

Return of Organization Exempt from Income Tax

2001

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

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

A For the 2001 calendar year, or tax year beginning 7/01, 2001, and ending 6/30, 20 02

- B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending

ANIMAL FRIENDS RESCUE PROJECT
P O BOX 51083
PACIFIC GROVE, CA 93950

D Employer Identification Number 77-0491141
E Telephone number 831-333-0722
F Accounting method: X Cash, Accrual

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

H and I are not applicable to Section 527 organizations
H (a) Is this a group return for affiliates? Yes No
H (b) If yes enter number of affiliates
H (c) Are all affiliates included? Yes No
H (d) Is this a separate return filed by an organization covered by a group ruling? Yes No
I Enter 4 digit group GEN
M Check X if the organization is not required to attach Schedule B (Form 990, 990 EZ, or 990 PF)

G Web site N/A

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

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 206,715

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

Table with columns for line number, description, and amount. Includes rows for contributions, program service revenue, membership dues, interest on savings, dividends, gross rents, other investment income, special events, gross sales of inventory, other revenue, total revenue, program services, management and general, fundraising, payments to affiliates, total expenses, excess or deficit, net assets at beginning and end of year.

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EXPENSES

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Part II Statement of Functional Expenses All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others

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 (att sch) (cash \$ _____ non cash \$ _____)	22				
23 Specific assistance to individuals (att sch)	23				
24 Benefits paid to or for members (att sch)	24				
25 Compensation of officers, directors, etc	25				
26 Other salaries and wages	26	21,134	16,907	3,170	1,057
27 Pension plan contributions	27				
28 Other employee benefits	28				
29 Payroll taxes	29	3,177	2,542	476	159
30 Professional fundraising fees	30				
31 Accounting fees	31	335	268	50	17
32 Legal fees	32				
33 Supplies	33	2,380	1,904	357	119
34 Telephone	34				
35 Postage and shipping	35	3,220	2,576	483	161
36 Occupancy	36	13,163	10,530	1,975	658
37 Equipment rental and maintenance	37				
38 Printing and publications	38	3,473	2,778	521	174
39 Travel	39				
40 Conferences, conventions, and meetings	40				
41 Interest	41				
42 Depreciation, depletion etc (attach schedule)	42	1,322	1,058	198	66
43 Other expenses not covered above (itemize)					
a SEE STATEMENT 4	43a	189,929	151,942	28,493	9,494
b -----	43b				
c -----	43c				
d -----	43d				
e -----	43e				
44 Total functional expenses (add lines 22-43) Organizations completing columns (B) (D), carry these totals to lines 13-15	44	238,133	190,505	35,723	11,905

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 \$ _____, (ii) the amount allocated to program services \$ _____, (iii) the amount allocated to management and general \$ _____, and (iv) the amount allocated to fundraising \$ _____

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? <input type="checkbox"/> SEE STATEMENT 5	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, but optional for others)
a PROMOTE ANIMAL WELFARE, PROVIDE ANIMAL ADOPTION AND SPAY/NEUTER SERVICES (Grants and allocations \$ 78,316)	190,505
b ----- (Grants and allocations \$)	
c ----- (Grants and allocations \$)	
d ----- (Grants and allocations \$)	
e Other program services (Grants and allocations \$)	
f Total of Program Service Expenses (should equal line 44, column (B), program services)	190,505

Part IV Balance Sheets (See instructions)

Note		(A)		(B)		
Where required attached schedules and amounts within the description column should be for end of-year amounts only		Beginning of year		End of year		
ASSETS	45	Cash — non interest bearing	77,114	45	23,572	
	46	Savings and temporary cash investments		46	300	
	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 & loans receivable (attach sch)		51a		
		b Less allowance for doubtful accounts		51b	51c	
	52	Inventories for sale or use		52		
	53	Prepaid expenses and deferred charges		53		
	54	Investments — securities (attach schedule)	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	3,896	54	3,896
	55a	Investments — land, buildings, & equipment basis		55a		
	b Less accumulated depreciation (attach schedule)		55b	55c		
56	Investments — other (attach schedule)		56			
57a	Land, buildings and equipment basis	7,120	57a			
	b Less accumulated depreciation (attach schedule)	2,567	57b	57c		
58	Other assets (describe <input type="checkbox"/> SEE STATEMENT 7)	500	58	500		
59	Total assets (add lines 45 through 58) (must equal line 74)	87,385	59	32,821		
LIABILITIES	60	Accounts payable and accrued expenses		60		
	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 <input type="checkbox"/>)		65		
66	Total liabilities (add lines 60 through 65)	0	66	0		
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74					
	67	Unrestricted		67		
	68	Temporarily restricted		68		
	69	Permanently restricted		69		
	Organizations that do not follow SFAS 117, check here <input checked="" 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	87,385	72	32,821	
	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)	87,385	73	32,821	
	74	Total liabilities and net assets/fund balances (add lines 66 and 73)	87,385	74	32,821	

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 VI Other Information (See specific instructions)

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
78b	If 'Yes' has it filed a tax return on Form 990-T for this year?	N/A	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement		X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership governing bodies, trustees, officers, etc. to any other exempt or nonexempt organization?		X
81a	If 'Yes,' enter the name of the organization <u>N/A</u> and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
81a	Enter direct or indirect political expenditures See line 81 instructions	81a	0
81b	Did the organization file Form 1120-POL for this year?		X
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
82b	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)	82b	N/A
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	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
84b	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) organizations a Were substantially all dues nondeductible by members?		N/A
85b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?		N/A
	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		
85c	Dues, assessments, and similar amounts from members	85c	N/A
85d	Section 162(e) lobbying and political expenditures	85d	N/A
85e	Aggregate nondeductible amount of Section 6033(e)(1)(A) dues notices	85e	N/A
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
85g	Does the organization elect to pay the Section 6033(e) tax on the amount on line 85f?		N/A
85h	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
86a	501(c)(7) organizations Enter a Initiation fees and capital contributions included on line 12	86a	N/A
86b	Gross receipts, included on line 12, for public use of club facilities	86b	N/A
87a	501(c)(12) organizations Enter a Gross income from members or shareholders	87a	N/A
87b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87b	N/A
88	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
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under Section 4911 <u>0</u> , Section 4912 <u>0</u> , Section 4955 <u>0</u>		
89b	501(c)(3) and 501(c)(4) organizations 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		0
	d Enter Amount of tax on line 89c, above reimbursed by the organization		0
90a	List the states with which a copy of this return is filed <u>CALIFORNIA</u>		
90b	Number of employees employed in the pay period that includes March 12, 2001 (see instructions)	90b	0
91	The books are in care of <u>CARRIE BROEKER</u> Telephone number <u>831-372-5169</u> Located at <u>125 FOURTH STREET, PACIFIC GROVE, CA</u> ZIP + 4 <u>93950</u>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax exempt interest received or accrued during the tax year <u>92</u>		N/A

Part VII Analysis of Income-Producing Activities (See 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 ANIMAL ADOPTION FEES			1	78,438	
b FEES			1	100	
c					
d					
e					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts			14		
96 Dividends & interest from securities					
97 Net rental income or (loss) from real estate					
a debt financed property					
b not debt financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income			1	864	
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events			1	30,102	8,469
102 Gross profit or (loss) from sales of inventory			12	-825	
103 Other revenue					
a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				108,679	8,469
105 Total (add line 104, columns (B), (D), and (E))					117,148

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

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See 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)
N/A	

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

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

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

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

Note If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions)

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

11/14/02
Date

Schedule A
(Form 990 or 990-EZ)

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

2001

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

ANIMAL FRIENDS RESCUE PROJECT

Employer Identification Number

77-0491141

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See instructions. List each one. If there are none, enter 'None'.)

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over \$50,000	0			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See 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
NONE		
Total number of others receiving over \$50,000 for professional services	0	

Part III Statements About Activities (See instructions)

	Yes	No
1 During the year has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities ► \$ <u>N/A</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI A Other organizations checking Yes must complete Part VI B and attach a statement giving a detailed description of the lobbying activities		X
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)?		X
e Transfer of any part of its income or assets?		X
3 Does the organization make grants for scholarships fellowships, student loans, etc? (See Note below)		X
4 Do you have a section 403(b) annuity plan for your employees?		X

Note 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

Part IV Reason for Non-Private Foundation Status (See instructions)

- The organization is not a private foundation because it is (please check only **One** applicable box)
- 5 A church convention of churches or association of churches Section 170(b)(1)(A)(i)
 - 6 A school Section 170(b)(1)(A)(ii) (Also complete Part V)
 - 7 A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
 - 8 A federal, state or local government or governmental unit Section 170(b)(1)(A)(v)
 - 9 A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state ► _____
 - 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV A)
 - 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV A)
 - 11b A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV A)
 - 12 An organization that normally receives (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc, functions — subject to certain exceptions and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV A)
 - 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3))

Provide the following information about the supported organizations (See 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 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) 2000	(b) 1999	(c) 1998	(d) 1997	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	181,980	112,969	14,490		309,439
16 Membership fees received					
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	74,646	9,427	16,799		100,872
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	1,057	107			1,164
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. SEE STMT 9	2,100				2,100
23 Total of lines 15 through 22	259,783	122,503	31,289		413,575
24 Line 23 minus line 17	185,137	113,076	14,490		312,703
25 Enter 1% of line 23	2,598	1,225	313		

26 Organizations described on lines 10 or 11	a Enter 2% of amount in column (e), line 24	26a	6,254
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 1997 through 2000 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	312,703
d Add: Amounts from column (e) for lines 18 <u>1,164</u> 19 <u> </u>		26d	3,264
22 <u>2,100</u> 26b <u> </u>		26e	309,439
e Public support (line 26c minus line 26d total)		26f	98.96%
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))			

27 Organizations described on line 12	N/A		
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.	(2000) _____ (1999) _____ (1998) _____ (1997) _____		
b For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000 (include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year.	(2000) _____ (1999) _____ (1998) _____ (1997) _____		
c Add: Amounts from column (e) for lines 15 <u> </u> 16 <u> </u>		27c	
17 <u> </u> 20 <u> </u> 21 <u> </u>		27d	
d Add: Line 27a total _____ and line 27b total _____		27e	
e Public support (line 27c total minus line 27d total)		27f	
f Total support for section 509(a)(2) test. Enter amount from line 23, column (e).		27g	%
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))		27h	%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))			

28 Unusual Grants For an organization described in line 10, 11, or 12 that received any unusual grants during 1997 through 2000, 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 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?		
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?		
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) ----- ----- -----		
32	Does the organization maintain the following		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions programs and scholarships?		
d	Copies of all material used by the organization or on its behalf to solicit contributions? 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?		
b	Admissions policies?		
c	Employment of faculty or administrative staff?		
d	Scholarships or other financial assistance?		
e	Educational policies?		
f	Use of facilities?		
g	Athletic programs?		
h	Other extracurricular activities? 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?		
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		
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		

Part VI-A Lobbying Expenditures by Electing Public Charities (See 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		
Over \$500,000 but not over \$1,000,000		
Over \$1,000,000 but not over \$1,500,000		
Over \$1,500,000 but not over \$17,000,000		
Over \$17,000,000		
The lobbying nontaxable amount is –		
20% of the amount on line 40		
\$100,000 plus 15% of the excess over \$500,000		
\$175,000 plus 10% of the excess over \$1,000,000		
\$225,000 plus 5% of the excess over \$1,500,000		
\$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)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots non taxable 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 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

- a Volunteers
- b Paid staff or management (include compensation in expenses reported on lines c through h)
- c Media advertisements
- d Mailings to members, legislators, or the public
- e Publications or published or broadcast statements
- f Grants to other organizations for lobbying purposes
- g Direct contact with legislators, their staffs, government officials or a legislative body
- h Rallies, demonstrations, seminars, conventions, speeches, lectures or any other means
- i Total lobbying expenditures (add lines c through h)

Yes	No	Amount

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

11/13/02

10 56AM

STATEMENT 4 (CONTINUED)
FORM 990, PART II, LINE 43
OTHER EXPENSES

	(A)	(B)	(C)	(D)
	TOTAL	PROGRAM SERVICES	MANAGEMENT & GENERAL	FUNDRAISING
STAFF/BOARD DEV	289	231	44	14
VOLUNTEER EXPENSES	64	51	10	3
WORKER'S COMP	1,290	1,032	194	64
TOTAL	\$ 189,929	\$ 151,942	\$ 28,493	\$ 9,494

STATEMENT 5
FORM 990, PART III
ORGANIZATION'S PRIMARY EXEMPT PURPOSE

PROMOTE ANIMAL RIGHTS, PROVIDE ANIMAL ADOPTION AND SPAY/NEUTER SERVICES TO THE
 GENERAL PUBLIC

STATEMENT 6
FORM 990, PART IV, LINE 57
LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM DEPREC.	BOOK VALUE
FURNITURE AND FIXTURES	\$ 350	\$ 119	\$ 231
MACHINERY AND EQUIPMENT	5,330	2,010	3,320
IMPROVEMENTS	1,440	438	1,002
TOTAL	\$ 7,120	\$ 2,567	\$ 4,553

STATEMENT 7
FORM 990, PART IV, LINE 58
OTHER ASSETS

RENT DEPOSIT		\$ 500
TOTAL		\$ 500

11/13/02

10 56AM

**STATEMENT 8
FORM 990, PART V
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES**

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED</u>	<u>COMPEN- SATION</u>	<u>CONTRI- BUTION TO EBP & DC</u>	<u>EXPENSE ACCOUNT/ OTHER</u>
MONICA RUA P O BOX 31083 PACIFIC GROVE, CA 93950	PRESIDENT NONE	\$ 0	\$ 0	\$ 0
CARRIE BROECKER 125 FOURTH ST PACIFIC GROVE, CA 93950	TREASURER NONE	0	0	0
KELLY LEHRIAN 5022 ROYAL OAK PLACE WATSONVILLE, CA 95076	VICE PRESIDENT NONE	0	0	0
DAVID LEHRIAN 5022 ROYAL OAK PLACE WATSONVILLE, CA 95076	SECRETARY NONE	0	0	0
	TOTAL	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**STATEMENT 9
SCHEDULE A, PART IV-A, LINE 22
OTHER INCOME**

<u>DESCRIPTION</u>	<u>(A) 2000</u>	<u>(B) 1999</u>	<u>(C) 1998</u>	<u>(D) 1997</u>	<u>(E) TOTAL</u>
STOCK SALE	\$ 2,100	\$ 0	\$ 0	\$ 0	\$ 2,100
TOTAL	<u>\$ 2,100</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,100</u>

ANIMAL FRIENDS RESCUE PROJECT

77-0291141

10 56AM

11/13/02

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/BASIS	BUS PCT	CUR 179 BONUS	SPECIAL DEPR ALLOW	PRIOR 179 BONUS/SP DEPR	PRIOR DEC BAL DEPR	SALVAGE/BASIS REDUCT	DEPR BASIS	PRIOR DEPR	METHOD	LIFE	RATE	CURRENT DEPR
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FORM 990/990-PF

FURNITURE AND FIXTURES

4	OFFICE FURNITURE	2/02/00		350							350	69	S/L	MQ	7	14280	50
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TOTAL FURNITURE AND FIXTURE

				350							350	69					50
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IMPROVEMENTS

1	CAT ROOM	4/24/00		1,440							1,440	232	S/L	MQ	7	14280	206
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TOTAL IMPROVEMENTS

				1,440							1,440	232					206
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MACHINERY AND EQUIPMENT

2	DIGITAL CAMERA	3/24/00		322							322	88	S/L	MQ	5	20000	64
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3	COMPUTER	5/24/00		2,000							2,000	450	S/L	MQ	5	20000	400
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5	COMPUTER EQUIPMENT	5/24/00		839							839	189	S/L	MQ	5	20000	168
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6	OFFICE EQUIPMENT	9/17/00		2,169							2,169	217	S/L	HY	5	20000	434
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TOTAL MACHINERY AND EQUIPME

				5,330							5,330	944					1,066
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TOTAL DEPRECIATION

				7,120							7,120	1,245					1,322
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GRAND TOTAL DEPRECIATION

				7,120							7,120	1,245					1,322
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11/13/02

10 56AM

COMPUTATION OF COST OF GOODS SOLD (FORM 990)

1	INVENTORY AT START OF YEAR	0
2	PURCHASES	1,712
3	COST OF LABOR	0
4	ADDITIONAL 263A COSTS	0
5	OTHER COSTS	1,025
6	TOTAL (ADD LINES 1 THROUGH 5)	<u>2,737</u>
7	INVENTORY AT END OF YEAR	<u>0</u>
8	COST OF GOODS SOLD (SUBTRACT LINE 7 FROM LINE 6)	<u><u>2,737</u></u>