

Return of Organization Exempt From Income Tax
 Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung
 benefit trust or private foundation)
 The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2007 calendar year, or tax year beginning _____, **and ending** _____

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization BEST FRIENDS ANIMAL SOCIETY Number and street (or P.O. box if mail is not delivered to street address) Room/suite 5001 ANGEL CANYON ROAD City or town, state or country, and ZIP + 4 KANAB UT 84741	D Employer identification number 23-7147797
		E Telephone number 435-644-2001
		F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____

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

G Website: j WWW.BESTFRIENDS.ORG

J Organization type
 (check only one) 501(c) (3) t (insert no.) 4947(a)(1) or 527

K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 37,973,233

H and I are not applicable to section 527 organizations.
H(a) Is this a group return for affiliates? Yes No
H(b) If "Yes," enter number of affiliates Yes No
H(c) Are all affiliates included? Yes No
 (If "No," attach a list. See instructions.)
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No
I Group Exemption Number _____
M Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

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

Revenue	1 Contributions, gifts, grants, and similar amounts received:			
	a Contributions to donor advised funds	1a		
	b Direct public support (not included on line 1a)	1b	34,248,460	
	c Indirect public support (not included on line 1a)	1c		
	d Government contributions (grants) (not included on line 1a)	1d		
	e Total (add lines 1a through 1d) (cash \$ 33,289,766 noncash \$ 958,694)	1e		34,248,460
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2		
	3 Membership dues and assessments	3		
	4 Interest on savings and temporary cash investments	4		49,746
	5 Dividends and interest from securities	5		509,480
	6a Gross rents	6a	440,483	
	b Less: rental expenses SEE STATEMENT 1	6b	140,428	
c Net rental income or (loss). Subtract line 6b from line 6a	6c		300,055	
7 Other investment income (describe _____)	7			
8a Gross amount from sales of assets other than inventory		(A) Securities	(B) Other	
		884,198	25,395	
	b Less: cost or other basis and sales expenses	916,394	33,613	
	c Gain or (loss) (attach schedule)	-32,196	-8,218	
	d Net gain or (loss). Combine line 8c, columns (A) and (B) SEE STMT 2 SEE STMT 3			-40,414
	9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>			
	a Gross revenue (not including \$ 84,200 of contributions reported on line 1b) SEE WORKSHEET	9a	183,179	
	b Less: direct expenses other than fundraising expenses	9b	64,593	
c Net income or (loss) from special events. Subtract line 9b from line 9a	9c		118,586	
10a Gross sales of inventory, less returns and allowances	10a	989,700		
	b Less: cost of goods sold	10b	947,445	
	c Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a STMT 4	10c		42,255
11 Other revenue (from Part VII, line 103)	11		642,592	
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12		35,870,760	
Expenses	13 Program services (from line 44, column (B))	13	26,696,366	
	14 Management and general (from line 44, column (C))	14	2,314,680	
	15 Fundraising (from line 44, column (D))	15	5,334,864	
	16 Payments to affiliates (attach schedule)	16		
	17 Total expenses. Add lines 16 and 44, column (A)	17		34,345,910
Net Assets	18 Excess or (deficit) for the year. Subtract line 17 from line 12	18	1,524,850	
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19	26,523,177	
	20 Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 5	20		-413,061
	21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21		27,634,966

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 the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22a			
22b Other grants and allocations (attach schedule) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22b			
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A <u>SEE STATEMENT 6</u>	25a	758,575	522,649	62,504
b Compensation of former officers, directors, key employees, etc. listed in Part V-B <u>SEE STATEMENT 7</u>	25b	31,006	31,006	
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	25c			
26 Salaries and wages of employees not included on lines 25a, b, and c	26	13,725,722	11,725,338	1,289,828
27 Pension plan contributions not included on lines 25a, b, and c	27	539,387	413,191	66,592
28 Employee benefits not included on lines 25a - 27	28	1,528,285	1,350,140	112,910
29 Payroll taxes	29	1,541,800	1,334,379	99,510
30 Professional fundraising fees	30	176,452	24,645	151,807
31 Accounting fees	31	48,917	10,907	38,010
32 Legal fees	32	152,914	129,910	1,705
33 Supplies	33	1,116,480	1,034,235	19,371
34 Telephone	34	193,620	167,105	10,325
35 Postage and shipping	35	1,612,866	644,800	58,836
36 Occupancy	36			
37 Equipment rental and maintenance	37	167,198	144,354	4,856
38 Printing and publications	38	1,526,776	721,546	13,469
39 Travel	39	894,998	784,170	6,744
40 Conferences, conventions, and meetings	40			
41 Interest	41	7,923	2,974	4,799
42 Depreciation, depletion, etc. (attach schedule)	42	942,639	896,954	20,836
43 Other expenses not covered above (itemize):				
a <u>SEE STATEMENT 8</u>	43a	9,380,352	6,758,063	504,385
b	43b			
c	43c			
d	43d			
e	43e			
f	43f			
g	43g			
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	34,345,910	26,696,366	2,314,680

Joint Costs. Check if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ 640,139 ; (ii) the amount allocated to Program services \$ 220,528 ;
 (iii) the amount allocated to Management and general \$ _____ ; and (iv) the amount allocated to Fundraising \$ 419,611

Part III Statement of Program Service Accomplishments (See the instructions.)

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.

What is the organization's primary exempt purpose?

u ANIMAL CARE, RESCUE & POPULATION CONTROL

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 ANIMAL CARE ACTIVITIES (SANCTUARY) - SEE EXHIBIT A

(Grants and allocations \$) If this amount includes foreign grants, check here **u**

13,304,418

b RAPID RESPONSE - SEE EXHIBIT A

(Grants and allocations \$) If this amount includes foreign grants, check here **u**

2,921,944

c OUTREACH AND EDUCATION - SEE EXHIBIT A (DONATED SERVICES OF \$270,000 HAS BEEN EXCLUDED FROM THIS AMOUNT)

(Grants and allocations \$) If this amount includes foreign grants, check here **u**

10,470,004

d

(Grants and allocations \$) If this amount includes foreign grants, check here **u**

e Other program services (attach schedule)

(Grants and allocations \$) If this amount includes foreign grants, check here **u**

f Total of Program Service Expenses (should equal line 44, column (B), Program services)

u 26,696,366

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
Assets	45 Cash—non-interest-bearing	1,139,119	45	1,126,389
	46 Savings and temporary cash investments	154,681	46	2,794,060
	47a Accounts receivable	47a 201		
	b Less: allowance for doubtful accounts	47b	30,675	47c 201
	48a Pledges receivable	48a		
	b Less: allowance for doubtful accounts	48b		48c
	49 Grants receivable			49
	50a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)			50a
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (att. schedule)			50b
	51a Other notes and loans receivable (attach schedule)	51a		
	b Less: allowance for doubtful accounts	51b		51c
	52 Inventories for sale or use	280,067	52	147,381
	53 Prepaid expenses and deferred charges	69,150	53	142,754
	54a Investments—publicly-traded securities	<input type="checkbox"/> Cost <input type="checkbox"/> FMV		54a
	b Investments—other securities (attach schedule)	SEE STMT 9 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	5,574,419	54b 6,310,481
	55a Investments—land, buildings, and equipment: basis	55a		
	b Less: accumulated depreciation (attach schedule)	55b		55c
	56 Investments—other (attach schedule)	SEE STMT 10	6,874,387	56 6,040,102
	57a Land, buildings, and equipment: basis	57a 19,495,195		
b Less: accumulated depreciation (attach schedule)	SEE STATEMENT 11 57b 6,141,289	13,882,722	57c 13,353,906	
58 Other assets, including program-related investments (describe <input type="checkbox"/> SEE STATEMENT 12		160,725	58 80,676	
59 Total assets (must equal line 74). Add lines 45 through 58		28,165,945	59 29,995,950	
Liabilities	60 Accounts payable and accrued expenses	729,923	60	1,335,557
	61 Grants payable		61	
	62 Deferred revenue	SEE STATEMENT 13	26,400	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 <input type="checkbox"/> SEE STATEMENT 14		886,445	65 1,025,427
	66 Total liabilities. Add lines 60 through 65		1,642,768	66 2,360,984
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	25,860,592	67	26,769,461
	68 Temporarily restricted	601,299	68	803,719
	69 Permanently restricted	61,286	69	61,786
	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)		26,523,177	73 27,634,966
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73		28,165,945	74 29,995,950

Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return (See the instructions.)

a	Total revenue, gains, and other support per audited financial statements	a	37,840,588
b	Amounts included on line a but not on Part I, line 12:		
1	Net unrealized gains on investments	b1	
2	Donated services and use of facilities	b2	270,000
3	Recoveries of prior year grants	b3	
4	Other (specify): SEE STATEMENT 15	b4	1,699,828
	Add lines b1 through b4	b	1,969,828
c	Subtract line b from line a	c	35,870,760
d	Amounts included on Part I, line 12, but not on line a :		
1	Investment expenses not included on Part I, line 6b	d1	
2	Other (specify):	d2	
	Add lines d1 and d2	d	
e	Total revenue (Part I, line 12). Add lines c and d	e	35,870,760

Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

a	Total expenses and losses per audited financial statements	a	36,728,799
b	Amounts included on line a but not Part I, line 17:		
1	Donated services and use of facilities	b1	270,000
2	Prior year adjustments reported on Part I, line 20	b2	
3	Losses reported on Part I, line 20	b3	
4	Other (specify): SEE STATEMENT 16	b4	2,112,889
	Add lines b1 through b4	b	2,382,889
c	Subtract line b from line a	c	34,345,910
d	Amounts included on Part I, line 17, but not on line a :		
1	Investment expenses not included on Part I, line 6b	d1	
2	Other (specify):	d2	
	Add lines d1 and d2	d	
e	Total expenses (Part I, line 17). Add lines c and d	e	34,345,910

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
GREGORY CASTLE 5001 ANGEL CANYON ROAD UT 84741	DIRECTOR 50	72,674	21,405	0
FAITH MALONEY 5001 ANGEL CANYON ROAD UT 84741	DIRECTOR 50	71,042	16,246	0
CELESTE FRIPP 5001 ANGEL CANYON ROAD UT 84741	SECRETARY 50	72,674	16,315	0
CHRISTOPHER A FRIPP 5001 ANGEL CANYON ROAD UT 84741	TREAS./CFO 50	72,674	16,315	0
MICHAEL MOUNTAIN 5001 ANGEL CANYON ROAD UT 84741	PRESIDENT 50	72,674	16,315	0
ALFRED F BATTISTA 5001 ANGEL CANYON ROAD UT 84741	DIRECTOR 50	72,674	14,002	0
JONATHAN DE PEYER 5001 ANGEL CANYON ROAD UT 84741	DIRECTOR 50	72,674	16,352	0
PAUL BERRY 1201 S RED CLIFFS DRIVE UT 84741	CEO 50	113,570	20,969	0

Part VI Other Information (continued)		Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	X	
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)		
	SEE STMT 19 82b 270,000		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
	N/A		
85a	501(c)(4), (5), or (6). Were substantially all dues nondeductible by members?		
	N/A		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
	N/A		
c	Dues, assessments, and similar amounts from members		
	85c		
d	Section 162(e) lobbying and political expenditures		
	85d		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
	85e		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		
	85f		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		
	N/A		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		
	N/A		
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12		
	86a		
b	Gross receipts, included on line 12, for public use of club facilities		
	86b		
87	501(c)(12) orgs. Enter: a Gross income from members or shareholders		
	87a		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)		
	87b		
88a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	X	
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI		X
	u		
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 u 0 ; section 4912 u 0 ; section 4955 u 0		
b	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		
	u 0		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization		
	u 0		
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		X
	89g		
90a	List the states with which a copy of this return is filed u NONE		
b	Number of employees employed in the pay period that includes March 12, 2007 (See instructions.)		
	90b 398		
91a	The books are in care of u CHRISTOPHER A FRIPP 5001 ANGEL CANYON R Located at u KANAB, UT Telephone no. u 435-644-2001 ZIP + 4 u 84741		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country u See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
		Yes	No
	91b		X

Part VI Other Information (continued)

Yes No

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c Yes No

If "Yes," enter the name of the foreign country **u**

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here **u**

and enter the amount of tax-exempt interest received or accrued during the tax year 92

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a					
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	49,746	
96 Dividends and interest from securities			14	509,480	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property			16	176,084	123,971
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	-8,218	-32,196
101 Net income or (loss) from special events					118,586
102 Gross profit or (loss) from sales of inventory	453220	34,097			8,158
103 Other revenue: a					
b THIRD-PARTY REIMBURSEMENTS					66,840
c CAFETERIA/VENDING INCOME					129,209
d BEST FRIENDS MAGAZINE	541800	446,543			
e					
104 Subtotal (add columns (B), (D), and (E))		480,640		727,092	414,568
105 Total (add line 104, columns (B), (D), and (E))					u 1,622,300

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
q	SEE STATEMENT 20

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
SEE STATEMENT 21	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).

106 Did the reporting organization **make** any transfers **to** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity. Yes No

(A) Name, address, of each controlled entity	(B) Employer ID Number	(C) Description of transfer	(D) Amount of transfer
a			
b			
c			
Totals			

107 Did the reporting organization **receive** any transfers **from** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity. Yes No

(A) Name, address, of each controlled entity	(B) Employer ID Number	(C) Description of transfer	(D) Amount of transfer
a			
b			
c			
Totals			

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above? Yes No

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Christopher A. Fripp | 5.5.08
 Signature of officer | Date

CHRISTOPHER A FRIPP | CFO
 Type or print name and title

Paid Preparer's Use Only

Preparer's signature: **KENNETH A. HINTON, CPA** | Date: _____ | Check if self-employed: | Preparer's SSN or PTIN (See Gen. Instr. X): **P00030112**

Firm's name (or yours if self-employed), address, and ZIP + 4: **HINTON, BURDICK, HALL & SPILKER, PLLC** | EIN: **87-0492866**
63 SOUTH 300 EAST, STE 100 | Phone no.: **435-628-3663**
ST. GEORGE, UT 84770-2948

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

Organization Exempt Under Section 501(c)(3)
(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n),
or 4947(a)(1) Nonexempt Charitable Trust

OMB No. 1545-0047

2007

Department of the Treasury
Internal Revenue Service

Supplementary Information-(See separate instructions.)
▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization

BEST FRIENDS ANIMAL SOCIETY

Employer identification number
23-7147797

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 empl. benefit plans & deferred comp.	(e) Expense account and other allowances
RUSS MEAD 259 N 100 EAST KANAB UT 84741	LGL COUNSEL 40	84,513	13,607	0
MICHAEL DIX 3695 E VERMILLION AVE KANAB UT 84741	VETERINARIAN 40	76,241	15,466	0
VICTORIA KILMER-RINKER 10134 E 8200 S APPLE VALLEY UT 84737	RELATION MGR 40	81,011	6,713	0
ROBERT LINDLEY 879 S VERMILION DR KANAB UT 84741	IS MANAGER 40	69,479	16,180	0
AILEEN WALDEN 89 W 100 S KANAB UT 84741	DEV DIRECTOR 40	71,932	13,341	0
Total number of other employees paid over \$50,000 ▶		62		

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
RUSS REID COMPANY PO BOX 60140 LOS ANGELES CA 90060-0140	FUND RSNG/OTHER	407,215
XTIVA, INC 2035 LINCOLN HWY #1010 EDISON NJ 08817	WEB SERVICES	153,545
LYNDA OTTERSBAUGH 55 W RED SHADOW DR KANAB UT 84741	EDITORIAL	68,935
WILKINS & ASSOCIATES 12850 HWY 9, STE 600-186 ALPHARETTA GA 30004	LEGAL COUNSEL	66,296
ASHLEY TILLMAN 15222 MAGNOLIA BLVD #309 SHERMAN OAKS CA 91403	EDITORIAL	65,000
Total number of others receiving over \$50,000 for professional services ▶	1	

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over \$50,000 for other services ▶		

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

Schedule A (Form 990 or 990-EZ) 2007

Part III Statements About Activities (See page 2 of the instructions.)

		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)		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 substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a	Sale, exchange, or leasing of property?		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)? SEE PART V-A, FORM 990 SEE STATEMENT 22	X	
e	Transfer of any part of its income or assets?		X
3a	Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.)		X
b	Did the organization have a section 403(b) annuity plan for its employees?		X
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement		X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?		X
4a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g		X
b	Did the organization make any taxable distributions under section 4966?		
c	Did the organization make a distribution to a donor, donor advisor, or related person?		
d	Enter the total number of donor advised funds owned at the end of the tax year	u	
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year	u	
f	Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts	u	0
g	Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year	u	0

Part IV Reason for Non-Private Foundation Status (See pages 4 through 8 of the instructions.)

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state** ►
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 An organization that normally receives: **(1) more than 33 1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions-subject to certain exceptions, and **(2) no more than 33 1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
 - Type I
 - Type II
 - Type III-Functionally Integrated
 - Type III-Other

Provide the following information about the supported organizations. (See page 8 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total					u

14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 8 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) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	26,992,097	31,870,282	20,706,769	19,696,632	99,265,780
16 Membership fees received					0
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	853,787	148,106			1,001,893
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	717,036	569,316	510,031	428,186	2,224,569
19 Net income from unrelated business activities not included in line 18	32,497	28,317			60,814
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
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					0
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					0
23 Total of lines 15 through 22	28,595,417	32,616,021	21,216,800	20,124,818	102553056
24 Line 23 minus line 17	27,741,630	32,467,915	21,216,800	20,124,818	101551163
25 Enter 1% of line 23	285,954	326,160	212,168	201,248	

26 Organizations described on lines 10 or 11:	a Enter 2% of amount in column (e), line 24	26a	2,031,023
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts		26b	
c Total support for section 509(a)(1) test: Enter line 24, column (e)		26c	101551163
d Add: Amounts from column (e) for lines:	18 <u>2,224,569</u> 19 <u>60,814</u>		
	22 _____ 26b _____	26d	2,285,383
e Public support (line 26c minus line 26d total)		26e	99,265,780
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))		26f	97.7495%

27 Organizations described on line 12: **a** For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." **Do not file this list with your return.** Enter the sum of such amounts for each year: (2006) _____ (2005) _____ (2004) _____ (2003) _____ N/A

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger** of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2006) _____ (2005) _____ (2004) _____ (2003) _____ N/A

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 from 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 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. **Do not file this list with your return.** Do not include these grants in line 15.

Part V Private School Questionnaire (See page 9 of the instructions.)

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

		N/A	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?	31		
	If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)			
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?	34b		
	If you answered "Yes" to either 34a or b, please explain using an attached statement.			
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 11 of the instructions.)

(To be completed **ONLY** by an eligible organization that filed Form 5768) N/A

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures

(The term "expenditures" means amounts paid or incurred.)

		(a) Affiliated group totals	(b) To be completed for all electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount. Enter the amount from the following table-			
If the amount on line 40 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	
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		
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 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 14 of the instructions.) N/A

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.

Statement 1 - Form 990, Part I, Line 6b - Rental Expenses

<u>Description</u>	<u>Deduction</u>
GUEST COTTAGES & CABINS	
UTILITIES	2,151
DEPRECIATION	36,022
PERSONNEL RELATED	79,957
SUPPLIES, MAINTENANCE & OTHER	22,298
TOTAL	<u>140,428</u>

Federal Statements

Statement 2 - Form 990, Part I, Line 8c - Sale of Assets Other Than Inventory - Securities

Desc		How Rec'd	Whom Sold	Date Acquired	Date Sold	Sale Price	Cost & Expense	Depr	Gain/-Loss
PUBLICLY TRADED SECURITIES									
						\$ 884,198	\$ 916,394	\$	\$ -32,196
TOTAL						\$ 884,198	\$ 916,394	\$ 0	\$ -32,196

Statement 3 - Form 990, Part I, Line 8c - Sale of Assets Other Than Inventory - Other

Desc		How Rec'd	Whom Sold	Date Acquired	Date Sold	Sale Price	Cost & Expense	Depr	Gain/-Loss
OPRTNG CAP ASSETS (SEE EXHIBIT B)									
PURCHASE				1/01/00	12/31/07	\$ 25,395	\$ 273,292	\$ 239,679	\$ -8,218
TOTAL						\$ 25,395	\$ 273,292	\$ 239,679	\$ -8,218

Federal Statements

Statement 4 - Form 990, Line 10c - Sales of Inventory

Description	Gross Sales	COGS	Gross Profit
SALE OF INVENTORY - 1	\$ 798,630	\$ 764,533	\$ 34,097
SALE OF INVENTORY - 2	191,070	182,912	8,158
TOTAL	<u>\$ 989,700</u>	<u>\$ 947,445</u>	<u>\$ 42,255</u>

Statement 5 - Form 990, Line 20 - Other Changes in Net Assets or Fund Balances

Description	Amount
BEST FRIENDS STORE EXPENSE	\$ 947,445
GUEST COTTAGES EXPENSE	140,428
NET LOSS ON DISPOSITION OF FIXED ASSETS	8,218
SPECIAL EVENTS EXPENSE	64,593
NET REALIZED INVESTMENT LOSS	32,196
ANGEL CANYON, INC. INCOME	506,948
BEST FRIENDS STORE EXPENSE	-947,445
GUEST COTTAGES EXPENSE	-140,428
NET LOSS ON DISPOSITION OF FIXED ASSETS	-8,218
SPECIAL EVENTS EXPENSE	-64,593
NET INVESTMENT LOSS	-32,196
ANGEL CANYON, INC. EXPENSES	-382,596
NET UNREALIZED LOSS ON INVESTMENT	-537,413
TOTAL	<u>\$ -413,061</u>

Federal Statements

Statement 6 - Form 990, Part II, Line 25a - Compensation of Current Officers

Name	Program Services	Management & General	Fundraising
EXPENSES	\$	\$	\$
CURR OFFICERS & KEY EMPLOYEES			
COMPENSATION	427,626	51,140	141,890
BENEFIT PLAN CONTRIBUTION	95,023	11,364	31,532
TOTAL	\$ 522,649	\$ 62,504	\$ 173,422

Statement 7 - Form 990, Part II, Line 25b - Compensation of Former Officers

Name	Program Services	Management & General	Fundraising
EXPENSES	\$	\$	\$
PAUL ECKHOFF			
COMPENSATION	28,586		
BENEFIT PLAN CONTRIBUTION	2,420		
TOTAL	\$ 31,006	\$ 0	\$ 0

Federal Statements

Statement 8 - Form 990, Part II, Line 43 - Other Functional Expenses

Description	Total Expenses	Program Service	Mgt & General	Fund-Raising
	\$	\$	\$	\$
LA LINT ROLLER				
LA LINT ROLLER	64,592			64,592
BEST FRIENDS MAGAZINE				
INDEPENDENT CONTRACTORS	198,847	198,847		
PAYROLL PROCESSING FEES	141	141		
EXPENSES				
ADVERTISING	165,297	130,509	39	34,749
AIRPLANE EXPENSE	67,825	67,340		485
ANIMAL FOOD	463,719	463,719		
ANIMAL OTHER	392,446	392,366		80
ANIMAL VET/MEDICAL SUPPLIES	1,045,286	1,045,286		
ANNUITY & INVESTMENT EXPENSES	126,875		126,875	
AUTO EXPENSE	283,893	277,305	4,071	2,517
AUTO MAINTENANCE	94,977	93,634	1,343	
BANK CHARGES	215,676	3,742	211,911	23
CAFETERIA/GREENHOUSE	101,789	94,846	6,943	
INDEPENDENT CONTRACTOR	671,195	624,197	30,669	16,329
DONATIONS	1,030,871	1,030,871		
ENTERTAINMENT	25,897	18,731	284	6,882
FACILITY MAINTENANCE	367,183	362,259	4,658	266
INSURANCE	52,367	44,755	7,612	
IT EXPENSE	481,907	458,745	16,246	6,916
MISCELLANEOUS	96,506	62,630	25,862	8,014
PROFESSIONAL FEES - OTHER	448,381	398,009	19,197	31,175
PROMOTIONS	2,037,381	188,154		1,849,227
PROGRAM EVENTS	309,228	258,929	4,373	45,926
TAXES AND LICENSES	111,581	94,666	6,712	10,203
TRAINING	52,187	50,501	343	1,343
UTILITIES	341,501	311,251	13,288	16,962
RECRUITING & HIRING	132,804	86,630	23,959	22,215
TOTAL	\$ 9,380,352	\$ 6,758,063	\$ 504,385	\$ 2,117,904

Statement 9 - Form 990, Part IV, Line 54b - Other Securities

Description	Beginning of Year	End of Year	Basis of Valuation
	\$	\$	
CORPORATE STOCK			
VARIOUS EQUITIES & FIXED INCOME INV	5,574,419	6,310,481	MARKET
TOTAL	\$ 5,574,419	\$ 6,310,481	

Statement 10 - Form 990, Part IV, Line 56 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation
	\$	\$	
ANNUITIES	6,874,387	6,040,102	MARKET
TOTAL	\$ 6,874,387	\$ 6,040,102	

Federal Statements

Statement 11 - Form 990, Part IV, Line 57 - Land, Buildings, and Equipment

Description	Beginning of Year	Accum Depr	End of Year	Accum Depr
FURNITURE, FIXTURES & EQUIPMENT	\$ 2,012,479	\$ 1,369,902	\$ 2,058,141	\$ 1,386,318
AUTOS & TRUCKS	1,319,675	656,704	1,319,801	764,766
BUILDINGS & IMPROVEMENTS	11,468,504	3,369,447	11,639,136	3,990,205
LAND	4,478,117		4,478,117	
TOTAL	<u>\$19,278,775</u>	<u>\$ 5,396,053</u>	<u>\$19,495,195</u>	<u>\$ 6,141,289</u>

Statement 12 - Form 990, Part IV, Line 58 - Other Assets

Description	Beginning of Year	End of Year
EMPLOYEE ADVANCES	\$ 16,660	\$ 28,139
TAX REFUND RECEIVABLE	108,477	6,099
CONSTRUCTION IN PROGRESS		10,850
GOODWILL	35,588	35,588
TOTAL	<u>\$ 160,725</u>	<u>\$ 80,676</u>

Statement 13 - Form 990, Part IV, Line 62 - Deferred Revenue

Description	Beginning of Year	End of Year
DEFERRED REVENUE	\$ 26,400	\$
TOTAL	<u>\$ 26,400</u>	<u>\$ 0</u>

Statement 14 - Form 990, Part IV, Line 65 - Other Liabilities

Description	Beginning of Year	End of Year
MORTGAGES AND OTHER NOTES PAYABLE	\$ 886,445	\$ 1,025,427
TOTAL	<u>\$ 886,445</u>	<u>\$ 1,025,427</u>

Statement 15 - Form 990, Part IV-A - Other Revenue Included on Financial Statements

Description	Amount
BEST FRIENDS STORE EXPENSE	\$ 947,445
GUEST COTTAGES EXPENSE	140,428
NET LOSS ON DISPOSITION OF FIXED ASSETS	8,218
SPECIAL EVENTS EXPENSE	64,593
NET REALIZED INVESTMENT LOSS	32,196
ANGEL CANYON, INC. INCOME	506,948
TOTAL	<u>\$ 1,699,828</u>

Statement 16 - Form 990, Part IV-B - Other Expenses included on Financial Statements

Description	Amount
BEST FRIENDS STORE EXPENSE	\$ 947,445
GUEST COTTAGES EXPENSE	140,428
NET LOSS ON DISPOSITION OF FIXED ASSETS	8,218
SPECIAL EVENTS EXPENSE	64,593
NET INVESTMENT LOSS	32,196
ANGEL CANYON, INC. EXPENSES	382,596
NET UNREALIZED LOSS ON INVESTMENT	537,413
TOTAL	<u>\$ 2,112,889</u>

Federal Statements

Statement 17 - Form 990, Part V-A, Line 75b - Related Party Information

Related Party One	Related Party Two	Relationship
CHRISTOPHER A FRIPP TREASURER	CELESTE FRIPP SECRETARY	HUSBAND & WIFE

Federal Statements

Statement 18 - Form 990, Part VI, Line 80b - Name of Related Organization(s)

Name of related organization(s)	Type
ANGEL CANYON, INC.	NON-EXEMPT
THE UTAH COALITION FOR ANIMALS	EXEMPT

Statement 19 - Form 990, Part VI, Line 82b - Donated Services

Description	Amount
RACE CAR ADVERTISING SERVICES	\$ 270,000
TOTAL	\$ <u>270,000</u>

Statement 20 - Form 990, Part VIII - Relationship of Activities

Line No.	Description
97B	DUE TO THE NATURE OF EXEMPT PURPOSE (CARE OF ANIMALS), STAFF MUST BE ON SITE AT ALL TIMES. DUE TO DISTANCE OF FACILITIES FROM AVAILABLE HOUSING, THE SANCTUARY RENTS ON-SITE HOUSING TO APPROXIMATELY 15 EMPLOYEES.
103B	THIRD PARTY REIMBURSEMENTS FOR EXPENSES PAID BY BEST FRIENDS.
103C	DUE TO THE NATURE OF EXEMPT PURPOSE (CARE OF ANIMALS), STAFF MUST BE ON SITE AT ALL TIMES. DUE TO DISTANCE OF FACILITIES FROM LOCAL EATING ESTABLISHMENTS, THE SANCTUARY OPERATES A CAFETERIA ON-SITE FOR EMPLOYEES.
102	SALES OF RETAIL INVENTORY DIRECTLY RELATED TO EXEMPT PURPOSE OF THE ORGANIZATION.

Federal Statements

Statement 21 - Form 990, Part IX - Information Regarding Taxable Subsidiaries

Bus Name		Addr		Income	EOY Assets
EIN	Ownership %	Nature of Activity			
ANGEL CANYON, INC. 87-0500440	100.0000	5001 ANGEL CANYON ROAD SALES OF ANIMAL-RELATED PRODUCTS & BF MERCHANDISE		\$ 124,352	\$ 758,159
TOTAL				\$ 124,352	\$ 758,159

Statement 22 - Schedule A, Part III, Line 2d - Payment of Compensation / Reimbursement of Exp

Description

SEE FORM 990, PART V