

Department of the Treasury
Internal Revenue Service

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

1999

This Form Is
Open to Public
Inspection

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

A For the 1999 calendar year, OR tax year period beginning 1999, and ending

B Check if:
☐ Change of address
☐ Initial return
☐ Final return

Please use IRS label or print or type. See

C Name of organization

THE FUND FOR ANIMALS, INC.

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

Room/suite

200 WEST 57TH STREET

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 Check ☐ if exemption application is pendingG Type of organization ☒ Exempt under section 501(c) (3) (insert number) OR ☐ section 4947(a)(1) nonexempt charitable trust

Note: Section 501(c)(3) exempt organizations and 4947(a)(1) nonexempt charitable trusts MUST attach a completed Schedule A (Form 990).

H (a) Is this a group return filed for affiliates? ☐ Yes ☒ NoI If either box in H is checked "Yes," enter four-digit group exemption number (GEN) ☐J Accounting method: ☐ Cash ☒ Accrual(b) If "Yes," enter the number of affiliates for which this return is filed: ☐(c) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ NoK 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 it received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

Note: Form 990-EZ may be used by organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at end of year.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Specific Instructions on page 15.)

1	Contributions, gifts, grants, and similar amounts received: STMT 1		
a	Direct public support	1a	5,698,729.
b	Indirect public support	1b	
c	Government contributions (grants)	1c	
d	Total (add lines 1a through 1c) (attach schedule of contributors) (cash \$ 5,654,784. noncash \$ 43,945.)	1d	5,698,729.
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	14,014.
3	Membership dues and assessments	3	
4	Interest on savings and temporary cash investments	4	617,394.
5	Dividends and interest from securities	5	33,867.
6a	Gross rents	6a	
b	Less: rental expenses	6b	
c	Net rental income or (loss) (subtract line 6b from line 6a)	6c	
7	Other investment income (describe SEE STATEMENT 2)	7	1,250.
8a	Gross amount from sales of assets other than inventory	(A) Securities 8a	9,624,109.
b	Less: cost or other basis and sales expenses	(B) Other 8b	9,161,868.
c	Gain or (loss) (attach schedule)	8c	462,241.
d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8d	462,241.
9	Special events and activities (attach schedule)		
a	Gross revenue (not including \$ of 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 returns 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	
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	6,827,495.
13	Program services (from line 44, column (B))	13	5,311,129.
14	Management and general (from line 44, column (C))	14	549,342.
15	Fundraising (from line 44, column (D))	15	523,417.
16	Payments to affiliates (attach schedule)	16	
17	Total expenses (add lines 13 and 14, column (A))	17	6,383,888.
18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	443,607.
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	16,714,145.
20	Other changes in net assets or fund balances (attach explanation) STMT. 3.	20	-938,532.
21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	16,219,220.

22

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 Specific Instructions on page 19.)

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
22	Grants and allocations (attach schedule) (cash \$ 834,313. noncash \$)	834,313.	834,313.	STMT 4	
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc.	37,500.		37,500.	
26	Other salaries and wages	524,347.	477,541.	39,438.	7,368.
27	Pension plan contributions				
28	Other employee benefits	26,400.	19,360.	7,040.	
29	Payroll taxes	45,493.	38,400.	6,515.	578.
30	Professional fundraising fees				
31	Accounting fees	67,000.		67,000.	
32	Legal fees	185,073.	119,590.	65,483.	
33	Supplies	150,249.	125,483.	22,618.	2,148.
34	Telephone	55,163.	47,636.	6,947.	580.
35	Postage and shipping	197,689.	108,823.	3,494.	85,372.
36	Occupancy	230,824.	170,318.	59,461.	1,045.
37	Equipment rental and maintenance	12,068.	5,761.	6,105.	202.
38	Printing and publications				
39	Travel	97,609.	89,323.	6,333.	1,953.
40	Conferences, conventions, and meetings				
41	Interest				
42	Depreciation, depletion, etc. (attach schedule)	264,699.	229,126.	35,573.	
43	Other expenses (itemize): a STMT 10	3,655,461.	3,045,455.	185,835.	424,171.
	b				
	c				
	d				
	e				
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	6,383,888.	5,311,129.	549,342.	523,417.

Reporting of Joint Costs. - Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation? ☒ Yes ☐ No

If "Yes," enter (i) the aggregate amount of these joint costs \$ **738,993.**; (ii) the amount allocated to Program services \$ **376,257.**; (iii) the amount allocated to Management and general \$; and (iv) the amount allocated to Fundraising \$ **362,736.**

Part III Statement of Program Service Accomplishments (See Specific Instructions on page 22.)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.)
a SEE STATEMENT 11	
(Grants and allocations \$)	4,066,329.
b HUMANE EDUCATION - EDUCATE THE PUBLIC ON ISSUES AND EVENTS AFFECTING ANIMAL RIGHTS AND WELFARE.	
(Grants and allocations \$)	1,036,934.
c LEGISLATIVE - LOBBYING FOR HUMANE ANIMAL LITIGATION AND AGAINST LAWS WHICH SUBJECT ANIMALS TO MISTREATMENT.	
(Grants and allocations \$)	207,866.
d	
(Grants and allocations \$)	
e Other program services (attach schedule) (Grants and allocations \$)	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	5,311,129.

Part IV Balance Sheets (See Specific Instructions on page 22.)

		(A) Beginning of year		(B) End of year
Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.				
Assets	45 Cash - non-interest-bearing	555.	45	709.
	46 Savings and temporary cash investments	1,538,966.	46	1,096,949.
	47a Accounts receivable	47a		
	b Less: allowance for doubtful accounts	47b	47c	
	48a Pledges receivable	48a		
	b Less: allowance for doubtful accounts	48b	48c	
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a Other notes and loans receivable (attach schedule)	51a		
	b Less: allowance for doubtful accounts	51b	51c	
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges . SEE. STATEMENT. 12.	49,206.	53	42,778.
	54 Investments - securities (attach schedule) SEE. STATEMENT. 13.	13,077,401.	54	12,714,948.
	55a Investments - land, buildings, and equipment: basis	55a		
	b Less: accumulated depreciation (attach schedule)	55b	55c	
56 Investments - other (attach schedule)		56		
57a Land, buildings, and equipment: basis	57a	3,161,898.		
b Less: accumulated depreciation (attach schedule)	57b	1,005,227.	57c	2,156,671.
58 Other assets (describe ► SEE STATEMENT 14)	213,980.	58	258,643.	
59 Total assets (add lines 45 through 58) (must equal line 74)	16,919,745.	59	16,270,698.	
Liabilities	60 Accounts payable and accrued expenses	205,600.	60	51,478.
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a Tax-exempt bond liabilities (attach schedule)		64a	
	b Mortgages and other notes payable (attach schedule)		64b	
	65 Other liabilities (describe ►)		65	
66 Total liabilities (add lines 60 through 65)	205,600.	66	51,478.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted	16,714,145.	67	16,219,220.
	68 Temporarily restricted		68	
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 Total net assets or fund balances (add lines 67 through 69 OR lines 70 through 72; column (A) must equal line 19 and column (B) must equal line 21)	16,714,145.	73	16,219,220.
	74 Total liabilities and net assets/fund balances (add lines 66 and 73)	16,919,745.	74	16,270,698.

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 Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see Specific Instructions on page 24.)

[illegible]

☐ Yes ☒ No

Yes	No
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Form 990 (1999)

Preparer's SSN or PTIN

**SCHEDULE A
(Form 990)**

Organization Exempt Under Section 501(c)(3)

OMB No. 1545-0047

(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.)

1999

Department of the Treasury
Internal Revenue Service

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

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		NONE	NONE	NONE

Total number of other employees paid over \$50,000 ▶

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 1 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	82,781.
VEDDER, PRICE, KAUFMAN, KAMMHOLTZ		
805 3RD AVE., NEW YORK, NY 10022-2203	LEGAL	65,303.
GRANT THORNTON, LLP		
666 THIRD AVE, NEW YORK, NY 10017	ACCOUNTING	67,000.

Total number of others receiving over \$50,000 for professional services ▶

For Paperwork Reduction Act Notice, see page 1 of the instructions for Form 990 and Form 990-EZ.

Schedule A (Form 990) 1999

Part III Statements About Activities

	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>207,866.</u>	X	
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 of its 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:		
a Sale, exchange, or leasing of property?		X
b Lending of money or other extension of credit?		X
c Furnishing of goods, services, or facilities?		X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		X
e Transfer of any part of its income or assets? If the answer to any question is "Yes," attach a detailed statement explaining the transactions.		X
3 Does the organization make grants for scholarships, fellowships, student loans, etc.?		X
4a Do you have a section 403(b) annuity plan for your employees?		X
b Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs qualify to receive payments. (See page 2 of the instructions.)	STMT 17	

Part IV Reason for Non-Private Foundation Status (See pages 2 through 4 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, page 4.)
- 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 4 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 4 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) 1998	(b) 1997	(c) 1996	(d) 1995	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	6,537,938.	4,243,875.	3,842,153.	3,646,462.	18270428.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc., purpose					
18 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	617,301.	796,648.	645,937.	605,274.	2,665,160.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 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					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	7,155,239.	5,040,523.	4,488,090.	4,251,736.	20935588.
24 Line 23 minus line 17	7,155,239.	5,040,523.	4,488,090.	4,251,736.	20935588.
25 Enter 1% of line 23	71,552.	50,405.	44,881.	42,517.	
26 Organizations described in lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 418,712.
b Attach a list (which is not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1995 through 1998 exceeded the amount shown in line 26a. Enter the sum of all these excess amounts					26b 1,363,876.
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 20935588.
d Add: Amounts from column (e) for lines: 18 <u>2,665,160.</u> 19 _____					
22 _____ 26b <u>1,363,876.</u>					26d 4,029,036.
e Public support (line 26c minus line 26d total)					26e 16906552.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 80.7551 %
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," attach a list to show the name of, and total amounts received in each year from, each "disqualified person." Enter the sum of such amounts for each year: (1998) _____ (1997) _____ (1996) _____ (1995) _____ NOT APPLICABLE					
b For any amount included in line 17 that was received from a nondisqualified person, attach a list 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.) 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: (1998) _____ (1997) _____ (1996) _____ (1995) _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____					
17 _____ 20 _____ 21 _____					27c _____
d Add: Line 27a total _____ and line 27b total _____					27d _____
e Public support (line 27c total minus line 27d total)					27e _____
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)					27f _____
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g _____ %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h _____ %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1995 through 1998, attach a list (which is not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 15. (See page 4 of the instructions.)

Part V**Private School Questionnaire** (See page 4 of the instructions.)(To be completed **ONLY** by schools that checked the box on line 6 in Part IV)**NOT APPLICABLE**

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

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 6 of the instructions.)(To be completed **ONLY** by an eligible organization that filed Form 5768)Check here ☐ **a** if the organization belongs to an affiliated group.Check here ☐ **b** if you checked "a" above 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
36 Total lobbying expenditures to influence public opinion (grassroots lobbying) . . .	36	68,227.
37 Total lobbying expenditures to influence a legislative body (direct lobbying) . . .	37	139,639.
38 Total lobbying expenditures (add lines 36 and 37)	38	207,866.
39 Other exempt purpose expenditures	39	6,176,022.
40 Total exempt purpose expenditures (add lines 38 and 39)	40	6,383,888.
41 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	41	469,194.
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		
42 Grassroots nontaxable amount (enter 25% of line 41)	42	117,299.
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	

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 7 of the instructions.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in) ►	(a) 1999	(b) 1998	(c) 1997	(d) 1996	(e) Total
Lobbying nontaxable amount	469,194.	422,273.	365,261.	357,445.	1,614,173.
45 Lobbying ceiling amount (150% of line 45(e))					2,421,260.
47 Total lobbying expenditures	207,866.	245,054.	136,525.	126,899.	716,344.
Grassroots nontaxable amount					
48 amount	117,299.	105,568.	91,315.	89,361.	403,543.
Grassroots ceiling amount (150% of line 48(e))					605,315.
49 Grassroots lobbying expenditures	68,227.	60,922.	80,273.	62,717.	272,139.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 8 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:

	Yes	No	Amount
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)			

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

Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 8 of the instructions.)

Application for Extension of Time to File
Certain Excise, Income, Information, and Other Returns

OMB No. 1545-0148

Department of the Treasury
Internal Revenue Service

► File a separate application for each return.

Please type or
print. File the
original and
one copy by
the due date
for filing your
return. See
instructions on
back.

Name

THE FUND FOR ANIMALS, INC.

Employer identification number

13-6218740

Number, street, and room or suite no. (or P.O. box no. if mail is not delivered to street address)

200 WEST 57TH STREET

City, town or post office, state, and ZIP code. For a foreign address, see instructions.

NEW YORK, NY 10019

Note: Corporate income tax return filers must use **Form 7004** to request an extension of time to file. Partnerships, REMICs, and trust must use **Form 8736** to request an extension of time to file Form 1065, 1066, or 1041.1 I request an extension of time until AUGUST 15, 2000

, to file (check only one):

- | | | | |
|--|---|---|------------------------------------|
| <input type="checkbox"/> Form 706-GS(D) | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 1120-ND (sec. 4951 taxes) | <input type="checkbox"/> Form 8612 |
| <input type="checkbox"/> Form 706-GS(T) | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 3520-A | <input type="checkbox"/> Form 8613 |
| <input checked="" type="checkbox"/> Form 990 or 990-EZ | <input type="checkbox"/> Form 1041 (estate) (see instructions) | <input type="checkbox"/> Form 4720 | <input type="checkbox"/> Form 8725 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 5227 | <input type="checkbox"/> Form 8804 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1042 | <input type="checkbox"/> Form 6069 | <input type="checkbox"/> Form 8831 |

If the organization does not have an office or place of business in the United States, check this box ☐2a For calendar year 1999, or other tax year beginning _____ and ending _____b If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period3 Has an extension of time to file been previously granted for this tax year? ☐ Yes ☐ No4 State in detail why you need the extension INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE RETURN IS, AS YET, CURRENTLY UNAVAILABLE.5a If this form is for Form 706-GS(D), 706-GS(T), 990-BL, 990-PF, 990-T, 1041 (estate), 1042, 1120-ND, 4720, 6069, 8612, 8613, 8725, 8804, or 8831, enter the tentative tax, less any nonrefundable credits. See instructions . . . \$ NONE

b If this form is for Form 990-PF, 990-T, 1041 (estate), 1042, or 8804, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit . . . \$ _____

c Balance due. Subtract line 5b from line 5a. Include your payment with this form, or deposit with FTD coupon if required. See instructions . . . \$ NONE

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete; and that I am authorized to prepare this form.

Signature

Title ► GRANT THORNTON LLP

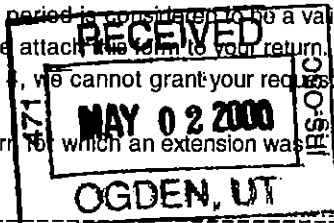
Date

4/24/00

FILE ORIGINAL AND ONE COPY. The IRS will show below whether or not your application is approved and will return the copy.

Notice to Applicant - To Be Completed by the IRS

- ☒ We HAVE approved your application. Please attach this form to your return.
- ☐ We HAVE NOT approved your application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of your return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to your return.
- ☐ We HAVE NOT approved your application. After considering the reasons stated in item 4, we cannot grant your request for an extension of time to file. We are not granting the 10-day grace period.
- ☐ We cannot consider your application because it was filed after the due date of the return for which an extension was requested.
- ☐ Other: _____



By: _____

Director

Date

If you want a copy of this form to be returned to an address other than that shown above, please enter the address to which the copy should be sent.

Please
Type
or
Print

Name

GRANT THORNTON LLP ATT:M.STEPANSKY

Number, street, and room or suite no. (or P.O. box no. if mail is not delivered to street address)

60 BROAD STREET - 24TH FLOOR

City, town or post office, state, and ZIP code. For a foreign address, see instructions.

NEW YORK, NY 10004

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 - OTHER INVESTMENT INCOME

=====

DESCRIPTION

AMOUNT

OTHER INVESTMENT INCOME

1,250.

TOTAL

1,250.

=====

FORM 990, PART I - OTHER DECREASES IN FUND BALANCES

=====

DESCRIPTION

AMOUNT

UNREALIZED LOSSES ON SECURITIES CARRIED
AT LOWER OF COST OR MARKET IN THE BOOKS
OF THE ACCOUNT.

938,532.

TOTAL

938,532.

=====

FORM 990, PART II - GRANTS AND ALLOCATIONS PAID DURING THE YEAR

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR

AND

FOUNDATION STATUS OF RECIPIENT

RECIPIENT NAME AND ADDRESS

PURPOSE OF GRANT OR CONTRIBUTION

AMOUNT

GRANTS PAID

FARM SANCTUARY

NONE

VARIOUS

250.

UNITED POULTRY CONCERNS

NONE

VARIOUS

750.

ANIMAL RIGHTS AMERICA

NONE

VARIOUS

40.

TEXAS FED OF HUMANE SOCS

NONE

VARIOUS

2,500.

CAMPAIGN HUMANE

NONE

VARIOUS

5,000.

THE GINNY FUND

NONE

VARIOUS

1,500.

ANIMALS' BEST FRIEND

NONE

VARIOUS

100.

IN DEFENSE OF ANIMALS

NONE

VARIOUS

2,000.

SEA PINES ASSOC FOR PROT

NONE

VARIOUS

2,500.

FORM 990, PART II - GRANTS AND ALLOCATIONS PAID DURING THE YEAR

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR

AND

FOUNDATION STATUS OF RECIPIENT

RECIPIENT NAME AND ADDRESS

PURPOSE OF GRANT OR CONTRIBUTION

AMOUNT

NJARA	NONE	VARIOUS	500.
BUFFALO FIELD CAMPAIGN	NONE	VARIOUS	1,000.
THE ASSOC OF SANCTUARIES	NONE	VARIOUS	250.
PRO PAW/CALIFORNIA	NONE	VARIOUS	2,000.
KENYA WILDLIFE SERVICE	NONE	VARIOUS	5,000.
VEGAN OUTREACH	NONE	VARIOUS	250.
ANIMAL RIGHTS AMERICA	NONE	VARIOUS	40.
CEPZ	NONE	VARIOUS	250.
PSYETA	NONE	VARIOUS	50.

FORM 990, PART II - GRANTS AND ALLOCATIONS PAID DURING THE YEAR

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR
AND
FOUNDATION STATUS OF RECIPIENT

RECIPIENT NAME AND ADDRESS	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
OTTOWA-CARLETON WILDLIFE	VARIOUS	2,500.
MINNESOTA WOLF ALLIANCE	VARIOUS	100.
ANIMAL LIBERATION LEAGUE	VARIOUS	100.
IDA CATALINA GOAT FUND	VARIOUS	2,000.
THE ANIMAL PLACE	VARIOUS	2,000.
ARCA BRASIL	VARIOUS	2,500.
LONG ISLAND COALITION FOR ANIMALS	VARIOUS	100.
KENYA SOC FOR PROT & CARE OF	VARIOUS	2,000.
SEA SHEPHERD CONSERV SOC	VARIOUS	5,000.

FORM 990, PART II - GRANTS AND ALLOCATIONS PAID DURING THE YEAR

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR

AND

FOUNDATION STATUS OF RECIPIENT

RECIPIENT NAME AND ADDRESS

PURPOSE OF GRANT OR CONTRIBUTION

AMOUNT

FARM SANCTUARY

NONE

VARIOUS

50.

AUSTIN ZOO

NONE

VARIOUS

2,500.

HS OF PUERTO RICO

NONE

VARIOUS

5,070.

LIBERATION COLLECTIVE

NONE

VARIOUS

250.

SUMMIT FOR THE ANIMALS

NONE

VARIOUS

5,000.

ROCKY MOUNTAIN ANIMAL DEFENSE

NONE

VARIOUS

2,000.

OTTAWA-CARLETON WILDLIFE

NONE

VARIOUS

2,500.

TEXAS HUMANE LEG NETWORK

NONE

VARIOUS

5,000.

PROPAM

NONE

VARIOUS

25,000.

FORM 990, PART II - GRANTS AND ALLOCATIONS PAID DURING THE YEAR

=====

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
-----	-----	-----	-----
OKLA COAL COCKFIGHTING	NONE	VARIOUS	25,000.
PROPAP/WASHINGTON	NONE	VARIOUS	25,000.
MATT KUZINS & COMPANY	NONE	VARIOUS	4,000.
PRO PAW OREGON	NONE	VARIOUS	25,000.
HOUSTON CLINIC BAL	NONE	VARIOUS	1,743.
SECOND CHANCE	NONE	VARIOUS	25.
NJARA	NONE	VARIOUS	10.
SPAY NEUTER ASSIST PROGRAM			665,885.

THE FUND FOR ANIMALS, INC.

FORM 990, PART II - GRANTS AND ALLOCATIONS PAID DURING THE YEAR

=====

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR

AND

FOUNDATION STATUS OF RECIPIENT

PURPOSE OF GRANT OR CONTRIBUTION

AMOUNT

RECIPIENT NAME AND ADDRESS

TOTAL CONTRIBUTIONS PAID

834,313.

=====

FORM 990, PART II - OTHER EXPENSES

DESCRIPTION	TOTAL	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING
BLACK BEAUTY RANCH EXPENSES	632,174.	632,174.		
HOUSTON & SAN ANTONIO CLINIC	1,221,177.	1,201,214.		19,963.
NEW YORK HAVE-A-HEART CLINIC	469,121.	469,121.		
RAMONA CALIFORNIA REHAB CTR	195,612.	195,612.		
SOUTH CAROLINA SANCTUARY	24,628.	24,628.		
OTHER - ANIMAL WELFARE	28,832.	28,832.		
DATA PROCESSING	4,683.		4,683.	
PRINTED LITERATURE	444,991.	160,271.	349.	284,371.
OTHER MEDIA	217,737.	174,754.		42,983.
INSURANCE	127,982.	76,789.	51,193.	
INVESTMENT ADVISORY FEES	76,125.		76,125.	
MISCELLANEOUS	104,949.	7,676.	25,419.	71,854.
CONSULTING FEES	107,450.	74,384.	28,066.	5,000.
TOTALS	3,655,461.	3,045,455.	185,835.	424,171.

FORM 990, PART III - STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

DESCRIPTION

EXPENSES

4,066,329.

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.

FORM 990, PART IV - PREPAID EXPENSES AND DEFERRED CHARGES

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
PREPAID INSURANCE	27,707.	13,869.
PREPAID RENT	18,389.	19,179.
PREPAID OTHER	3,110.	9,730.
	-----	-----
TOTALS	49,206.	42,778.
	=====	=====

FORM 990, PART IV - INVESTMENTS - SECURITIES

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
GOVERNMENT OBLIGATIONS	10,360,815.	10,301,191.
COMMON STOCK	2,464,984.	2,413,757.
CORPORATE BONDS	228,602.	NONE
OTHER	23,000.	NONE
	-----	-----
TOTALS	13,077,401.	12,714,948.
	=====	=====

FORM 990, PART IV - OTHER ASSETS

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
ACCOUNTS RECEIVABLE	472.	NONE
ACCRUED INTEREST REC - GEN	115,494.	127,172.
ACCRUED INTEREST REC - BBR	59,416.	92,873.
SECURITY DEPOSITS	32,218.	38,598.
OTHER ASSETS	6,380.	NONE
	-----	-----
TOTALS	213,980.	258,643.
	=====	=====

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

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION
MS. MARIAN PROBST 200 WEST 57TH STREET NEW YORK, NY 10019	PRESIDENT	NONE
MS. BARBARA BRACK 200 WEST 57TH STREET NEW YORK, NY 10019	DIRECTOR	NONE
MRS. DEL DONATI 200 WEST 57TH STREET NEW YORK, NY 10019	DIRECTOR	NONE
MR. MICHAEL KILLIAN 200 WEST 57TH STREET NEW YORK, NY 10019	DIRECTOR	NONE
MRS. JUDITH NEY 200 WEST 57TH STREET NEW YORK, NY 10019	VICE PRESI	NONE
MRS. ALLISON STERN 200 WEST 57TH STREET NEW YORK, NY 10019	DIRECTOR	NONE
MRS. KATHRYN WALKER 200 WEST 57TH STREET NEW YORK, NY 10019	DIRECTOR	NONE
MR. EDGAR SMITH 200 WEST 57TH STREET NEW YORK, NY 10019	DIRECTOR	NONE

THE FUND FOR ANIMALS, INC.

13-6218740

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

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION -----
MR. MICHAEL MARKARIAN 200 WEST 57TH STREET NEW YORK, NY 10019	EXEC VICE PRESIDENT	37,500.
	GRAND TOTALS	----- 37,500. =====

SCHEDULE A, PART III - EXPLANATION FOR LINE 4

=====

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.

State

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

**SCHEDULE D
(Form 1041)**

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

► Attach to Form 1041 (or Form 5227). See the separate instructions for
Form 1041 (or Form 5227).

OMB No. 1545-0092

1999

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 26)	(f) GAIN or (LOSS) (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 1998 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 14 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 26)	(f) GAIN or (LOSS) (col. (d) less col. (e))	(g) 28% RATE GAIN or (LOSS) *(see instr. below)
6						
SEE STATEMENT	1		9,624,109.	9,161,868.	462,241.	NONE
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	
11	Long-term capital loss carryover. Enter in both columns (f) and (g) the amount, if any, from line 14, of the 1998 Capital Loss Carryover Worksheet				11 () ()	
12	Combine lines 6 through 11 in column (g).				12	
13	Net long-term gain or (loss). Combine lines 6 through 11 in column (f). Enter here and on line 15 below ►				13	462,241.

*28% Rate Gain or (Loss) includes all "collectibles gains and losses" (as defined on page 26 of the instructions) and up to 50% of the eligible gain on qualified small business stock (see page 25 of the instructions).

Part III Summary of Parts I and II

	(1) Beneficiaries' (see page 26)	(2) Estate's or trust's	(3) Total
14 Net short-term gain or (loss) (from line 5 above)	14		
15 Net long-term gain or (loss):			
a 28% rate gain or (loss) (from line 12 above)	15a		
b Unrecaptured section 1250 gain (see worksheet on page 27)	15b		
c Total for year (from line 13 above)	15c		462,241.
16 Total net gain or (loss). Combine lines 14 and 15c ►	16		462,241.

Note: If line 16, column (3), is a net gain, enter the gain on Form 1041, line 4. If lines 15c and 16, column (2) are net gains, go to Part V, and DO NOT complete Part IV. If line 16, 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) 1999

Part IV Capital Loss Limitation17 Enter here and enter as a (loss) on Form 1041, line 4, the **smaller** of:

a The loss on line 16, column (3); or

b \$3,000

17 ()

If the loss on line 16, 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 28 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 15c and 16 in column (2) are gains, and Form 1041, line 22 is more than zero.)

18	Enter taxable income from Form 1041, line 22	18	
19	Enter the smaller of line 15c or 16 in column (2)	19	462,241.
20	If you are filing Form 4952, enter the amount from Form 4952, line 4e	20	
21	Subtract line 20 from line 19. If zero or less, enter -0-	21	462,241.
22	Combine lines 14 and 15a, column (2). If zero or less, enter -0-	22	
23	Enter the smaller of line 15a, column (2), or line 22, but not less than zero	23	
24	Enter the amount from line 15b, column (2)	24	
25	Add lines 23 and 24	25	
26	Subtract line 25 from line 21. If zero or less, enter -0-	26	462,241.
27	Subtract line 26 from line 18. If zero or less, enter -0-	27	
28	Enter the smaller of line 18 or \$1,750	28	
29	Enter the smaller of line 27 or line 28	29	
30	Subtract line 21 from line 18. If zero or less, enter -0-	30	
31	Enter the larger of line 29 or line 30	31	
32	Tax on amount on line 31 from the 1999 Tax Rate Schedule Note: If line 28 is less than line 27, go to line 37.	32	
33	Enter the amount from line 28	33	
34	Enter the amount from line 27	34	
35	Subtract line 34 from line 33. If zero or less, enter -0-	35	
36	Multiply line 35 by 10% (.10). Note: If line 26 is more than zero and equal to line 35, go to line 51.	36	
37	Enter the smaller of line 18 or line 26	37	
38	Enter the amount from line 35	38	
39	Subtract line 38 from line 37	39	
40	Multiply line 39 by 20% (.20). Note: If line 24 is zero or blank, skip lines 41 through 46 and read the Note above line 47.	40	
41	Enter the smaller of line 21 or line 24	41	
42	Add lines 21 and 31	42	
43	Enter the amount from line 18	43	
44	Subtract line 43 from line 42. If zero or less, enter -0-	44	
45	Subtract line 44 from line 41. If zero or less, enter -0-	45	
46	Multiply line 45 by 25% (.25). Note: If line 23 is zero or blank, go to line 51.	46	
47	Enter the amount from line 18	47	
48	Add lines 31, 35, 39, and 45	48	
49	Subtract line 48 from line 47	49	
50	Multiply line 49 by 28% (.28)	50	
51	Add lines 32, 36, 40, 46, and 50	51	
52	Tax on the amount on line 18 from the 1999 Tax Rate Schedule	52	
53	Tax on all taxable income (including capital gains). Enter the smaller of line 51 or line 52 here and on line 1a of Schedule G, Form 1041	53	

[illegible]

[illegible]

GENERAL FUND COMMON STOCKS (CONT)	INVENTORY AT 1.1.99	PURCHASES SPLITS 1999	SALES/EXCHANGES 1999	INVENTORY AT 12.31.99	MARKET VALUE	INCOME
Date Acq	No. shs.	No. shs.	Cost	No. shs.	Gain/Loss	COST
Description	No. shs.	No. shs.	Cost	No. shs.	Gain/Loss	COST
1996						
Jan 15, 1999	1,465		39,555			
From Ascend Communications		1,676	86,623		115,367	
Jan 21, 1999		825	41,468		25	
From Ascend Communications		1,980	87,410		30,105	
From Ascend Communications		930	84,395		13,638	
MCJ Worldcom Inc		475	42,362		0	
Apr 22, 1999		500	39,593		0	
Apr 28, 1999		475	33,149		0	
Aug 27, 1999					0	
Oct 6, 1999					0	
Dec 31, 1999					0	
stock split + 1190 shs	3,053		163,869		0	
Maytag Corporation					0	
Mar 25, 1998	6,750		168,255		0	
Sep 16, 1999		3,300	64,548		0	
1997/1998						
North Fork Bancorporation Inc NY	12,000		178,865		0	
Olsen Corp					0	
Safeway, Inc.		1,582	88,736		0	
Jan 29, 1999		1,540	88,065		0	
Feb 24, 1999		1,558	54,900		0	
Dec 23, 1999		1,511	87,420		0	
Jan 6, 1999		1,366	88,018		0	
Schwab, Charles Corp		860	123,892		0	
Feb 12, 1999		400	40,824		0	
Apr 15, 1999		760			0	
Apr 20, 1999		1,970	79,547		0	
stock split					0	
Scientific Atlanta Inc.					0	
Jul 2, 1999					0	
Jul 16, 1999					0	
Staten Island Bancorp Inc.	3,419		79,291		0	
Apr 20, 1998	4,000		163,180		0	
Storage Technology Corp					0	
Nov 18, 1999		1,800	34,515		0	
Storage Technology Corp					0	
Thermo Electron	3,000		32,204		0	
Apr 9, 1981	5,000		228,469		0	
Thermotrex Corp					0	
Nov 9, 1995					0	
TOTAL PURCHASED STOCKS			1,512,047		319,920	1,676,500
			2,472,501		1,342,212	5,241

GENERAL FUND COMMON STOCKS (CONT)		INVENTORY AT 1.1.99		PURCHASES SPLITS / 1999		SALES/EXCHANGES 1999		INVENTORY AT 12.31.99		MARKET VALUE		INCOME	
Date Acq.	Description	No. shs.	Cost	No. shs.	Cost	No. shs.	Proceeds	Cost	Gain/Loss	NO SHS	VALUE		
DONATED STOCKS													
May 28, 1999	Alistate			50	1,827								
Dec 31, 1998	American Funds	1,787,907	51,706	55,010	1,619		1,073	0 Feb 1999	1,073				
	Dividends reinvested			133,842	4,211		4,027	0 Dec 1999	4,027				
Nov 16, 1998	BellSouth	26	1,028				581	1,028 May 10, 1999	(447)				
				8	380		611	0	611				
Dec 21, 1998	Banc One Corp	50	2,553				2,480	2,553 Feb 11, 1999	(73)				
1997/1998	"E" Stamp	3,000	60,000				60,000	60,000 July 1, 1999	0				
Dec 15, 1998	First Union Corp	160	9,760				8,550	9,760 Mar 19, 1999	(1,210)				
Dec 31, 1999	General Electric			250	8,734								
Dec 31, 1999	Intel Corp	18	2,040	73	10,357		10,357	10,357 Dec 31, 1999	0				
Dec 15, 1998	Marshall & Ilsley Corp			73	10,357		2,374	2,040 Feb 11, 1999	334				
Dec 31, 1999	McDonald's			200	12,356								
Dec 31, 1999	Monsanto Co			49	1,943		1,943	1,943 Dec 31, 1999	0				
Dec 31, 1999	Morgan Stanley/Dean Witter	1,700	76,712	65	2,606								
Sep 29, 1998	Pfizer			50	2,095								
Sep 15, 1998	Salomon Bros. Investors Fund	10,775	223				31,588	31,588 Apr 16, 1999	41,446				
Jul 29, 1999	Dividends reinvested			0,680	16		73,034	11,281 Apr 29, 1999	14,790				
Dec 31, 1999	Seagram Co Ltd	15	525	1,375	28		26,071	2,095 Dec 16, 1999	(222)				
Dec 11, 1998	Symbol Technologies Inc	26	1,508				1,873						
Dec 29, 1998	Texaco												
Dec 31, 1999	Union Pacific Resources			10	547								
May 28, 1999				225	3,101								
TOTAL DONATED STOCKS			206,055		49,820		195,227	134,678	60,549		199,833		1,606
TOTAL COMMON STOCKS			1,718,102		2,522,321		2,823,095	2,442,726	380,369		1,542,045		6,847

GENERAL FUND GOVERNMENT OBLIGATIONS		INVENTORY AT 1.1.99		PURCHASES SPLITS / 1999		SALES/EXCHANGES 1999				INVENTORY AT 12.31.99				
Date Acq	Description	No. shs.	Cost	No. shs.	Cost	No. shs	Proceeds	Cost	Date Sold	Gain/Loss	COST	NO SHS	MARKET VALUE	INCOME
Oct 20, 1993	USTN 5.75% due 8.15.2003	200,000	207,750			100,000	102,141	103,875	Apr 19, 1999	(1,734)				
Jul 17, 1995		600,000	584,438			100,000	99,000	103,875	Jun 24, 1999					
Nov 20, 1998		125,000	130,176			300,000	297,000	292,220	Jun 24, 1999	(95)				
Dec 23, 1998		175,000	182,629							0	605,023	600,000	587,436	47,360
Jun 30, 1997	USTN 6.25% due 6.30.2002	375,000	374,445							0				
Feb 5, 1998		500,000	515,000							0				
Aug 21, 1998		75,000	77,543							0	966,988	950,000	949,411	59,375
Feb 5, 1998	USTN 5.875% due 2.15.2004	800,000	815,500			350,000	346,609	356,781	Oct 14, 1999	(10,172)				
Dec 28, 1998		300,000	315,141							0	773,860	750,000	737,580	60,315
Nov 20, 1998	USTN 4.50% due 9.30.2000	925,000	922,398			200,000	198,375	199,437	May 13, 1999	(1,062)				
Dec 23, 1998		175,000	174,645			500,000	494,453	498,594	Oct 22, 1999	(4,141)			395,624	39,802
Jul 13, 1998	USTN 5.625% due 2.15.2006	675,000	677,637											
Nov 9, 1998		250,000	261,640											
Dec 28, 1998		175,000	183,449											
Oct 22, 1999				500,000	482,813					0			1,531,008	72,432
Mar 11, 1999	USTN 5% due 2.28.2001			185,000	184,884									
						85,000	84,920	84,947	Mar 22, 1999	(27)				
						100,000	99,945	99,937	Apr 19, 1999	8	0	0		645
Apr 15, 1998	Fed Nat'l Mig 5.25% due 1.15.2003	600,000	587,340			600,000	595,682	587,340	Mar 19, 1999	8,352	0	0		7,114
Jun 25, 1998														
Oct 14, 1999	Fed Nat'l Mig 5.75% 7.15.2003	600,000	599,460	400,000	399,452	1,000,000	979,610	986,912	Nov 17, 1999	(9,302)	0			33,174
Mar 18, 1999	Fed Nat'l Mig 5.125% 2.13.2004			700,000	699,199									
Oct 14, 1999				300,000	283,323						972,522	1,000,000	938,130	33,608
Nov 17, 1999	Fed Home Ln 5.625% 9.15.2009			1,000,000	1,000,200						1,000,200	1,000,000	968,750	19,421
TOTAL GOVERNMENT OBLIGATIONS			6,609,191		3,029,871		3,297,745	3,315,818		(18,473)	0	9,323,144	9,107,939	373,546

GENERAL FUND OTHER DONATED INVESTMENTS		INVENTORY AT 1.1.99		PURCHASES SPLITS / 1999		SALES/EXCHANGES 1999		INVENTORY AT 12.31.99		MARKET VALUE		INCOME	
Date Acq	Description	No. shs.	Cost	No. shs.	Cost	Proceeds	Cost	Gain/Loss	COST	NO SHS	VALUE		
Dec 31, 1996	Schlupar LTP		23,000			23,000	23,000	July 1, 1999		0			0
	VALUATION ALLOWANCE												
TOTAL INVESTMENTS / GENERAL FUND			8,350,293		5,552,192	6,143,840	5,781,644		8,120,841		7,649,984		380,393

Date Acq	Description	INVENTORY AT 1.1.99		PURCHASES SPLITS 1999		SALES/EXCHANGES 1999		Date Sold		Gain/Loss		INVENTORY AT 12.31.99	
		No. shs.	Cost	No. shs.	Cost	No. shs.	Proceeds	Cost				Cost	
Jul 17, 1998	Airtouch Communications Inc.	736	45,722			736	68,844	45,722	Jan 19, 1999	23,122		0	0
Dec 9, 1998	AT&T Corp	640	44,158			1,650	91,679	83,746	Apr 16, 1999	7,933		0	
Feb 19, 1999				480 st sp	39,588								574
Jan 15, 1999	Ascend Communications Inc.	554	47,234	554	47,234	554	47,234	47,234	Jun 28, 1999				
Jan 21, 1999	to Lucent Technologies	250	20,734	250	20,734	250	20,734	20,734	Jun 28, 1999	0		0	0
Feb 10, 1999		650	47,347	650	47,347	650	47,347	47,347	Jun 28, 1999	0		0	
Sep 16, 1999	Cisco Sys Inc	790	55,397	790	55,397					0		55,397	0
Mar 10, 1999	Donaldson Lufkin & Jenrette	1,070	64,147	1,070	64,147					0			84,629
Apr 13, 1999		500	48,800	500	48,800					0			
Apr 13, 1999		50	4,880	50	4,880					0			
Sep 22, 1999		800	33,930	800	33,930					0		151,757	351
Feb 4, 1999	Eastman Kodak Co	800	55,414	800	55,414	800	57,050	55,414	Aug 11, 1999	1,636		0	704
May 13, 1998	Gap Inc.	1,500	93,184	1,500	93,184	1,500	106,347	93,184	Jun 21, 1999	13,163		0	50
Jul 17, 1998	Home Depot Inc	1,455	67,662	1,455	67,662	728	42,998	34,396	Feb 19, 1999	8,602		0	
Dec 9, 1998	Inprise Corp	1,000	17,290	1,000	17,290	727	47,119	33,266	Mar 10, 1999	13,853		0	22
Dec 13, 1999		2,000	29,083	2,000	29,083					0			
Dec 14, 1999		400	4,620	400	4,620					0			
Dec 23, 1999		800	8,274	800	8,274					0		5,325	58,908
Dec 28, 1999		1,125	10,932	1,125	10,932				Sep 20, 1999	10,603		70,179	0
Feb 11, 1999	International Business Machines	280	48,317	280	48,317	260	33,036	22,433		0		75,286	372
Feb 22, 1999		280	49,402	280	49,402					0			
May 27, 1999		st sp 560		st sp 560									
Jul 23, 1998	IXC Communications Inc	3,160	145,066	3,160	145,765	3,160	145,765	145,066	Feb 16, 1999	699		0	0
Apr 17, 1998	Lucent Technologies Inc.	662	66,044	662	70,006	662	70,006	66,044	Feb 22, 1999	3,962		0	0
Jan 15, 1999	From Ascend Communications	914	47,234	914	47,234				0 Jun 28, 1999	6			
Jan 21, 1999		412	20,734	412	20,734	800	53,205	41,342	Sep 16, 1999	11,863		56,709	106
Feb 10, 1998		1,073	47,347	1,073	47,347	340	26,144	17,264	Dec 15, 1999	8,880		1,259	94,425
Feb 24, 1999	Lowes Cos Inc.	790	46,139	790	46,139					0			147
Feb 19, 1999		840	47,510	840	47,510	1,630	93,876	93,649	Dec 23, 1999	227		0	
Apr 22, 1999	MCI Worldcom Inc.	530	48,096	530	48,096					0			
Apr 28, 1999		265	23,634	265	23,634					0			
Aug 27, 1999		350	27,715	350	27,715					0			
Oct 6, 1999		286	19,959	286	19,959					0			
Dec 31, 1999	Split + 715.50 shs									0		119,404	113,899

[illegible]

BLACK BEAUTY RANCH		INVENTORY AT 1.1.99		PURCHASES SPLITS 1999		SALES/EXCHANGES 1999		INVENTORY AT 12.31.99					
GOVERNMENT OBLIGATIONS		Face Value		Cost		Proceeds		Cost		Gain/Loss		FACE VALUE	
Date Acq	Description	Face Value	Cost	Face Value	Cost	Face Value	Cost	Date Sold	Gain/Loss	Cost	Market Value	Income	
Jan 20, 1994	USTN 5.75% due 8.15.2003	95,000	95,445						0				
Jul 1, 1998		55,000	55,688						0				
Sep 4, 1998		250,000	258,008						0				
Oct 7, 1998		100,000	106,859						0				
Nov 20, 1998		50,000	52,070						0				
Dec 23, 1998		25,000	26,090						0				
Jul 19, 1999				125,000	125,625			719,785	0	700,000	685,342	36,277	
Jan 21, 1998	USTN 5.875% due 2.15.2004	100,000	102,063						0				
Sep 4, 1998	USTN 5.875% due 2.15.2004	50,000	52,172						0				
Sep 18, 1998		250,000	264,140						0				
Oct 6, 1998		100,000	108,172						0				
Dec 28, 1998		75,000	78,785						0				
Jul 19, 1999				125,000	126,504			731,836	0	700,000	688,408	37,065	
Aug 21, 1998	USTN 6.25% due 6.30.2002	250,000	258,476			250,000	250,859	258,477	7,918				
Sep 4, 1998		125,000	130,137						0				
Nov 9, 1998		150,000	157,242						0				
Nov 20, 1998		25,000	26,199						0				
Jul 19, 1999				150,000	152,930			486,507	0	450,000	449,721	37,364	
Sep 22, 1998	USTN 5.625% due 2.15.2006	275,000	291,156						0				
Oct 6, 1998		100,000	109,000						0				
Nov 9, 1998		150,000	156,985						0				
Dec 28, 1998		50,000	52,414						0				
Jul 19, 1999				125,000	124,355			1,120,160	0	1,100,000	1,052,568	43,933	
Oct 22, 1999				400,000	396,250								
Nov 20, 1998	USTN 4.50% due 9.30.2000	550,000	548,453			125,000	123,535	124,648	(1,113)				
Dec 23, 1998		25,000	24,849			400,000	395,562	398,875	(3,313)				
Jul 19, 1999				125,000	123,808			173,687	0	175,000	173,086	24,003	

BLACK BEAUTY RANCH		INVENTORY AT 1.1.99		PURCHASES SPLITS / 1999		SALES/EXCHANGES 1999		INVENTORY AT 12.31.99					
GOVERNMENT OBLIGATIONS(CONT)													
Date Acq	Description	Face Value	Cost	Face Value	Cost	Proceeds	Cost	Date Sold	Gain/Loss	Cost	FACE VALUE	Market Value	Income
Mar 11, 1999	USTN 5% due 2.28.2001			235,000	234,853	135,000	134,915	Mar 22, 1999	(42)				
Jun 25, 1998	Fed Home Loan Mtg 5.75% due 7.15.2003	300,000	300,436	100,000	99,735	99,938	May 13, 1999	(203)		0			1,039
Oct 14, 1999				600,000	292,089	587,766	592,525	Nov 17, 1999	(4,759)	0			17,840
Aug 5, 1998	Fed Nat'l Mort Assoc 5.25% due 1.15.2003	300,000	294,927	50,000	49,806	49,155	Feb 12, 1999	651					
				250,000	248,205	245,772	Mar 19, 1999	2,433		0			4,157
Mar 22, 1999	Fed Nat'l Mort Assoc 5.125% due 2.13.2004			375,000	369,213	0			0				
Oct 14, 1999				225,000	212,492	0			0	581,705	600,000	562,878	19,428
Nov 17, 1999	Fed Hm Ln 6.625% 9.15.2009			600,000	600,120				0	600,120	600,000	581,250	11,653
TOTAL GOVERNMENT OBLIGATIONS			3,549,866		2,748,239		1,890,341	1,904,305		4,393,800		4,193,253	232,759



MEMORANDUM OF AGREEMENT

BETWEEN

WILDE/LWRA, INC.

AND

THE FUND FOR ANIMALS, INC.

1. The Fund for Animals, Inc., 200 West 57th Street, New York, New York 10019, a non-profit New York organization, (hereinafter referred to as The Fund), hereby agrees to retain the professional direct mail fundraising counseling services of L.W. Robbins Associates Inc., 693 East Central Street, Franklin, Massachusetts 02038 (hereinafter referred to as Robbins Associates), a subsidiary of W.A. Wilde Company, located at 200 Summer Street, Holliston, Massachusetts 01746.
2. The period of time covered by this Agreement shall be from September 1, 1999 through August 31, 2000. However, this Agreement may be terminated by either party at any time during the above time period by giving a thirty (30) days written notice of termination to the other party. The exercise by either party of the option to terminate shall in no way be construed as a release or waiver of any rights or obligations accrued to date. It is understood that in the event of termination no further professional fees will be due Robbins Associates from The Fund beyond the thirty (30) day period.
3. A direct mail fundraising and public education program will be designed and counseled through August 31, 2000 by Robbins Associates on behalf of The Fund for the purpose of obtaining for The Fund the maximum possible direct mail gift support from such donors.
4. As compensation for providing the above professional direct mail fundraising counseling services to The Fund, a professional fee in the amount of Five Thousand Dollars (\$5,000) will be paid to Robbins Associates. All fees will be payable within thirty (30) days of the original mailing invoice.

June 22, 1999

Page Two

5. Miscellaneous expenses incurred by Robbins Associates during the conduct of its direct mail fundraising counseling services on behalf of the Client, such as normal travel, Xerox charges, telephone, delivery charges and miscellaneous postage, are to be the financial responsibility of Robbins Associates and are not to be billed for reimbursement to The Fund.
6. All copy and rough artwork produced by Robbins Associates on behalf of The Fund will be submitted to The Fund for approval before mailing. The Fund will maintain complete control over list segmentation, copy, graphics, package cost and volumes to be mailed.
7. Estimated postage for each approved mailing to be conducted by Robbins Associates on behalf of The Fund is to be paid by The Fund to Robbins Associates no less than ten (10) days in advance of the scheduled mailing date.
8. All approved and authorized invoices for professional services and mailing materials and services submitted by Robbins Associates to The Fund are to be paid within thirty (30) days from date of invoice.
9. All solicited funds and gifts will be mailed directly to The Fund's New York City address, or other addresses as determined by The Fund for Animals. L.W. Robbins Associates will not at any time have custody or control of any contributions.
10. Robbins Associates has made projections of monies to be raised, levels of responses to its promotional efforts, the estimated costs of these efforts, and will exercise reasonable efforts to help The Fund achieve projected goals within these projected costs. These estimates are attached in Schedule A, dated June 22, 1999. It is expressly understood, however, that any such projections by Robbins Associates are estimates and not guarantees that any program will achieve any projected minimum goals at the projected costs.
11. The Fund and/or its vendors agree to maintain accurate records of mailing results and agrees to provide Robbins Associates with certain periodic reports during the conduct of the program for evaluation. Robbins Associates will establish procedures to ensure that this is done on an efficient, economical basis.
12. The mailing list and other donor/organizational information of The Fund shared with Robbins Associates is confidential and will remain the property of The Fund. Robbins Associates shall not use the contents of The Fund's mailing list for any purpose without the prior authorization of The Fund. Subsequent to the termination of this agreement, Robbins Associates shall not maintain possession of the mailing list or any copies thereof, and the mailing list and all copies shall be returned to The Fund.

**LW Robbins
Associates**

June 22, 1999
Page Three

13. The Fund has worked to promote animals and end animal cruelty for over twenty-five years. The monies received by The Fund through its member information program will be used for the continuance of that work.
14. This Agreement may not be modified except as mutually agreed to in writing by both parties.

Accepted for WILDE/LWRA, Inc.
New York State Registration No. 25107

Dated: June 22, 1999

By: Vic Schlitzer

Vic Schlitzer
Senior Vice President, Creative Services

Accepted for THE FUND FOR ANIMALS, INC.
New York State Registration No. 12749

Dated: July 2, 1999

By: Michael A. Markarian

Title Executive Vice President
Michael Markarian

Dated: _____

By: _____

Title _____

LW Robbins
Associates

STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL
CHARITIES BUREAU

THE CAPITOL
ALBANY, NY 12224
(518) 486-9797

This addendum may be used by professional fund raisers and fund raising counsels who contract with charitable organizations.

The provisions of this addendum will be accepted as complying with the Executive Law, section 174-a. Professional fund raisers and fund raising counsels are not required to use this specific form. However, they are required to insure that their contracts will comply with the NYS Executive Law, section 174-a.

Professional fund raisers should strike out references in the addendum to fund raising counsels, and fund raising counsels should strike out all references to professional fund raisers.

The addendum must be signed by both parties to the contract and be attached to the contract when it is submitted to the Charities Bureau for filing.

ADDENDUM TO CONTRACT WITH CHARITABLE ORGANIZATIONS

The parties to the attached contract are The Fund for Animals, Inc.
(charitable organization)

and Wilde/LWRA Inc.

(professional fund raiser) (fund raising counsel)

and the parties acknowledge that the attached contract was signed by the charitable organization on _____
and by the ~~(professional fund raiser)~~ (fund raising counsel) on June 22, 1999.

The parties hereby 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 both parties that the charitable organization has the right under New York State law to cancel this contract and that the charitable organization does not have 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)~~ (fund raising counsel) in writing as provided below.

2) *Period during which contract may be cancelled:* If the ~~(professional fund raiser)~~ (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 his contract was filed by the ~~(professional fund raiser)~~ (fund raising counsel) with the New York State Charities Bureau.

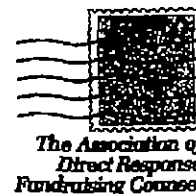
If, however, the professional fund raiser is not registered with the New York State Charities Bureau at the time this contract is signed, the charitable organization may cancel this contract at any time after it is signed.

3) *Procedure for cancelling this contract:* The charitable organization may cancel this contract by giving the ~~(professional fund raiser)~~ (fund raising counsel) written notice of cancellation. This notice can be in the form of a letter indicating 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)~~ (fund raising counsel). If mailed, it must be sent to the following address:

Name: Wilde/LWRA Inc.

Address: 693 East Central Street, Franklin, Massachusetts 02038

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



ADDENDUM
TO THE
MEMORANDUM OF AGREEMENT
BETWEEN
L. W. ROBBINS ASSOCIATES INC.
AND
THE FUND FOR ANIMALS INC.
DATED SEPTEMBER 1, 1999

The above described "Memorandum of Agreement" has been assigned to Wilde/LWRA, Inc., d/b/a L. W. Robbins Associates of Holliston, Massachusetts. All rights and obligations of both parties will continue until this "Memorandum of Agreement" is cancelled or expires on August 31, 2000. This assignment is acknowledged in connection with the sale of L. W. Robbins Associates Inc. to Wilde/LWRA, Inc. effective as of March 15, 1999.

Accepted for The Fund for Animals Inc.

By: [Signature]

Title: Asst. Sec.

Dated: Oct 12, 1999

By: [Signature]

Title: Asst. Secretary

Dated: 10/12/99

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

By: [Signature]

Title: President

Dated: 9/30/99



MEMORANDUM OF AGREEMENT

BETWEEN

L.W. ROBBINS ASSOCIATES INC.

AND

THE FUND FOR ANIMALS, INC.

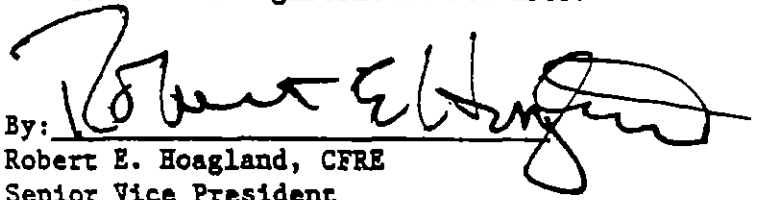
1. The Fund for Animals, Inc., 401 Studewood, Suite 350, Houston, Texas 77077, a non-profit Texas organization, (hereinafter referred to as The Fund), hereby agrees to retain the professional direct mail fund-raising counseling services of L.W. Robbins Associates Inc., 693 East Central Street, Franklin, Massachusetts 02038, a Massachusetts corporation, (hereinafter referred to as Robbins Associates).
2. The period of time covered by this Agreement shall be from August 1, 1998 through July 31, 1999. However, this Agreement may be terminated by either party at any time during the above time period by giving a thirty (30) days written notice of termination to the other party. The exercise by either party of the option to terminate shall in no way be construed as a release or waiver of any rights or obligations accrued to date. It is understood that in the event of termination no further professional fees will be due Robbins Associates from The Fund beyond the thirty (30) day period.
3. A direct mail fundraising and public education program will be designed and counseled through July 31, 1999 by Robbins Associates on behalf of The Fund for the purpose of obtaining for The Fund the maximum possible direct mail gift support from such donors.
4. As compensation for providing the above professional direct mail fund-raising counseling services to The Fund, a creative fee in the amount of Seven Thousand Five Hundred Dollars (\$7,500), a design fee in the amount of Four Thousand Eight Hundred Dollars (\$4,800), a production fee in the amount of Three Thousand Dollars (\$3,000) and an administrative fee in the amount of Three Thousand Dollars (\$3,000) will be paid to Robbins Associates. All fees will be payable within thirty (30) days of the original mailing invoice.

5. Miscellaneous expenses incurred by Robbins Associates during the conduct of its direct mail fundraising counseling services on behalf of the Client, such as normal travel, Xerox charges, telephone, delivery charges and miscellaneous postage, are to be the financial responsibility of Robbins Associates and are not to be billed for reimbursement to The Fund.
6. All copy and rough artwork produced by Robbins Associates on behalf of The Fund will be submitted to The Fund for approval before mailing. The Fund will maintain complete control over list segmentation, copy, graphics, package cost and volumes to be mailed.
7. Estimated postage for each approved mailing to be conducted by Robbins Associates on behalf of The Fund is to be paid by The Fund to Robbins Associates no less than ten (10) days in advance of the scheduled mailing date.
8. All approved and authorized invoices for professional services and mailing materials and services submitted by Robbins Associates to The Fund are to be paid within thirty (30) days from date of invoice.
9. All solicited funds and gifts will be mailed directly to The Fund's New York City address, or other addresses as determined by The Fund for Animals. L.W. Robbins Associates will not at any time have custody or control of any contributions.
10. Robbins Associates has made projections of monies to be raised, levels of responses to its promotional efforts, the estimated costs of these efforts, and will exercise reasonable efforts to help The Fund achieve projected goals within these projected costs. These estimates were provide to The Fund in a letter dated September 17, 1998. It is expressly understood, however, that any such projections by Robbins Associates are estimates and not guarantees that any program will achieve any projected minimum goals at the projected costs.
11. The Fund and/or its vendors agree to maintain accurate records of mailing results and agrees to provide Robbins Associates with certain periodic reports during the conduct of the program for evaluation. Robbins Associates will establish procedures to ensure that this is done on an efficient, economical basis.
12. The mailing list and other donor/organizational information of The Fund shared with Robbins Associates is confidential and will remain the property of The Fund. Robbins Associates shall not use the contents of The Fund's mailing list for any purpose without the prior authorization of The Fund. Subsequent to the termination of this agreement, Robbins Associates shall not maintain possession of the mailing list or any copies thereof, and the mailing list and all copies shall be returned to The Fund.

13. The Fund has worked to promote animals and end animal cruelty for over twenty-five years. The monies received by The Fund through its member information program will be used for the continuance of that work.
14. This Agreement may not be modified except as mutually agreed to in writing by both parties.

Accepted for L.W. ROBBINS ASSOCIATES INC.
New York State Registration No. 25107

Dated: September 24, 1998

By: 
Robert E. Hoagland, CFRE
Senior Vice President

Accepted for THE FUND FOR ANIMALS, INC.
New York State Registration No. 12749

Dated: Sept. 29, 1998

By: Ann Hamlin
Title Director of Development

Dated: 

By: 

Title 

FINANCIAL STATEMENTS AND REPORT OF
INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

THE FUND FOR ANIMALS, INC.

December 31, 1999

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
The Fund for Animals, Inc.

We have audited the accompanying statement of financial position of The Fund for Animals, Inc. as of December 31, 1999, 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. 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 financial statements referred to above present fairly, in all material respects, the financial position of The Fund for Animals, Inc. at December 31, 1999, 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.

Grant Thornton LLP

New York, New York
April 14, 2000

The Fund for Animals, Inc.

STATEMENT OF FINANCIAL POSITION

December 31, 1999

ASSETS

Cash and cash equivalents		\$ 1,097,658
Investments		
Operating	\$7,649,984	
Board-designated - Black Beauty Ranch account	<u>5,064,965</u>	
		12,714,949
Prepaid expenses and other		<u>262,822</u>
Fixed assets		
Library of animal books	10,000	
Furniture and fixtures	246,881	
Equipment	319,657	
Building and improvements	1,286,162	
Land	<u>1,299,198</u>	
	3,161,898	
Less accumulated depreciation	<u>1,005,227</u>	
		2,156,671
Security deposits and other		<u>38,598</u>
		<u>\$16,270,698</u>

LIABILITIES AND NET ASSETS

Accounts payable and accrued expenses		\$ 51,478
Net assets		
Unrestricted		
Operating		10,984,479
Board-designated		<u>5,234,741</u>
		16,219,220
Total net assets		<u>\$16,270,698</u>

The accompanying notes are an integral part of this statement.

The Fund for Animals, Inc.

STATEMENT OF ACTIVITIES AND
CHANGES IN NET ASSETS

Year ended December 31, 1999

Support		
Contributions	\$3,973,964	
Bequests	<u>1,738,779</u>	\$ 5,712,743
Revenue		
Investment income	652,511	
Net realized gain on sale of investments	462,241	
Net unrealized depreciation of investments	<u>(938,532)</u>	<u>176,220</u>
Total support and revenue		5,888,963
Expenses		
Program services		
Humane education	1,036,934	
Animal rescue and protection	4,066,329	
Legislative activities	<u>207,866</u>	
Total program services		5,311,129
Supporting services		
Management and general	549,342	
Fund raising	<u>523,417</u>	
Total supporting services		<u>1,072,759</u>
Total expenses		<u>6,383,888</u>
Change in net assets		<u>(494,925)</u>
Net assets at January 1, 1999		
Unrestricted		
Operating		11,974,210
Board-designated		<u>4,739,935</u>
		<u>16,714,145</u>
Net assets at December 31, 1999		
Unrestricted		
Operating		10,984,479
Board-designated		<u>5,234,741</u>
		<u>\$16,219,220</u>

The accompanying notes are an integral part of this statement.

The Fund for Animals, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

Year ended December 31, 1999

	Program services			Supporting services		
	Humane education	Animal rescue and protection	Legislative activities	Management and general	Fund raising	Total
Animal welfare, rescue operations and cruelty investigations						
Black Beauty Ranch operating expenses		\$ 632,174				\$ 632,174
Spay/neuter clinic and van, Houston, San Antonio and Dallas, Texas	\$ 19,963	1,181,251			\$ 19,963	1,221,177
Have-a-Heart Clinic, New York		469,121				469,121
Wild Life Rehabilitation Center, Ramona, California		195,612				195,612
Rabbit Sanctuary, South Carolina		24,628				24,628
Other		28,832				28,832
	19,963	2,531,618			19,963	2,571,544
Data processing				\$ 4,683		4,683
Educational expense	143,963	14,786	\$ 1,522	349	284,371	444,991
Printed literature	153,972		20,782		42,983	217,737
Other media	59,258	25,416	4,649	6,333	1,953	97,609
Field expenses and travel		725,313	109,000			834,313
Gifts and services to allied organizations		76,789				76,789
Insurance	8,800	10,560		51,193		70,553
Employee benefits				76,125		76,125
Investment advisory fees				25,419		25,419
Miscellaneous	5,473	2,075	128		71,854	79,430
Postage	77,185	23,163	8,475	3,494	85,372	197,689
Professional fees	6,000	181,724	6,250	160,549	5,000	359,523
Rent	48,047	115,680	3,762	55,260	1,045	223,794
Rental of office equipment	4,407	1,022	332	6,105	202	12,068
Salaries and related payroll taxes	375,309	99,082	41,550	83,453	7,946	607,340
Stationery and office supplies	100,628	17,813	7,042	22,618	2,148	150,249
Telephone	33,138	10,296	4,202	6,947	580	55,163
Utilities	791	1,866	172	4,201		7,030
Total expenses before depreciation	1,036,934	3,837,203	207,866	513,769	523,417	6,119,189
Depreciation		229,126		35,573		264,699
Total expenses	\$1,036,934	\$4,066,329	\$207,866	\$549,342	\$523,417	\$6,183,888

The accompanying notes are an integral part of this statement.

The Fund for Animals, Inc.

STATEMENT OF CASH FLOWS

Year ended December 31, 1999

Cash flows from operating activities	
Change in net assets	\$ (494,925)
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation	264,699
Donation of fixed assets	314,498
Net realized gain on investment transactions	(462,241)
Net unrealized depreciation of investments	938,532
Decrease in prepaid expenses and other	(38,234)
Increase in security deposits and other	-
Decrease in accounts payable and accrued expenses	<u>(154,122)</u>
Net cash provided by operating activities	368,207
Cash flows from investing activities	
Purchase of and reinvestments in securities (principally in United States government obligations)	(9,737,948)
Proceeds from sales of investments and reinvestments in securities (principally in United States government obligations)	9,624,109
Purchases of fixed assets	<u>(696,231)</u>
Net cash used in investing activities	<u>(810,070)</u>
Net decrease in cash and cash equivalents	(441,863)
Cash and cash equivalents, beginning of year	<u>1,539,521</u>
Cash and cash equivalents, end of year	<u>\$ 1,097,658</u>

The accompanying notes are an integral part of this statement.

The Fund for Animals, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 1999

NOTE A - SUMMARY OF ACCOUNTING POLICIES

The Fund for Animals, Inc. (the "Fund") is a New York not-for-profit corporation, qualifying under Section 501(c)(3) of the Internal Revenue Code. The Fund's purpose is the alleviation of fear and 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.

A summary of the Fund's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

1. *Investments*

Investments are stated at market value. 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, represents fair value at the date of donation.

2. *Fixed Assets*

Fixed assets acquired by purchase are stated at cost. Fixed assets acquired by gift, consisting principally of land valued at approximately \$48,000, are recorded at values determined by independent appraisal, or at values determined by the management of the Fund, which, in their opinion, represent fair market value at the dates of donation.

Depreciation is provided for in amounts sufficient to relate the cost or value of depreciable assets to expenses over their estimated service lives on a straight-line basis.

3. *Allocation of Costs and 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

The Fund for Animals, Inc.

NOTES TO FINANCIAL STATEMENTS (continued)

December 31, 1999

NOTE A (continued)

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.

4. *Donated Services*

The financial statements of the Fund do not reflect any financial valuation for the donation of personal services to the Fund. Along with hundreds of volunteers, Marian Probst, the Fund's President, serves without salary. The value of contributed time is not reflected in the accompanying financial statements because it is not susceptible to objective measurement.

5. *Contributions and Bequests*

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

6. *Use of Estimates in Financial Statements*

In preparing financial statements in conformity with generally accepted accounting principles, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

7. *Cash and Cash Equivalents*

The Fund considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

The Fund for Animals, Inc.

NOTES TO FINANCIAL STATEMENTS (continued)

December 31, 1999

NOTE B - INVESTMENTS

The investments of the Fund as of December 31, 1999, were as follows:

	<u>Operating</u>	<u>Board Designated</u>
Government obligations	\$6,107,939	\$4,193,253
Common stock	<u>1,542,045</u>	<u>871,712</u>
	<u>\$7,649,984</u>	<u>\$5,064,965</u>

NOTE C - JOINT COSTS

In 1999, the Fund incurred costs for multipurpose activities of approximately \$739,000. These costs were for newsletters, bulletins and mailings that included fund raising related articles. Of these costs, approximately \$363,000 was allocated to fund raising and \$376,000 was allocated to program services.

NOTE D - COMMITMENTS AND CONTINGENCIES

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

2000	\$ 229,000
2001	234,000
2002	246,000
2003	260,000
2004	172,000
Thereafter	<u>112,000</u>
	<u>\$1,253,000</u>

2. During 1999, the Fund transferred the net assets and ownership of its spay/neuter operations in Texas to Spay-Neuter Assistance Program, Inc., a nonprofit corporation, by contributing net assets of approximately \$314,000 and cash of \$317,863. The Fund is obligated to contribute an additional \$317,863 in or before July 2000, provided that the new organization complies with certain conditions specified in the "Memorandum of Understanding."