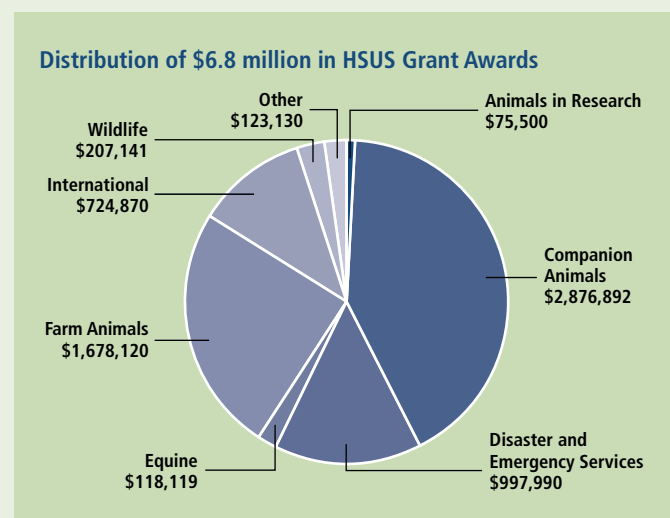


# Financial Operations Report

For the Year Ending December 31, 2007

## Consolidated Statement of Financial Position

	Dec. 31, 2007
<b>Assets</b>	
Cash and cash equivalents	\$ 63,107,007
Receivables	14,726,054
Prepaid expenses, deferred charges, and deposits	919,404
Investments, at market value	137,997,005
Fixed assets, net of depreciation	16,316,729
<b>Total Assets</b>	<b>\$ 233,066,199</b>
<b>Liabilities</b>	
	<b>\$ 26,540,932</b>
<b>Net Assets</b>	
Unrestricted	147,658,433
Temporarily restricted	29,511,836
Permanently restricted	29,354,998
<b>Total Net Assets</b>	<b>\$ 206,525,267</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 233,066,199</b>



The HSUS is tax exempt under Section 501(c)(3) of the Internal Revenue Code. Contributions are tax deductible to the extent allowed by law. The HSUS's audited financial statements are available upon request.

## Consolidated Statement of Activities

	Unrestricted	Temporarily Restricted	Permanently Restricted	Year Ending Dec. 31, 2007
<b>Revenue, Other Additions, and Transfers</b>				
Contributions and grants	\$ 74,963,590	\$ 15,044,471	\$ 262,977	\$ 90,271,038
Bequests	12,306,498	5,826,409	11,085	18,143,992
Investment income	6,336,252	556,454	11,529	6,904,235
Sale of literature and other income, net	4,492,188	741,520	—	5,233,708
<b>Total Revenue and Other Additions</b>	<b>\$ 98,098,528</b>	<b>\$ 22,168,854</b>	<b>\$ 285,591</b>	<b>\$ 120,552,973</b>
Transfers (net assets released from restrictions)	21,033,877	(21,033,877)	—	—
<b>Total Revenue, Other Additions, and Transfers</b>	<b>\$ 119,132,405</b>	<b>\$ 1,134,977</b>	<b>\$ 285,591</b>	<b>\$ 120,552,973</b>
<b>Expenses and Other Deductions</b>				
Animal protection programs				
Research and education	\$ 7,182,218	\$ —	\$ —	\$ 7,182,218
Field and disaster response program	13,654,970	—	—	13,654,970
Domestic cruelty prevention program	7,204,395	—	—	7,204,395
Wildlife programs	11,826,770	—	—	11,826,770
Animal care facilities	6,677,918	—	—	6,677,918
Campaigns, litigation, and investigations	27,351,171	—	—	27,351,171
International animal programs	8,023,368	—	—	8,023,368
Strategic communications	13,239,390	—	—	13,239,390
Supporting services				
Management and general	4,805,791	—	—	4,805,791
Fundraising	12,861,237	—	—	12,861,237
<b>Total Expenses and Other Deductions</b>	<b>\$ 112,827,228</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 112,827,228</b>
Change in net assets from operations	\$ 6,305,177	\$ 1,134,977	\$ 285,591	\$ 7,725,745
Realized and unrealized gain on investments	4,801,248	169,376	797,116	5,767,740
<b>Change in Net Assets</b>	<b>\$ 11,106,425</b>	<b>\$ 1,304,353</b>	<b>\$ 1,082,707</b>	<b>\$ 13,493,485</b>
Net assets at January 1, 2007, as previously reported	\$ 142,006,266	\$ 28,207,483	\$ 28,272,291	\$ 198,486,040
Adoption of FAS 158-Postretirement Benefits Adjustment	(5,454,258)	—	—	(5,454,258)
<b>Net Assets at Jan. 1, 2007, as adjusted</b>	<b>\$ 136,552,008</b>	<b>\$ 28,207,483</b>	<b>\$ 28,272,291</b>	<b>\$ 193,031,782</b>
<b>Net Assets, end of year</b>	<b>\$ 147,658,433</b>	<b>\$ 29,511,836</b>	<b>\$ 29,354,998</b>	<b>\$ 206,525,267</b>