,428
Grants and trust contributions	1,754,177	2,201,757	673	3,956,607
Interest and dividends	3,079,974	779,460	-	3,859,434
Event income	1,514,644	202,908	-	1,717,552
Sales of literature and publications	808,047	763	-	808,810
Other income	1,799,589	400,320	-	2,199,909
Net assets released from restrictions	24,512,936	(24,512,936)	-	-
Total support and revenue	130,346,117	2,699,835	2,549,851	135,595,803
Expenses:				
Program services	103,036,823	-	-	103,036,823
Management and general	5,683,372	-	-	5,683,372
Fundraising	25,304,441	-	-	25,304,441
Total expenses	134,024,636	-	-	134,024,636
Change in net assets from operations	(3,678,519)	2,699,835	2,549,851	1,571,167
Realized and unrealized gain on investments, net	10,714,382	848,272	-	11,562,654
Change in net assets before postretirement benefits adjustment	7,035,863	3,548,107	2,549,851	13,133,821
Postretirement benefits adjustment	638,060	-	-	638,060
Change in net assets	7,673,923	3,548,107	2,549,851	13,771,881
Net assets:				
Beginning	104,022,219	35,776,393	30,701,365	170,499,977
Net assets assumed in combination – WCC	-	7,108,868	-	7,108,868
Ending	$ 111,696,142	$ 46,433,368	$ 33,251,216	$ 191,380,726

See Notes To Consolidated Financial Statements.

The Humane Society Of The United States And Affiliates

Consolidated Statement Of Functional Expenses
Year Ended December 31, 2009

	Program Services											
	Research And Education	Field And Disaster Response Programs	Domestic Cruelty Prevention Programs	Wildlife Program	Animal Care Facilities	International Animal Programs	Advocacy And Public Policy	Strategic Communications	Total Program Expenses	Management And General	Fundraising	Total
Salaries	$ 1,706,131	$ 3,539,015	$ 2,134,623	$ 1,818,849	$ 3,273,944	$ 1,853,547	$ 5,513,545	$ 3,504,092	$ 23,343,746	$ 669,437	$ 2,353,498	$ 26,366,681
Employee benefits	488,504	1,037,016	632,384	521,653	947,045	548,540	1,598,254	1,005,972	6,779,368	308,080	747,406	7,834,854
Total compensation	2,194,635	4,576,031	2,767,007	2,340,502	4,220,989	2,402,087	7,111,799	4,510,064	30,123,114	977,517	3,100,904	34,201,535
Mailing costs	1,352,414	2,609,545	1,525,598	2,776,536	2,993,307	2,440,088	4,871,517	2,775,140	21,344,145	1,048,799	13,451,211	35,844,155
Consultant and contracted services	566,562	1,425,802	1,007,541	1,004,944	1,356,738	1,519,011	4,072,088	1,268,066	12,220,752	305,319	4,227,845	16,753,916
Education material, publications, and campaigns	773,762	1,051,550	719,358	4,256,056	839,891	970,141	6,083,210	2,632,815	17,326,783	250,200	2,253,215	19,830,198
Professional fees	39,446	83,759	60,144	64,385	95,132	90,859	4,855,700	80,658	5,370,083	107,662	103,221	5,580,966
Contributions and grants	269,494	496,328	886,321	181,942	68,310	234,048	2,605,872	40,442	4,782,757	-	-	4,782,757
Travel, meals and lodging	127,255	784,571	401,004	706,767	341,132	467,083	550,670	397,989	3,776,471	18,261	158,165	3,952,897
Bank and trustees' fees	-	-	-	-	-	-	-	-	-	1,735,186	1,528,464	3,263,650
Supplies and field expenses	190,633	516,726	285,043	65,176	1,261,217	204,842	242,730	118,630	2,884,997	51,827	102,677	3,039,501
Occupancy and building expense	79,367	202,560	83,549	78,656	575,578	86,392	260,234	225,680	1,592,016	198,906	131,408	1,922,330
Depreciation	19,043	248,741	21,989	33,541	353,878	34,176	51,933	34,569	797,870	801,163	19,131	1,618,164
Postage and shipping	259,225	49,167	67,091	56,745	46,486	21,740	91,029	614,568	1,206,051	17,352	38,402	1,261,805
Telephone	52,134	197,748	62,885	63,551	101,136	81,303	224,929	81,515	865,201	43,919	72,989	982,109
Insurance and bonds	33,675	69,548	49,770	36,768	97,610	39,973	111,975	75,112	514,431	91,695	91,138	697,264
Real estate and other taxes	4,343	13,391	6,724	41,914	67,932	18,208	72,716	6,924	232,152	35,566	25,671	293,389
Total	$ 5,961,988	$12,325,467	$ 7,944,024	$11,707,483	$12,419,336	$ 8,609,951	$31,206,402	$ 12,862,172	$ 103,036,823	$ 5,683,372	$ 25,304,441	$ 134,024,636

See Notes To Consolidated Financial Statements.

The Humane Society Of The United States And Affiliates

Consolidated Statement Of Cash Flows
Year Ended December 31, 2009

Cash Flows From Operating Activities	
Change in net assets	$ 13,771,881
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Contributions and interest received for endowment	(2,549,851)
Depreciation and amortization	1,618,164
Gain on sale of property and equipment	(67,801)
Net realized and unrealized gains on investment	(11,562,654)
Donated stock	(332,924)
Donated land	(150,000)
Changes in assets and liabilities:	
(Increase) decrease in:	
Accrued interest receivable	(230,509)
Prepaid expenses and other assets	(377,916)
Contributions, bequests, and other receivables, net	5,104,927
Increase (decrease) in:	
Accounts payable and accrued expenses	575,989
Annuities and unitrusts	5,731
Accrued severance obligation	84,992
Deferred compensation liability	
Accrued postretirement benefit obligation	182,227
Net cash provided by operating activities	6,072,256
Cash Flows From Investing Activities	
Proceeds from sale of investments	100,528,901
Purchase of investments	(131,785,274)
Proceeds from sale of property and equipment	216,343
Purchases of property and equipment	(1,410,425)
Net cash used in investing activities	(32,450,455)
Cash Flows From Financing Activities	
Contributions and interest received for endowment	2,549,851
Net decrease in cash and cash equivalents	(23,828,348)
Cash And Cash Equivalents	
Beginning	50,735,952
Cash assumed in combination – WCC	284,110
Ending	$ 27,191,714
Supplemental Schedule Of Noncash Investing And Financing Activities	
Donated stock	$ 332,924
Donated land	$ 150,000

See Notes To Consolidated Financial Statements.

Note 1. Nature Of Activities And Significant Accounting Policies

Nature of activities: The Humane Society of the United States and Affiliates (collectively, the Society) is a not-for-profit organization whose primary purpose is the worldwide advancement of humane treatment of animals through public education and awareness programs. The accompanying consolidated financial statements include the operations of the following entities:

- The Humane Society of the United States (HSUS)
- Humane Society of the United States Wildlife Land Trust (WLT)
- Humane Society International, Inc. (HSI)
- Doris Day Animal League (DDAL)
- Fund for Animals (FFA)
- Society for Prevention of Cruelty to Animals of Broward County, Inc. d/b/a SPCA Wildlife Care Center (WCC)
- Humane Society University (HSU)

Wildlife Care Center (WCC): Effective June 27, 2009, The Society for Prevention of Cruelty to Animals of Broward County, Inc., a not for profit entity, became a controlled affiliate of HSUS, with HSUS designees constituting or controlling the board and appointing officers. WCC was incorporated in Florida on October 10, 1969, and is an animal rescue and rehabilitation facility located two miles south of Fort Lauderdale, Florida. The WCC provides care, treatment, and rehabilitation for abandoned or injured wildlife from within Broward County. As a result of the combination, the consolidated financial statements reflect the net assets assumed in the combination, which totaled $7,108,868 at June 27, 2009.

HSU: HSU was incorporated in Washington, D.C in July 2008 and officially began operations in the second quarter of 2009. HSU is generally exempt from income tax laws under Section 501(c)(3) of the Internal Revenue Code and is controlled by HSUS through common board membership. HSU offers a variety of graduate, undergraduate, and non-credit professional development programs in human-animal studies.

A summary of the Society's significant accounting policies follows:

Basis of accounting: The accompanying consolidated financial statements are prepared using the accrual basis of accounting, whereby, revenue is recognized when earned and expenses are recognized when incurred.

Principles of consolidation: All significant intercompany transactions have been eliminated in the consolidation.

Basis of presentation: The financial statement presentation follows the recommendations of the Financial Accounting Standards Board Accounting Standards Codification (the Codification). As required by the Non-Profit Entities Topic of the Codification, the Society is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Cash and cash equivalents: Cash and cash equivalents include all short-term, highly liquid instruments purchased with an original maturity of three months or less. At December 31, 2009, cash and cash equivalents consisted of checking accounts and money market accounts.

Investments: Investments with readily determinable fair values are reflected at fair market value. To adjust the carrying value of the investment, unrealized gains and losses are reported in the consolidated statement of activities and changes in net assets as other changes in net assets.

Note 1. Nature Of Activities And Significant Accounting Policies (Continued)

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

The Society invests in a professionally managed portfolio that contains equity securities, corporate bonds, government securities, hedge funds and private equity funds. Such investments are exposed to various risks, such as market and credit. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term could materially affect investment balances and the amounts reported in the consolidated financial statements.

Contributions and bequests receivable: Contributions and bequests receivable are carried at original amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a quarterly basis. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using the historical experience applied to an aging of accounts. Receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded when received. The provision for doubtful accounts was $559,307 at December 31, 2009.

Property and equipment: Property and equipment with a cost of $5,000 or more are capitalized. Donated property is recorded at fair value or donor's basis at the time of donation, if fair value cannot be reasonably estimated. Donated land conservation easements are recorded at $1. Improvements to fixed assets which extend the useful lives of the assets are also capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Valuation of long-lived assets: The Society accounts for the valuation of long-lived assets by reviewing such assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived asset is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reportable at the lower of the carrying amount or fair value, less costs to sell. There were no impairments of long-lived assets at December 31, 2009.

Support and revenue: Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities and changes in net assets as net assets released from restrictions.

Bequests: Individual unrestricted bequests in excess of $25,000 are recognized as revenue in the undesignated net assets at the rate of 20%, and in the board designated investment fund net assets at the rate of 80%, in the year of receipt. The 80% reported as revenue in the board designated net assets is transferred to the undesignated net assets equally over the following four years. The effect of this policy is to apportion individual bequests to the undesignated net assets over a five-year period.

Note 1. Nature Of Activities And Significant Accounting Policies (Continued)

In-kind contributions: The Society produces and distributes public service television, radio, and newspaper announcements that focus attention on Companion Animal and Wildlife issues. These public service announcements are distributed to radio stations and newspapers nationwide and run free of charge. The Society has contracted with an independent outside agency to track the date and time that each public service announcement runs, and the value of the announcements is based on the date, time, and market. For the year ended December 31, 2009, the Society recorded $2,994,247 of contributed public service announcements.

The Society also receives donations of in-kind services, as well as donations of equipment and supplies in the daily operations of its programs. For the year ended December 31, 2009, the Society received $5,475,205 in donated services and $195,370 in donated equipment and supplies.

Functional allocation of expenses: Program and supporting services have been presented on a functional basis in the consolidated statement of activities and changes in net assets. Certain overhead costs have been allocated among program services, management and general, and fundraising.

Use of estimates: In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required 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 amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Tax status: HSUS, WLT, HSI, FFA, WCC, and HSU qualify under Section 501(c)(3) of the Internal Revenue Code (IRC) and are classified as organizations that are not private foundations. DDAL qualifies under Section 501(c)(4) of the IRC. Therefore, the Society is generally not subject to tax under present income tax laws; however, any unrelated business income may be subject to federal and state income taxes. The Society had no net unrelated business income for the year ended December 31, 2009.

On January 1, 2009, the Society adopted the accounting standard for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Society may recognize the tax benefit from an uncertain tax position only if it is more-likely-than-not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes, and accounting in interim periods.

Management evaluated the Society's tax positions and concluded that the Society had taken no uncertain tax positions that require adjustment to the consolidated financial statements to comply with the provisions of this guidance. With few exceptions, the Society is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before 2006.

Note 1. Nature Of Activities And Significant Accounting Policies (Continued)

Fair value of financial instruments: The carrying amounts including cash and cash equivalents, contributions, bequests and other receivables, accounts payable and accrued expenses approximate fair value because of the short maturity of these instruments. Investments are stated at fair value.

Hedge funds and private equity funds: Investments in hedge funds and private equity funds are valued at fair value, based on the applicable percentage of ownership of the funds' nets assets as of the measurement date, as determined by management. In determining fair value, management utilizes valuations provided by the fund managers. The funds value securities and other financial instruments on a fair value basis of accounting. The estimated fair values of certain investments of the funds, which may include private placements and other securities for which prices are not readily available, are determined by the management of the respective fund and may not reflect amounts that could be realized upon immediate sale, nor amounts that may be ultimately realized. Accordingly, the estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments. The fair value of the Society's investments in hedge funds and private equity funds generally represents the amounts the Society would expect to receive if it were to liquidate its investments in the funds and notes, excluding any redemption charges that may apply.

Subsequent events: The Society evaluated subsequent events for potential required disclosures through August 6, 2010, which is the date the consolidated financial statements were available to be issued.

Note 2. Fair Value Measurement

The Fair Value Measurement Topic of the Codification defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, and sets out a fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined under this Topic as assumptions market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy are described below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. The types of investments in Level 1 include listed equities. As required by the Fair Value Measurement Topic, the Society does not adjust the quoted price for these investments, even in situations where the Society holds a large position and a sale could reasonably impact the quoted price.

Level 2: Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly, and fair value is determined through the use of models or other valuation methodologies. Investments in this category generally include U.S. Government securities, foreign government securities, and corporate bonds. In addition, this category also includes hedge funds and asset-backed securities for which the Society has the ability to redeem its investment with the investee at net asset value per share, or its equivalent, at the measurement date. A significant adjustment to a Level 2 input could result in the Level 2 measurement becoming a Level 3 measurement.

Level 3: Inputs are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation. Investments in this category generally include equity positions in private equity funds and hedge funds, which have liquidity restrictions such that the Society would not be able to redeem its investment at net asset value per share, or its equivalent, at the measurement date.

Note 2. Fair Value Measurement (Continued)

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Society's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

The table below presents the balances at December 31, 2009, of assets and liabilities measured at fair value on a recurring basis by level within the hierarchy:

	Level 1	Level 2	Level 3	Total
Hedge funds	$ -	$ 22,251,210	$ 43,854,747	$ 66,105,957
U.S. corporate bonds	-	44,532,349	-	44,532,349
Private equity funds	-	-	14,507,275	14,507,275
Asset-backed securities	-	8,422,753	-	8,422,753
Government obligations	-	7,569,632	-	7,569,632
U.S. corporate stocks	2,029,089	-	-	2,029,089
Municipal bonds	-	1,913,449	-	1,913,449
Foreign government bonds	-	820,649	-	820,649
Foreign corporate stocks	840,154	-	-	840,154
Real property	-	-	108,182	108,182
Personal property	-	-	13,522	13,522
Total investments	$ 2,869,243	$ 85,510,042	$ 58,483,726	$ 146,863,011

U.S. corporate stocks and foreign corporate stocks are classified as Level 1 instruments, as they are actively traded on public exchanges.

Hedge funds, government obligations, municipal bonds, corporate bonds, asset backed securities, and foreign government bonds are classified as Level 2 instruments, as there are no quoted market prices in active markets for identical assets. Their value is determined using models and other valuation methodologies, which are corroborated by market data.

Hedge funds, private equity funds, real property, and personal property are classified as Level 3 instruments, as the market value is based on unobservable inputs that are not corroborated by market data.

Note 2. Fair Value Measurement (Continued)

For assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3), the Topic requires reconciliation of the beginning and ending balances, separately for each major category of assets and liabilities, except for derivative assets and liabilities, which may be presented net. The table below represents the reconciliation of the Society's assets measured at fair value on a recurring basis using significant unobservable inputs:

Beginning balance of assets, January 1, 2009	$ 60,268,358
Purchases	27,709,489
Sales	(41,232,553)
Transfers from Level 3 to Level 2	(2,868,810)
Realized and unrealized gains	14,607,242
Ending balance of assets, December 31, 2009	$ 58,483,726

The Society invests in certain entities for which the fair value measurement is assessed using net asset value per share, or its equivalents. Information pertaining to these investments is as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Multi-strategy hedge funds (a)	$ 24,221,332	$ -	Quarterly	30 – 90 days
Equity long/short hedge funds (b)	17,380,674	-	Quarterly	75 days
Event driven hedge funds (c)	7,477,013	-	Monthly, Annually	30 – 60 days
Global opportunities hedge funds (d)	17,026,938	-	Quarterly, Semi-Annually	30 – 60 days
Private equity funds (e)	14,507,275	-	None	Not Applicable
	$ 80,613,232	$ -		

(a) This category invests in hedge funds that pursue multiple strategies to diversify risk and reduce volatility. The fair value of investments in this category has been estimated using the net asset value per share of the investments. Certain hedge funds in this category include restrictions that do not allow for restrictions in the first 12 months after acquisition. The remaining restriction period for these funds ranged from 9 months to 12 months at December 31, 2009.

(b) This category includes investments in a hedge fund that invests both long and short in various domestic and international common stocks. Management of the hedge fund has the ability to shift from value to growth strategies, from small to large capitalization stocks, and from a net short position to a net long position. The fair value of the investments in this category has been estimated using the net asset value per share of the investments. The hedge fund includes restrictions that do not allow for redemptions in the first 24 months after acquisition. The remaining restriction period for this fund was 12 months at December 31, 2009.

(c) This category includes investments in hedge funds that invest in various equity and bond securities to profit from economic, political, and government driven events. The fair value of the investments in this category has been estimated using the net asset value per share of the investments. A hedge fund with a value of $4,922,626 in this category includes restrictions that do not allow for redemptions in the first 12 months after acquisition. The remaining restriction period for this fund was six months at December 31, 2009.

Note 2. Fair Value Measurement (Continued)

(d) This category includes investments in hedge funds that hold the majority of the funds' investments in non-U.S. common stocks, debt instruments, and diversified currencies. The fair value of the investments in this category has been estimated using the net asset value per share of the investments.

(e) This category includes several private equity funds. These investments can never be redeemed with the funds. Instead, the nature of the investments in this category is that distributions are received through the liquidation of the underlying assets of the funds. As of December 31, 2009, it was probable that the investments in this category would be liquidated at an amount different from the net asset value of the Society's ownership interest in partners' capital. Therefore, the fair value of the investments in this category has been estimated using recent observable transaction information received from potential buyers of the investments. It is estimated that the underlying assets of the funds would be liquidated over five to eight years.

Note 3. Contributions, Bequests, And Other Receivables

Contributions, bequests, and other receivables consist of the following at December 31, 2009:

Bequests	$ 7,636,640
Capital campaign	2,512,168
Grants	213,067
Contributions and other receivables	10,533,578
Contributions, bequests and other receivables before allowance for uncollectible accounts and discount	20,895,453
Less allowance for uncollectible contributions and bequests (5%)	(559,307)
Less discount on multi-year contributions and bequests (2.75%)	(50,062)
Total contributions, bequests, and other receivables	$ 20,286,084

Contributions, bequests, and other receivables are expected to be collected in:

Less than one year	$ 19,151,935
One to five years	1,743,518
	$ 20,895,453

Note 4. Assets Held For Investment Purposes

The assets held for investment purposes represent certain assets assumed in the affiliation with WCC, as described in Note 1 to the consolidated financial statements. Assets held for investment purposes represent a one-third interest in a cold storage facility/warehouse (the Facility) and two parcels of vacant land. The assets are valued at cost. The one-third interest in the Facility had a book value of $1,866,666 at December 31, 2009. The two parcels of vacant land had a book value of $49,590 at December 31, 2009. In addition, HSUS has various cost-basis investments, which totaled $147,132 at December 31, 2009.

Note 5. Property And Equipment

Property and equipment consist of the following at December 31, 2009:

	Useful Life	Cost	Accumulated Depreciation	Net	Depreciation
Land	–	$ 9,687,618	$ -	$ 9,687,618	$ -
Buildings and improvements	10 to 40 years	16,498,404	8,709,519	7,788,885	716,800
Office furniture and equipment	5 years	7,553,570	6,525,905	1,027,665	633,121
Automobiles	5 years	1,770,325	1,158,481	611,844	268,243
		$ 35,509,917	$ 16,393,905	$ 19,116,012	$ 1,618,164

Note 6. Accounts Payable And Accrued Expenses

Accounts payable and accrued expenses consist of the following at December 31, 2009:

Accounts payable	$ 5,047,267
Accrued vacation	1,360,416
Accrued wages	444,197
Other accrued expenses	1,756,492
Total accounts payable and accrued expenses	$ 8,608,372

Note 7. Annuities And Unitrusts

The annuities and unitrusts liability represents the actuarially determined liability for future annuity payments due under charitable gift annuities and charitable remainder unitrusts.

Under the charitable gift annuities, donors make contributions to the Society, for which they receive an annuity from the Society. Contributions revenue is recognized as the excess of the fair value of assets received over the net present value of the future annuity payments due. The liability was actuarially determined using the Annuity Table of Mortality 90CM and assumed interest rates of 2.4% to 10.2%. A portion of the monies received from these split-interest agreements is required by law to be reserved for making the annuity payments. At December 31, 2009, the Society had investments of $18,935,283 reserved for paying annuities. The amount required to be reserved as calculated by the actuary was $6,941,148.

Under the charitable remainder unitrusts, donors make contributions to the Society that remain in trust until a stipulated event, at which time the remaining trust balance conveys to the Society for unrestricted use. The gifts are valued at their fair market value at the time of the gift. In consideration of the gifts, donors receive an annuity from the trust based on the lesser of (a) the trust principal multiplied by a stated interest rate, or (b) the actual earnings of the trust. The future liability was calculated using assumed interest rates of 8.0% to 11.6%. At December 31, 2009, the amount of assets held in charitable unitrusts, which is restricted for the payment of related annuities, was $425,645. The net assets of the trusts of $491,565 were included in temporarily restricted net assets in the accompanying consolidated balance sheet.

Note 8. Severance Plan

The Society established the Humane Society of the United States Severance Pay Plan on September 13, 1997, to provide severance pay to eligible employees. These benefits and related expenses are paid from the general assets of the Society. Only employees hired before January 1, 1998, who have completed a minimum of 15 years of continuous full-time employment, are eligible to become participants. Upon termination of employment, a participant receives a lump sum equal to 2% of the average of his or her annual salary for the three calendar years before cessation of employment, multiplied by the number of years of continuous full-time employment. The benefit obligation as of December 31, 2009, was calculated by an actuary, based on a census provided by the Society, using an assumed discount rate of 5.35% and an assumed compensation increase of 4%. The amount of the liability for future severance was $1,553,297.

Note 9. Deferred Compensation Plan

In 1983, the Society established the Humane Society of the United States Deferred Compensation Plan for certain executive employees. The Society and the participants may elect to defer a portion of the compensation which the participants would otherwise be entitled to receive in cash; those deferrals are invested in various mutual funds. The mutual funds are owned by the Society, subject to the claims of its general creditors. The obligation of the Society under this plan is purely contractual and is not secured. All income earned by the mutual funds is added to the deferred compensation liability. The amounts deferred by participants, which were included in the amounts reported in the accompanying consolidated financial statements as salaries, totaled $10,000 for 2009.

The deferred compensation plan assets and the related liability totaled $381,469 at December 31, 2009.

Fair value, as defined in the Fair Value Measurement Topic of the Codification, is described in Note 2 to the consolidated financial statements. In determining the appropriate levels for the deferred compensation plan, the Society performs a detailed analysis of the assets and liabilities that are subject to the fair value disclosures of the Codification.

Following is a description of the valuation methodologies used for assets held by the deferred compensation plan measured at fair value:

Mutual funds are valued at quoted market prices.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Society believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Note 9. Deferred Compensation Plan (Continued)

The following table sets forth by level, within the fair value hierarchy, the deferred compensation plan's assets at fair value as of December 31, 2009:

	Level 1	Level 2	Level 3	Total
Mutual funds	$ 381,469	$ -	$ -	$ 381,469

Note 10. Postretirement Benefits

The Humane Society of the United States Pension Plan (the Plan) is a qualified participating defined benefit plan that provides regular employees of the Society benefits equal to 2% of earnings for each year of credited service, up to a maximum of 25 years. Participants accrue benefits over the years of their employment, although normal pension benefits are not payable until age 65. Participants choosing earlier payment received substantially reduced benefits. Effective December 31, 2007, any employees hired on or after January 1, 2008, are not eligible to participate in the Plan.

Note 10. Postretirement Benefits (Continued)

The following table summarizes the accumulated postretirement benefit obligations, the fair value of Plan assets, and the funded status of the Plan at December 31, 2009:

Accumulated benefit obligation	$ 23,072,544
Change in benefit obligation:	
Accumulated postretirement benefit obligation, beginning of fiscal year	$ 24,134,628
Service cost	1,475,832
Interest cost	1,405,286
Participant contributions	280,225
Benefit payments	(1,434,086)
Administrative expenses	(127,717)
Actuarial loss	1,569,295
Accumulated postretirement benefit obligation, end of fiscal year	$ 27,303,463
Change in Plan assets:	
Fair value of Plan assets, beginning of fiscal year	$ 15,534,581
Employer contributions	2,223,261
Participant contributions	280,225
Benefit payments	(1,434,086)
Administrative expenses	(127,717)
Actual return on Plan assets	2,044,925
Fair value of Plan assets, end of fiscal year	$ 18,521,189
Funded status, end of fiscal year	$ (8,782,274)

The following assumptions were used by the actuary in determining the Society's benefit obligation:

Weighted-average discount rate	5.65%
Weighted-average rate of compensation increase	4.00%
Expected long-term rate of return on Plan assets	6.75%

Note 10. Postretirement Benefits (Continued)

The basis for the expected long-term rate of return on Plan assets for the year is based on a five-year rolling average of actual investment returns realized, further adjusted for anticipated future rates of return.

Expected cash flow information for the years after the current fiscal year is as follows:

Expected employer contributions	$	2,000,000
Year 1 expected benefit payments	$	4,306,765
Year 2 expected benefit payments	$	2,177,414
Year 3 expected benefit payments	$	2,800,379
Year 4 expected benefit payments	$	1,748,610
Year 5 expected benefit payments	$	2,451,459
Years 6 – 10 expected benefit payments	$	14,868,084

Fair value, as defined in the Fair Value Measurement Topic of the Codification, is described in Note 2 to the consolidated financial statements. In determining the appropriate levels for the Plan, the Society performs a detailed analysis of the assets and liabilities that are subject to the fair value disclosures of the Codification. At each reporting period, all assets and liabilities of the Plan for which the fair value measurement is based on significant unobservable inputs are classified as Level 3. There were no Level 3 inputs for any assets held by the Plan at December 31, 2009.

Following is a description of the valuation methodologies used for assets held by the Plan measured at fair value:

Mutual funds and cash management funds are valued at quoted market prices.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2009:

	Level 1	Level 2	Level 3	Total
Mutual funds	$ 16,573,746	$ -	$ -	$ 16,573,746
Cash management fund	1,947,443	-	-	1,947,443
	$ 18,521,189	$ -	$ -	$ 18,521,189

Weighted-average asset allocation at year-end is as follows:

Equity securities	38.9%
Debt securities	50.6%
Cash equivalents and other	10.5%
	100.0%

Note 11. Unrestricted Net Assets

Unrestricted net assets are available to finance the general operations of the Society. The only limits on the use of unrestricted net assets are the broad limits resulting from the nature of the Society, the environment in which it operates and the purposes specified in its articles of incorporation. Voluntary resolutions by the Society's directors to designate a portion of its unrestricted net assets for specified purposes do not result in restricted funds. Since designations are voluntary and may be reversed by the governing board at any time, designated net assets are included with unrestricted net assets.

Unrestricted net assets are held by the following funds at December 31, 2009:

Board designated:	
Investment fund	$ 63,898,919
Endowment fund	226,837
Special purpose funds	516,503
Black Beauty Ranch	6,394,454
Total board designated	71,036,713
Undesignated	40,659,429
Total unrestricted net assets	$ 111,696,142

Note 12. Temporarily Restricted Net Assets

Temporarily restricted net assets result from gifts of cash and other assets with donor-imposed restrictions as to (a) support of particular operating activities, (b) investment for a specified term, (c) use in a specified future period, or (d) acquisition of long-lived assets.

Temporarily restricted net assets are available for the following purposes at December 31, 2009:

	Balance December 31, 2008	Net Assets Assumed In Affiliation	Additions	Releases From Restriction	**Balance December 31, 2009**
Unitrusts	$ 516,143	$ -	$ (24,578)	$ -	**$ 491,565**
Education, training programs and disaster relief	15,023,389	-	8,661,405	8,505,365	**15,179,429**
Scholarships	50,581	-	11,400	2,833	**59,148**
Support of other humane organizations	317,385	-	216,562	87,799	**446,148**
Wildlife Land Trust	1,758,700	-	7,024,667	6,477,559	**2,305,808**
Endangered Species	2,084,568	-	190,122	8,036	**2,266,654**
Doris Day Animal League	1,488,088	-	3,209,066	2,508,033	**2,189,121**
Fund for Animals	14,537,539	-	7,424,408	5,142,762	**16,819,185**
Wildlife Care Center	-	7,108,868	1,347,991	1,780,549	**6,676,310**
	$ 35,776,393	$ 7,108,868	$ 28,061,043	$ 24,512,936	**$ 46,433,368**

Note 12. Temporarily Restricted Net Assets (Continued)

During 2009, assets were released from donor restrictions by the Society incurring expenses satisfying the restricted purposes, or by the occurrence of other events specified by donors, as follows:

Purpose for which restrictions were accomplished:	
Donor-specified program expenses of the organization	$ 21,338,567
Gifts to other humane organizations	3,058,099
Restricted fund investment expenses	116,270
	$ 24,512,936

Note 13. Endowments

The Codification defines an endowment as an established fund of cash, securities, or other assets to provide income for the maintenance of a not-for-profit organization. Management has interpreted the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) as requiring the preservation of the fair value of original donor-restricted contributions as of the date of the gift, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Society classifies as permanently restricted net assets (a) the original value of permanently restricted cash contributions and (b) the discounted value of future permanently restricted cash contributions, net of allowance for uncollectible pledges. The remaining portion of donor-restricted cash contributions are classified as temporarily restricted net assets, until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Society considers the following factors in making a determination to appropriate or accumulate donor-restricted cash contributions:

- The purposes of the endowment fund
- The duration and preservation of the fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other available financial resources
- Investment policies

Investment and spending policies: The Society has adopted investment and spending policies for permanently restricted cash contributions that attempt to provide a predictable stream of funding to programs, while maintaining purchasing power. All earnings from these funds are reflected as temporarily restricted net assets, until appropriated for program expenditures.

The Society's endowment funds consist of the following as of December 31, 2009:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ (4,880,522)	$ 485,360	$ 33,251,216	$ 28,856,054
Board designated endowment funds	226,837	-	-	226,837
	$ (4,653,685)	$ 485,360	$ 33,251,216	$ 29,082,891

Note 13. Endowments (Continued)

Donor-restricted endowment fund activity consists of the following for the year ended December 31, 2009:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ (6,667,908)	$ 350,032	$ 30,701,365	$ 24,383,489
Investment return:				-
Interest and dividends	453,806	42,508	-	496,314
Realized and unrealized gain on investments	1,801,465	179,863	-	1,981,328
Amounts appropriated for expenditure	(467,885)	(90,543)	-	(558,428)
Contributions	-	3,500	2,549,851	2,553,351
Endowment net assets, end of year	$ (4,880,522)	$ 485,360	$ 33,251,216	$ 28,856,054

Board Designated Endowment Fund Activity	
Endowment net assets, beginning of year	$ 207,205
Investment return:	
Interest and dividends	605
Realized and unrealized gain	20,052
Amounts appropriated for expenditure	(1,025)
Endowment net assets, end of year	$ 226,837

Permanently Restricted Net Assets – Fund Categories At December 31, 2009	
Income-producing assets; income is expendable to support the following:	
To defray building operating expenses	$ 2,980,225
To award scholarships to Connecticut secondary school students	16,919
To be used for the best interests of the organization	19,586,553
To support other humane organizations	1,502,039
20% of income to be used to support the Norma Terris Human Education and Nature Center, and 80% of income to be used for general purposes	5,289,296
To be used for the state of New Hampshire wildlife	154,747
To be used for the betterment of song birds	1,130,283
	30,660,062
Non-income producing assets:	
Land and easements held to preserve natural habitats for wildlife	2,591,154
Total permanently restricted net assets	$ 33,251,216

Note 13. Endowments (Continued)

Income earned on investments in the permanently restricted net assets class is reported in the accompanying consolidated statement of activities and changes in net assets as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the nature of donor-imposed restrictions on such earnings. For all endowment funds with negative unrestricted net assets, all earnings are reflected as unrestricted net assets until the net assets are replenished. At such time, all earnings from these funds are reflected as temporarily restricted net assets.

Note 14. Commitments

The Society leases certain office space and equipment under long-term non-cancelable operating leases. The leases provide for payment of increases in operating expenses, sales and use taxes, and insurance. Rental expense for the year ended December 31, 2009, was $453,258.

As of December 31, 2009, the future minimum lease commitments under non-cancelable operating leases are as follows:

Years Ending December 31,		
2010	$	393,574
2011		357,359
2012		362,902
2013		211,749
2014		162,358
	$	1,487,942

Note 15. Allocation Of Joint Costs

The Society has allocated the joint costs of providing educational materials and activities that include a fundraising appeal. Since only those activities which include both programmatic and fundraising components are included in this allocation, the amounts below do not include all of the expenses presented in the consolidated statement of functional expenses. For the year ended December 31, 2009, the allocation of the joint costs is summarized as follows:

Programs	$	29,326,880
Fundraising		18,223,423
Membership development		1,197,946
	$	48,748,249

Note 16. Retirement Plan

The Society adopted the Humane Society of the United States 401(k) Savings Plan (the 401(k) Plan), a defined contribution retirement plan qualified under sections 401(k) and 402(a) of the IRC, as amended, effective January 1, 2008. Employees hired on or after January 1, 2008, are eligible to participate in the 401(k) Plan on an automatic enrollment basis. Employees hired prior to January 1, 2008, who have not attained age 50 by December 31, 2007, can elect to waive coverage in the Humane Society of the United States Pension Plan on an irrevocable basis and will then be eligible to participate in the 401(k) Plan.

Eligible participants are automatically enrolled to contribute 3% of pay their first year, increasing 1% per year until 6% salary deferrals after four years. Participants may elect to contribute higher amounts up to 80% of pay, subject to annual dollar limitations.

The Society will make a matching contribution on a quarterly basis equal to 100% of the first 1% of the participant's salary deferral contribution, and 50% of the next 5% of salary deferral contributions.

The Society will make an annual fixed contribution for all eligible participants employed on the last day of the 401(k) Plan year, based on years of service, up to 6% of compensation. The Society contributed $438,754 to the 401(k) Plan during the year ended December 31, 2009.

Note 17. Contingencies

The Society is a party to a number of lawsuits. Liability, if any, associated with these matters is not presently determinable. In the opinion of management, resolution of these matters should not have a material effect on the Society's financial position.

Note 18. Subsequent Event

The Society established a $20 million unsecured credit line from Wachovia Bank in March 2010. The purpose of the line is to provide ready reserves for short-term operating cash needs. The line has a term of one year. The line accrues interest at LIBOR Market Index Rate for one month U.S. dollars deposits plus 1% annual. In addition, the Society incurs a facility fee of 0.25% per annum on the portion of the line that is not used during the year.

McGladrey & Pullen
Certified Public Accountants

Independent Auditor's Report On The Supplementary Information

To the Board of Directors
The Humane Society of the United States
Washington, D.C.

Our audit was made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The consolidating information which follows is presented for purposes of additional analysis of the basic consolidated financial statements rather than to present the financial position and results of activities of the individual entities. Such information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and in our opinion is fairly stated, in all material respects, in relation to the basic consolidated financial statements taken as a whole.

McGladrey & Pullen, LLP

Gaithersburg, Maryland
August 6, 2010

The Humane Society Of The United States And Affiliates

Consolidating Balance Sheet
December 31, 2009

Assets	HSUS	WLT	FFA	DDAL	HSI	WCC	HSU	Consolidated
Cash And Cash Equivalents	$ 24,817,716	$ 202,333	$ 326,789	$ 324,775	$ 1,109,027	$ 409,686	$ 1,388	$ 27,191,714
Investments	141,550,681	-	-	356,816	-	4,955,514	-	146,863,011
Investments To Fund Deferred Compensation Liability	381,469	-	-	-	-	-	-	381,469
Due From (Due To) Affiliate	(14,365,985)	1,513,136	13,472,914	1,297,647	(500,000)	(926,983)	(490,729)	-
Accrued Interest Receivable	684,479	-	-	1,261	-	20,789	-	706,529
Prepaid Expenses And Other Assets	1,391,536	-	645	-	12,484	40,059	-	1,444,724
Contributions, Bequests And Other Receivables, net	18,060,072	583,624	711,897	173,217	644,648	96,311	16,315	20,286,084
Assets Held For Investment Purposes	219,364	-	-	-	-	1,844,024	-	2,063,388
Property And Equipment, net	14,010,292	2,534,881	2,143,629	191	35,971	391,048	-	19,116,012
Total assets	$ 186,749,624	$ 4,833,974	$ 16,655,874	$ 2,153,907	$ 1,302,130	$ 6,830,448	$ (473,026)	$ 218,052,931

Liabilities And Net Assets	HSUS	WLT	FFA	DDAL	HSI	WCC	HSU	Consolidated
Liabilities								
Accounts payable and accrued expenses	$ 8,174,228	$ 27,337	$ 87,733	$ 164	$ 137,816	$ 154,137	$ 26,957	$ 8,608,372
Annuities and unitrusts	7,366,793	-	-	-	-	-	-	7,366,793
Accrued severance obligation	1,533,297	-	-	-	-	-	-	1,533,297
Deferred compensation liability	381,469	-	-	-	-	-	-	381,469
Accrued postretirement benefit obligation	8,782,274	-	-	-	-	-	-	8,782,274
Total liabilities	26,238,061	27,337	87,733	164	137,816	154,137	26,957	26,672,205
Net Assets								
Unrestricted								
Board designated	71,036,713	-	-	-	-	-	-	71,036,713
Undesignated	13,685,000	1,988,514	16,030,270	2,153,743	839,085	6,462,800	(499,983)	40,659,429
	84,721,713	1,988,514	16,030,270	2,153,743	839,085	6,462,800	(499,983)	111,696,142
Temporarily restricted	45,129,788	226,969	537,871	-	325,229	213,511	-	46,433,368
Permanently restricted	30,660,062	2,591,154	-	-	-	-	-	33,251,216
Total net assets	160,511,563	4,806,637	16,568,141	2,153,743	1,164,314	6,676,311	(499,983)	191,380,726
Total liabilities and net assets	$ 186,749,624	$ 4,833,974	$ 16,655,874	$ 2,153,907	$ 1,302,130	$ 6,830,448	$ (473,026)	$ 218,052,931

The Humane Society Of The United States And Affiliates

Consolidating Statement Of Activities
Year Ended December 31, 2009

	HSUS	WLT	FFA	DDAL	HSI	WCC	HSU	Eliminations	Consolidated
Support and revenue:									
Contributions	$ 80,990,939	$ 5,982,964	$ 3,055,624	$ 2,433,489	$ 2,529,255	$ 269,317	$ 200	$ -	$ 95,261,788
Bequests	18,213,121	627,109	4,005,486	645,615	1,796	302,148	2,000	-	23,797,275
Royalty income	3,737,751	54	244,319	12,304	-	-	-	-	3,994,428
Grants and trust contributions	2,782,786	50,710	62,815	7,341	828,393	206,896	17,666	-	3,956,607
Interest and dividends	3,508,766	227,133	20,409	11,553	310	91,263	-	-	3,859,434
Event income	1,544,769	-	8,803	-	1,000	-	162,980	-	1,717,552
Sales of literature and publications	808,810	-	-	-	-	-	-	-	808,810
International program support	-	-	-	-	16,212,896	-	-	(16,212,896)	-
Other income	1,804,456	136,698	26,950	63,560	168,245	-	-	-	2,199,909
Total support and revenue before transfers	113,391,398	7,024,668	7,424,406	3,173,862	19,741,895	869,624	182,846	(16,212,896)	135,595,803
Transfer income	(149,734)	-	-	-	149,734	-	-	-	-
Total support and revenue	113,241,664	7,024,668	7,424,406	3,173,862	19,891,629	869,624	182,846	(16,212,896)	135,595,803
Expenses:									
Program services	99,694,959	5,214,487	4,282,815	1,976,618	5,766,036	1,675,452	639,352	(16,212,896)	103,036,823
Management and general	4,598,215	151,508	290,311	66,444	480,001	53,416	43,477	-	5,683,372
Fundraising	22,341,213	1,111,565	569,634	464,972	765,377	51,680	-	-	25,304,441
Total expenses	126,634,387	6,477,560	5,142,760	2,508,034	7,011,414	1,780,548	682,829	(16,212,896)	134,024,636
Change in net assets from operations	(13,392,723)	547,108	2,281,646	665,828	12,880,215	(910,924)	(499,983)	-	1,571,167
Realized and unrealized gain on investments, net	11,049,082	-	-	35,205	-	478,367	-	-	11,562,654
Change in net assets before postretirement benefits adjustment	(2,343,641)	547,108	2,281,646	701,033	12,880,215	(432,557)	(499,983)	-	13,133,821
Postretirement benefits adjustment	638,060	-	-	-	-	-	-	-	638,060
Change in net assets	(1,705,581)	547,108	2,281,646	701,033	12,880,215	(432,557)	(499,983)	-	13,771,881
Net assets:									
Beginning	162,217,144	4,259,529	14,286,495	1,452,710	(11,715,901)	-	-	-	170,499,977
Net assets assumed in combination – WCC	-	-	-	-	-	7,108,868	-	-	7,108,868
Ending	$ 160,511,563	$ 4,806,637	$ 16,568,141	$ 2,153,743	$ 1,164,314	$ 6,676,311	$ (499,983)	$ -	$ 191,380,726