

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 2006 calendar year, or tax year beginning , and ending

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

Please use IRS label or print or type. See Specific Instructions.

C Name of organization
ANIMAL RESCUE LEAGUE

Number and street (or P O box if mail is not delivered to street address) Room/suite
PO BOX 69

City or town, state or country, and ZIP + 4
MOHNTON PA 19540

D Employer identification number
23-1417505

E Telephone number
610-373-8830

F Accounting method: Cash
 Accrual 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).

- 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

G Website: **N/A**

J Organization type
(check only one) 501(c) (**3**) (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

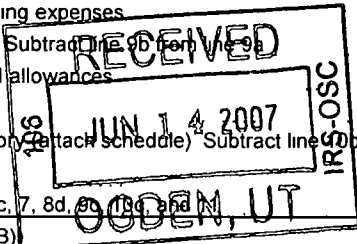
I Group Exemption Number

M Check if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF)

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 **978,106**

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	319,244		
	c Indirect public support (not included on line 1a)	1c	366,579		
	d Government contributions (grants) (not included on line 1a)	1d	65,250		
	e Total (add lines 1a through 1d) (cash \$ 751,073 noncash \$)	1e			751,073
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2			
	3 Membership dues and assessments	3		SEE STATEMENT 1	26,700
	4 Interest on savings and temporary cash investments	4			1,286
	5 Dividends and interest from securities	5			119,734
	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)	7				
8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		
	8a		73,903		
	b Less cost or other basis and sales expenses	8b			
	c Gain or (loss) (attach schedule)	8c	73,903		
d Net gain or (loss) Combine line 8c, columns (A) and (B)	8d		SEE STMT 2	73,903	
9 Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>	a Gross revenue (not including \$ of contributions reported on line 1b)	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	5,410			
	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	STMT 3		5,410
11 Other revenue (from Part VII, line 103)	11				
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12			978,106	
Expenses	13 Program services (from line 44, column (B))	13		1,076,949	
	14 Management and general (from line 44, column (C))	14			
	15 Fundraising (from line 44, column (D))	15		6,698	
	16 Payments to affiliates (attach schedule)	16			
	17 Total expenses. Add lines 16 and 44, column (A)	17			1,083,647
	18 Excess or (deficit) for the year Subtract line 17 from line 12	18			-105,541
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19			1,991,647
20 Other changes in net assets or fund balances (attach explanation)	20			0	
21 Net assets or fund balances at end of year Combine lines 18, 19, and 20	21			1,886,106	



SCANNED JUL 23 2007
Net Assets

14

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 (attach schedule)	25a			
b Compensation of former officers, directors, key employees, etc listed in Part V-B (attach schedule)	25b			
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) (attach schedule)	25c			
26 Salaries and wages of employees not included on lines 25a, b, and c	26 464,314	26 464,314		
27 Pension plan contributions not included on lines 25a, b, and c	27 78,913	27 78,913		
28 Employee benefits not included on lines 25a - 27	28			
29 Payroll taxes	29 38,250	29 38,250		
30 Professional fundraising fees	30			
31 Accounting fees	31			
32 Legal fees	32			
33 Supplies	33 111,902	33 111,902		
34 Telephone	34 15,719	34 15,719		
35 Postage and shipping	35 16,876	35 16,876		
36 Occupancy	36 51,847	36 51,847		
37 Equipment rental and maintenance	37 54,525	37 54,525		
38 Printing and publications	38			
39 Travel	39			
40 Conferences, conventions, and meetings	40 3,715	40 3,715		
41 Interest	41 12	41 12		
42 Depreciation, depletion, etc (attach schedule)	42 40,166	42 40,166		
43 Other expenses not covered above (itemize)				
a SEE STATEMENT 4	43a 207,408	43a 200,710		43a 6,698
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 1,083,647	44 1,076,949	44 0	44 6,698

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 (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?

▶ **CARE OF ANIMALS, EDUCATION OF GENERAL PUBLIC**

Program Service Expenses
(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others.)

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.)

**a CARE AND BOARDING OF UNWANTED & ABANDONED ANIMALS
ANIMALS ARE ADOPTED OUT, DESTROYED, OR RETURNED TO OWNERS**

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

1,076,949

b

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

c

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

d

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

e Other program services (attach schedule)

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

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

▶ **1,076,949**

Part IV Balance Sheets (See the instructions.)

				(A)		(B)		
				Beginning of year		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		79,265	45	22,486		
	46	Savings and temporary cash investments		82,954	46	69,769		
	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			
	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			52			
	53	Prepaid expenses and deferred charges			53			
	54a	Investments—publicly-traded securities SEE STATEMENT 5	<input checked="" type="checkbox"/> Cost <input type="checkbox"/> FMV		1,655,873	54a	1,598,852	
	b	Investments—other securities (attach schedule)	<input type="checkbox"/> Cost <input type="checkbox"/> FMV			54b		
	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	993,782				
b	Less accumulated depreciation (attach schedule) SEE STATEMENT 6	57b	781,093	204,706	57c	212,689		
58	Other assets, including program-related investments (describe <input type="checkbox"/>)				58			
59	Total assets (must equal line 74) Add lines 45 through 58			2,022,798	59	1,903,796		
Liabilities	60	Accounts payable and accrued expenses		996	60	2,779		
	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"/> SEE STATEMENT 7)			30,155	65	14,911	
	66	Total liabilities. Add lines 60 through 65			31,151	66	17,690	
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		1,991,647	67	1,886,106		
	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)			1,991,647	73	1,886,106	
74	Total liabilities and net assets/fund balances. Add lines 66 and 73			2,022,798	74	1,903,796		

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)		
	82b		
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?		
	83b N/A		
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		
	84a N/A		
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
	84b N/A		
85	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?		
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		
	85a 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?		
	85g 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?		
	85h 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
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 0 , section 4912 0 , section 4955 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		
	0		
d	Enter Amount of tax on line 89c, above, reimbursed by the organization		
	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 NONE		
b	Number of employees employed in the pay period that includes March 12, 2006 (See instructions)		
	90b		23
91a	The books are in care of HARRY BROWN PO BOX 69 Located at MOHNTON, PA	Telephone no	610-373-8830
		ZIP + 4	19540
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 See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts		
	91b	Yes	No
			X

Part VI Other Information (continued)

c At any time during the calendar year, did the organization maintain an office outside of the United States?

	Yes	No
91c	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If "Yes," enter the name of the foreign country ▶

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

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					26,700
95 Interest on savings and temporary cash investments					1,286
96 Dividends and interest from securities					119,734
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 personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					73,903
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					5,410
103 Other revenue a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0		0	227,033
105 Total (add line 104, columns (B), (D), and (E))					227,033

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)
94	ADDITIONAL FUNDING FOR BOARDING AND FEEDING.
102	ANIMAL IS PROPERLY SUPPLIED WHEN IT LEAVES PREMISES.
96	PRUDENT INVESTMENT OF OPERATING CASH.
100	PRUDENT INVESTMENT OF OPERATING CASH.

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
N/A	%			
	%			
	%			
	%			

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?

<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
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(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
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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).

<p>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</p>	Yes	No
	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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

<p>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</p>	Yes	No
	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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

<p>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?</p>	Yes	No
	<input type="checkbox"/>	<input type="checkbox"/>

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.

▶ *Joseph A. Pancarella* 5-14-07
 Signature of officer Date

▶ *Harvey D. ... Equivocal Director*
 Type or print name and title

Paid Preparer's Use Only	Preparer's signature ▶ JOSEPH A. PANCERELLA	Date 5/02/07	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN (See Gen Instr X) P00214024
	Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ PANCERELLA & ASSOCIATES, LLC. 301 W LANCASTER AVE SHILLINGTON, PA 19607-1856	EIN ▶ 20-0411376	Phone no ▶ 610-796-1066	

**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

2006

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

ANIMAL RESCUE LEAGUE

Employer identification number
23-1417505

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 2 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) Comp	(d) Contrib to empl ben plans & deferred comp	(e) Expense account & other allowances
NONE				

Total number of other employees paid over \$50,000 ▶ 0

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
NONE		

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

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) 2006

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, FORM 990	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		
e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year		
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		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		0

Part IV Reason for Non-Private Foundation Status (See pages 4 through 7 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 Intergrated
 - Type III-Other

Provide the following information about the supported organizations. (See page 7 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					

- 14 An organization organized and operated to test for public safety Section 509(a)(4) (See page 7 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) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	738,887	888,344	1,045,815	1,024,438	3,697,484
16 Membership fees received	11,060	21,386	12,203	14,618	59,267
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	4,978	6,930	7,171	6,710	25,789
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	92,242	74,033	75,802	58,017	300,094
19 Net income from unrelated business activities not included in line 18					0
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	847,167	990,693	1,140,991	1,103,783	4,082,634
24 Line 23 minus line 17	842,189	983,763	1,133,820	1,097,073	4,056,845
25 Enter 1% of line 23	8,472	9,907	11,410	11,038	

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24	26a	0
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 2002 through 2005 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	
d Add Amounts from column (e) for lines 18 _____ 19 _____ 22 _____ 26b _____	26d	
e Public support (line 26c minus line 26d total)	26e	
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))	26f	%

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	(2005)	0	(2004)	0	(2003)	0	(2002)	0
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	(2005)	0	(2004)	0	(2003)	0	(2002)	0
c Add Amounts from column (e) for lines 15 <u>3,697,484</u> 16 <u>59,267</u> 17 <u>25,789</u> 20 _____ 21 _____	27c	3,782,540						
d Add Line 27a total _____ and line 27b total _____	27d							
e Public support (line 27c total minus line 27d total)	27e	3,782,540						
f Total support for section 509(a)(2) test Enter amount from line 23, column (e)	27f	4,082,634						
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))	27g	92.6495%						
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))	27h	7.3505%						

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, 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? 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? If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement)	32d		
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? If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement)	33h		
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		

98403 Animal Rescue League

23-1417505

FYE: 12/31/2006

Federal Statements

Statement 1 - Form 990, Part I, Line 3 - Membership Dues and Assessments

<u>Description</u>	<u>Amount</u>
DUES	\$ 26,700
TOTAL	\$ 26,700

98403 Animal Rescue League
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Federal Statements

Statement 2 - 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	Deprec	Gain/ -Loss
GAIN (LOSS) SALE OF STOCK					\$ 73,903	\$		\$ 73,903
TOTAL					\$ 73,903	\$ 0	\$ 0	\$ 73,903

Federal Statements

Statement 3 - Form 990, Line 10c - Sales of Inventory

<u>Description</u>	<u>Gross Sales</u>	<u>COGS</u>	<u>Gross Profit</u>
ANIMAL SUPPLIES	\$ 5,410	\$	\$ 5,410
TOTAL	\$ 5,410	\$ 0	\$ 5,410

Federal Statements**Statement 4 - Form 990, Part II, Line 43 - Other Functional Expenses**

<u>Description</u>	<u>Total Expenses</u>	<u>Program Service</u>	<u>Mgt & General</u>	<u>Fund- Raising</u>
	\$	\$	\$	\$
EXPENSES				
ADVERTISING	11,085	11,085		
AUTO AND TRUCK EXPENSE	17,796	17,796		
BANK SERVICE CHARGES	2,014	2,014		
CLINIC - SUBCONTRACTORS	36,694	36,694		
DUES AND SUBSCRIPTIONS	2,099	2,099		
INSURANCE	31,719	31,719		
PROFESSIONAL FEES	11,349	11,349		
LICENSES	175	175		
MISCELLANEOUS EXPENSE	5,924	5,924		
OFFICE SUPPLIES	19,946	19,946		
OUTSIDE SERVICES	15,264	15,264		
PERMITS AND LICENSES	375	375		
DOG LICENSES	16,229	16,229		
SMALL EQUIPMENT AND TOOLS	14,724	14,724		
TAXES - OTHER	1,259	1,259		
VETERINARIAN	12,138	12,138		
SPECIAL FUNDRAISER EXPENSES	6,698			6,698
BIRD SEED PURCHASES	1,780	1,780		
EDUCATION EXPENSES	140	140		
TOTAL	<u>\$ 207,408</u>	<u>\$ 200,710</u>	<u>\$ 0</u>	<u>\$ 6,698</u>

Federal Statements**Statement 5 - Form 990, Part IV, Line 54a - Publicly Traded Securities**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>
US AND STATE GOVERNMENT	\$	\$	
CORPORATE STOCK			
INVESTMENTS - MORGAN STANLEY	1,417,115	1,334,905	COST
INVESTMENTS - NWQ MANAGED	154,703	179,892	COST
INVESTMENTS - MUTUAL FUNDS	84,055	84,055	COST
CORPORATE BONDS			
TOTAL	<u>\$ 1,655,873</u>	<u>\$ 1,598,852</u>	

Statement 6 - Form 990, Part IV, Line 57 - Land, Buildings, and Equipment

<u>Description</u>	<u>Beginning of Year</u>	<u>Accum Deprec</u>	<u>End of Year</u>	<u>Accum Deprec</u>
BUILDINGS	\$ 666,397	\$	\$ 680,807	\$
TRUCKS	185,877		211,943	
FURNITURE AND FIXTURES	76,032		76,032	
ACCUMULATED DEPRECIATION - BUILDINGS		532,035		541,924
ACCUMULATED DEPRECIATION - TRUCKS		146,489		167,211
ACCUMULATED DEPRECIATION - FURNITURE		70,076		71,958
LAND	25,000		25,000	
TOTAL	<u>\$ 953,306</u>	<u>\$ 748,600</u>	<u>\$ 993,782</u>	<u>\$ 781,093</u>

Statement 7 - Form 990, Part IV, Line 65 - Other Liabilities

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
NOTE PAYABLE - TRUCK 716.16	\$ 18,466	\$ 9,872
NOTE PAYABLE - TRUCK - 554.13	11,689	5,039
TOTAL	<u>\$ 30,155</u>	<u>\$ 14,911</u>

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Federal Statements

Statement 8 - Form 990, Part V-A - List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
BARRIE A PEASE 650 PINELAND ROAD READING PA 19508	PRESIDENT	0	0	0	0
MARY JANE JACOBY 2507 PARK STREET READING PA 19606	VICE PRES.	0	0	0	0
SUZANNE LORAH 684 FAIRMONT AVENUE MOHNTON PA 19540	SECRETARY	0	0	0	0
KIMBERLY MOYER 220 SPRING RIDGE DRIVE WYOMISSING PA 19610	TREASURER	0	0	0	0
JAMES E GAVIN 1100 BERKSHIRE BLVD. WYOMISSING PA 19610	DIRECTOR	0	0	0	0
DARRELL HELMS HETRICK ROAD BERNVILLE PA 19506	DIRECTOR	0	0	0	0
DONALD A MILLER 706 BRIGHTON AVENUE PENNSIDE PA 19606	DIRECTOR	0	0	0	0
LUCIA WILLSON 9 FALLOWFIELD CIRCLE READING PA 19607	DIRECTOR	0	0	0	0
HARRY BROWN 240 HIGH BLVD. READING PA 19607	MANAGER	40	56,959	0	0

98403 Animal Rescue League
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Federal Statements

Statement 8 - Form 990, Part V-A - List of Officers, Directors, Trustees, and Key Employees (continued)

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
ROGER SHANK 3331 EAST GALEN HALL RD. REINHOLDS PA 17569	DIRECTOR	0	0	0	0
KATHY L MCDONALD 223 FAUSNACHT DRIVE DENVER PA 17517	DIRECTOR	0	0	0	0
KATYANA L. STRAIN 521 N. 25TH STREET READING PA 19606	DIRECTOR	0	0	0	0

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return ANIMAL RESCUE LEAGUE	Identifying number 23-1417505
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Business or activity to which this form relates
INDIRECT DEPRECIATION

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I

1 Maximum amount See the instructions for a higher limit for certain businesses	1	108,000
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	430,000
4 Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5 Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0-. If married filing separately, see instructions	5	
(a) Description of property		
(b) Cost (business use only)		
(c) Elected cost		
6		
7 Listed property Enter the amount from line 29	7	
8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction Enter the smaller of line 5 or line 8	9	
10 Carryover of disallowed deduction from line 13 of your 2005 Form 4562	10	
11 Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12 Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13 Carryover of disallowed deduction to 2007 Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14 Special allowance for qualified New York Liberty or Gulf Opportunity Zone property (other than listed property) placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	18,120

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2006	17	15,099
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B-Assets Placed in Service During 2006 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only-see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property		7,000	5.0	HY	200DB	1,400
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
i Nonresidential real property	1/01/06	14,410	39 yrs	MM	S/L	354

Section C-Assets Placed in Service During 2006 Tax Year Using the Alternative Depreciation System

20a Class life						
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (see instructions)

21 Listed property Enter amount from line 28	21	5,193
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations-see instr	22	40,166
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable

Section A-Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles)

24a		Do you have evidence to support the business/investment use claimed?		<input checked="" type="checkbox"/> Yes		No		24b		If "Yes," is the evidence written?		<input checked="" type="checkbox"/> Yes		No	
(a)	(b)	(c)	(d)	(e)		(f)	(g)	(h)	(i)						
Type of property (list vehicles first)	Date placed in service	Business/investment use percentage	Cost or other basis	Basis for depreciation (business/investment use only)		Recovery period	Method/Convention	Depreciation deduction	Elected section 179 cost						
25 Special allowance for qualified New York Liberty or Gulf Opportunity Zone property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)										25					
26 Property used more than 50% in a qualified business use															
2005	TAHOE?														
	1/05/06	100.00%	26,066	26,066		5.0	200DBHY	3,260							
2002	CHEV. ASTRO TRUCK	AWD													
	11/24/01	100.00%	38,075	32,021		5.0	200DBMQ	1,933							
27 Property used 50% or less in a qualified business use															
		%					S/L-								
		%					S/L-								
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1										28		5,193			
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1												29			

Section B-Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

30	Total business/investment miles driven during the year (do not include commuting miles)	(a)		(b)		(c)		(d)		(e)		(f)	
		Vehicle 1	Vehicle 2	Vehicle 3	Vehicle 4	Vehicle 5	Vehicle 6						
31	Total commuting miles driven during the year												
32	Total other personal (noncommuting) miles driven												
33	Total miles driven during the year. Add lines 30 through 32												
34	Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
35	Was the vehicle used primarily by a more than 5% owner or related person?												
36	Is another vehicle available for personal use?												

Section C-Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions)

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		<input checked="" type="checkbox"/>
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		<input checked="" type="checkbox"/>
39 Do you treat all use of vehicles by employees as personal use?		<input checked="" type="checkbox"/>
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		<input checked="" type="checkbox"/>
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)		<input checked="" type="checkbox"/>

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles

Part VI Amortization

(a)	(b)	(c)	(d)	(e)	(f)
Description of costs	Date amortization begins	Amortizable amount	Code section	Amortization period or percentage	Amortization for this year
42 Amortization of costs that begins during your 2006 tax year (see instructions)					
43 Amortization of costs that began before your 2006 tax year				43	
44 Total. Add amounts in column (f). See the instructions for where to report				44	