

ANIMAL FRIENDS, INC.

BALANCE SHEET  
DECEMBER 31, 2007

WITH SUMMARIZED INFORMATION AT DECEMBER 31, 2006

	2007				2006
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
<u>ASSETS</u>					
Cash and Cash Equivalents	\$ 376,816	\$ 72,834	\$ 0	\$ 449,650	\$ 359,015
Investments (Note 2)	754,748	63,147	233,180	1,051,075	479,452
Inventory	23,222	0	0	23,222	0
Prepaid Expenses	70,540	0	0	70,540	102,025
Pledges Receivable (Note 3)	0	1,378,092	0	1,378,092	1,627,252
Property, Plant and Equipment - Net (Note 4)	7,125,403	59,055	0	7,184,458	7,921,048
Other Assets (Note 5)	1,758,644	0	0	1,758,644	1,603,074
Bond Issue Costs	122,500	0	0	122,500	129,500
Assets Held In Trust (Note 6)	0	0	1,858,548	1,858,548	1,755,411
<u>TOTAL ASSETS</u>	<u>\$ 10,231,873</u>	<u>\$ 1,573,128</u>	<u>\$ 2,091,728</u>	<u>\$ 13,896,729</u>	<u>\$ 13,976,777</u>
<u>LIABILITIES AND NET ASSETS</u>					
<u>Liabilities</u>					
Line of Credit (Note 7)	\$ 267,741	\$ 0	\$ 0	\$ 267,741	\$ 279,409
Accounts Payable	200,907	0	0	200,907	192,918
Accrued Expenses (Note 8)	227,300	0	0	227,300	149,830
Tax Exempt Bonds (Note 7)	4,775,000	0	0	4,775,000	4,970,000
<u>Total Liabilities</u>	<u>5,470,948</u>	<u>0</u>	<u>0</u>	<u>5,470,948</u>	<u>5,592,157</u>
<u>Net Assets (Note 9)</u>					
Unrestricted	4,760,925	0	0	4,760,925	4,595,657
Temporarily Restricted	0	1,573,128	0	1,573,128	1,800,372
Permanently Restricted	0	0	2,091,728	2,091,728	1,988,591
<u>Total Net Assets</u>	<u>4,760,925</u>	<u>1,573,128</u>	<u>2,091,728</u>	<u>8,425,781</u>	<u>8,384,620</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 10,231,873</u>	<u>\$ 1,573,128</u>	<u>\$ 2,091,728</u>	<u>\$ 13,896,729</u>	<u>\$ 13,976,777</u>

See Notes to Financial Statements