

**ANIMAL DEFENSE LEAGUE OF TEXAS**

**Audited Financial Statements**

**December 31, 2011**

**AKIN, DOHERTY, KLEIN & FEUGE, P.C.**  
*Certified Public Accountants*

**ANIMAL DEFENSE LEAGUE**  
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**December 31, 2011 and 2010**

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**REPORT OF INDEPENDENT AUDITORS**

To the Board of Directors  
Animal Defense League of Texas  
San Antonio, Texas

We have audited the accompanying statements of financial position of the Animal Defense League of Texas as of December 31, 2011 and 2010, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the League's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence which supports the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Animal Defense League of Texas as of December 31, 2011 and 2010, and its activities, functional expenses and cash flows for the years then ended, in conformity with U. S. generally accepted accounting principles.

  
Akin, Doherty, Klein & Feuge, P.C.  
San Antonio, Texas  
August 6, 2012

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**ANIMAL DEFENSE LEAGUE OF TEXAS**  
**Statements of Financial Position**  
**December 31, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 129,629	\$ 106,807
Receivables:		
Animal Defense League Foundation	469,739	558,984
Annuity, current portion	57,030	53,608
Other contributions	20,000	111,393
Inventory	55,117	20,236
Investments, at fair market value	1,425,315	1,224,758
Total current assets	<u>2,156,830</u>	<u>2,075,786</u>
Property and Equipment:		
Land	391,752	391,752
Buildings	2,243,530	2,235,269
Building improvements	1,164,466	984,003
Pet park	93,808	93,808
Office furniture and equipment	507,165	506,723
Vehicles	63,829	63,829
Total property and equipment	<u>4,464,550</u>	<u>4,275,384</u>
Less accumulated depreciation	<u>(1,743,864)</u>	<u>(1,608,863)</u>
Net property and equipment	<u>2,720,686</u>	<u>2,666,521</u>
Annuity, long-term portion	<u>24,823</u>	<u>81,853</u>
<b>Total Assets</b>	<u><u>\$ 4,902,339</u></u>	<u><u>\$ 4,824,160</u></u>

*See notes to audited financial statements.*

**ANIMAL DEFENSE LEAGUE OF TEXAS**  
**Statements of Financial Position**  
**December 31, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities:		
Accounts payable	\$ 112,181	\$ 47,870
Accrued expenses	59,256	50,425
Note payable, current portion	<u>30,611</u>	<u>28,737</u>
Total current liabilities	202,048	127,032
Long-Term Liabilities:		
Note payable, less current portion	156,265	221,859
Net Assets:		
Unrestricted:		
Board designated	646,546	664,221
Other unrestricted	3,389,480	3,225,703
Temporarily restricted	<u>508,000</u>	<u>585,345</u>
Total net assets	<u>4,544,026</u>	<u>4,475,269</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 4,902,339</u>	<u>\$ 4,824,160</u>

*See notes to audited financial statements.*

**ANIMAL DEFENSE LEAGUE OF TEXAS**  
**Statement of Activities**  
**Year Ended December 31, 2011**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Revenues and Support</b>			
Donations:			
Bequests and other	\$ 785,412	\$ 70,000	\$ 855,412
Animal Defense League Foundation	-	438,000	438,000
Direct mail	113,259	-	113,259
Grants	64,031	-	64,031
Medical services, net of costs of \$155,185	469,267	-	469,267
Other revenues	101,714	-	101,714
Special events, net of expenses of \$1,546	43,558	-	43,558
Transfer and adoption fees	222,371	-	222,371
Realized and unrealized losses			
on investment securities	(13,943)	-	(13,943)
Dividends and interest, net of fees	20,607	-	20,607
Oil and gas revenue	89,015	-	89,015
Total revenues and support	<u>1,895,291</u>	<u>508,000</u>	<u>2,403,291</u>
<b>Expenses</b>			
Program:			
Adoption center	373,948	-	373,948
Shelter	719,085	-	719,085
Hospital	795,879	-	795,879
Total program expenses	<u>1,888,912</u>	<u>-</u>	<u>1,888,912</u>
Management and general	327,997	-	327,997
Fundraising	117,625	-	117,625
Total expenses	<u>2,334,534</u>	<u>-</u>	<u>2,334,534</u>
<b>Changes in Net Assets</b>	(439,243)	508,000	68,757
Net assets released from restriction	585,345	(585,345)	-
Net assets at beginning of year	<u>3,889,924</u>	<u>585,345</u>	<u>4,475,269</u>
<b>Net Assets at End of Year</b>	<u>\$ 4,036,026</u>	<u>\$ 508,000</u>	<u>\$ 4,544,026</u>

*See notes to audited financial statements.*

**ANIMAL DEFENSE LEAGUE OF TEXAS**  
**Statement of Activities**  
**Year Ended December 31, 2010**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Revenues and Support</b>			
Donations:			
Bequests and other	\$ 476,929	\$ 35,529	\$ 512,458
Animal Defense League Foundation	31,906	527,078	558,984
Direct mail	133,424	-	133,424
Grants	18,437	22,738	41,175
Medical services, net of costs of \$50,965	359,769	-	359,769
Other revenues	58,569	-	58,569
Special events, net of expenses of \$29,495	36,182	-	36,182
Transfer and adoption fees	201,998	-	201,998
Realized and unrealized gains (losses) on investment securities	38,603	-	38,603
Dividends and interest, net of fees	22,743	-	22,743
Oil and gas revenue	23,612	-	23,612
Total revenues and support	<u>1,402,172</u>	<u>585,345</u>	<u>1,987,517</u>
<b>Expenses</b>			
Program:			
Adoption center	294,383	-	294,383
Shelter	595,362	-	595,362
Hospital	732,185	-	732,185
Total program expenses	<u>1,621,930</u>	<u>-</u>	<u>1,621,930</u>
Management and general	329,803	-	329,803
Fundraising	110,467	-	110,467
Total expenses	<u>2,062,200</u>	<u>-</u>	<u>2,062,200</u>
<b>Changes in Net Assets</b>	(660,028)	585,345	(74,683)
Net assets released from restriction	520,000	(520,000)	-
Net assets at beginning of year	<u>4,029,952</u>	<u>520,000</u>	<u>4,549,952</u>
<b>Net Assets at End of Year</b>	<u>\$ 3,889,924</u>	<u>\$ 585,345</u>	<u>\$ 4,475,269</u>

*See notes to audited financial statements.*

**ANIMAL DEFENSE LEAGUE OF TEXAS**  
**Statement of Functional Expenses**  
**Year Ended December 31, 2011**

	Adoption Center	Shelter	Hospital	Management and General	Fundraising	2011 Totals
Accounting	\$ -	\$ -	\$ -	\$ 200	\$ -	\$ 200
Advertising	-	-	-	23,119	-	23,119
Autos	-	-	-	8,734	-	8,734
Bank fees	-	-	-	20,135	-	20,135
Contract labor	8,938	8,938	179,388	-	-	197,264
Custodial expenses	-	6,815	-	-	-	6,815
Dues/subscriptions and education	-	-	-	1,599	-	1,599
Employee meals	6,776	-	-	-	-	6,776
Employee medical	4,508	14,136	22,796	20,057	-	61,497
Equipment rental	1,878	-	-	-	-	1,878
Hospital	-	-	206,355	-	-	206,355
Insurance	5,565	20,868	8,347	-	-	34,780
Interest	-	-	-	19,736	-	19,736
Kennel	-	56,677	-	-	-	56,677
Miscellaneous	6,265	-	-	94	2,218	8,577
Newsletter	-	-	-	756	-	756
Office expense	-	-	-	21,271	-	21,271
Payroll service	-	-	-	22,566	-	22,566
Payroll taxes	16,679	36,581	25,623	14,128	6,549	99,560
Pet cremation	-	-	649	-	-	649
Postage and printing	-	-	-	3,732	38,169	41,901
Professional services	-	-	-	19,355	-	19,355
Repairs and maintenance	20,397	40,795	20,397	-	-	81,589
Salaries	238,548	405,165	296,329	152,515	70,689	1,163,246
Security	629	-	628	-	-	1,257
Supplies	4,904	2,453	2,453	-	-	9,810
Taxes and licenses	729	-	-	-	-	729
Telephone	4,862	2,431	2,431	-	-	9,724
Utilities	36,337	18,169	18,169	-	-	72,675
Veterinary	-	-	303	-	-	303
Depreciation	16,933	106,057	12,011	-	-	135,001
<b>Total Expenses</b>	<b>\$ 373,948</b>	<b>\$ 719,085</b>	<b>\$ 795,879</b>	<b>\$ 327,997</b>	<b>\$ 117,625</b>	<b>\$ 2,334,534</b>

*See notes to audited financial statements.*

ANIMAL DEFENSE LEAGUE OF TEXAS  
Statement of Functional Expenses  
Year Ended December 31, 2010

	Adoption Center	Shelter	Hospital	Management and General	Fundraising	2010 Totals
Advertising	\$ -	\$ -	\$ -	\$ 5,357	\$ -	\$ 5,357
Autos	-	-	-	3,998	-	3,998
Bank fees	-	-	-	16,492	-	16,492
Contract labor	7,330	7,330	168,729	15,426	-	198,815
Custodial expenses	-	11,546	-	-	-	11,546
Dues/subscriptions and education	-	-	300	513	-	813
Employee meals	3,714	-	-	-	-	3,714
Employee medical	3,994	7,115	14,854	15,074	-	41,037
Equipment rental	1,557	-	-	-	-	1,557
Hospital	-	-	197,948	-	-	197,948
Insurance	7,181	26,928	10,771	-	-	44,880
Interest	-	-	-	28,964	-	28,964
Kennel	-	48,157	-	-	-	48,157
Legal fees	-	-	-	1,014	-	1,014
Miscellaneous	4,552	-	-	310	846	5,708
Newsletter	-	-	-	226	-	226
Office expense	-	-	-	16,810	-	16,810
Payroll service	-	-	-	17,818	-	17,818
Payroll taxes	9,492	20,301	17,706	27,463	-	74,962
Pet cremation	-	-	194	-	-	194
Postage and printing	-	-	-	5,084	39,487	44,571
Professional services	-	-	-	20,448	-	20,448
Repairs and maintenance	11,476	22,953	11,476	-	-	45,905
Salaries	198,071	321,230	276,382	154,806	70,134	1,020,623
Security	662	-	663	-	-	1,325
Supplies	5,561	2,780	2,780	-	-	11,121
Taxes and licenses	578	-	-	-	-	578
Telephone	5,802	2,901	2,901	-	-	11,604
Utilities	16,381	32,760	16,381	-	-	65,522
Veterinary	-	-	281	-	-	281
Depreciation	18,032	91,361	10,819	-	-	120,212
<b>Total Expenses</b>	<b>\$ 294,383</b>	<b>\$ 595,362</b>	<b>\$ 732,185</b>	<b>\$ 329,803</b>	<b>\$ 110,467</b>	<b>\$ 2,062,200</b>

See notes to audited financial statements.

**ANIMAL DEFENSE LEAGUE OF TEXAS**  
**Statements of Cash Flows**  
**Years Ended December 31, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>Operating Activities</b>		
Change in net assets	\$ 68,757	\$ (74,683)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	135,001	120,212
Unrealized (gain) loss on investments	13,943	(38,603)
Changes in operating assets and liabilities:		
Accounts receivable from ADL Foundation	89,245	19,094
Annuity receivable	53,608	50,392
Other receivables	91,393	(12,136)
Inventory	(34,881)	(18,171)
Accounts payable and accrued expenses	73,142	(43,745)
Net cash provided by operating activities	<u>490,208</u>	<u>2,360</u>
<b>Investing Activities</b>		
Net investment activity	(214,500)	108,932
Purchases of property and equipment	(189,166)	(64,706)
Net cash provided (used) by investing activities	<u>(403,666)</u>	<u>44,226</u>
<b>Financing Activities</b>		
Payments on long-term debt	(63,720)	(26,810)
Net cash (used) by financing activities	<u>(63,720)</u>	<u>(26,810)</u>
Change in cash and cash equivalents	22,822	19,776
Cash at beginning of year	<u>106,807</u>	<u>87,031</u>
<b>Cash at End of Year</b>	<u><u>\$ 129,629</u></u>	<u><u>\$ 106,807</u></u>
<b>Supplemental Disclosures</b>		
Interest paid in cash	\$ 19,736	\$ 28,964
Income taxes paid in cash	-	-

*See notes to audited financial statements.*

**ANIMAL DEFENSE LEAGUE OF TEXAS**  
**Notes to Audited Financial Statements**  
**December 31, 2011 and 2010**

**NOTE A – NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES**

*Organization and Mission:* The Animal Defense League of Texas (the League) is incorporated in the State of Texas as a not-for-profit corporation. Its primary mission is finding homes for abandoned animals, preventing cruelty to animals, and promoting humane and kind treatment. The League operates from its facility on Nacogdoches Road in San Antonio, Texas.

*Basis of Presentation:* The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with U. S. generally accepted accounting principles. Net assets, support and revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Unrestricted Net Assets:* Net assets that are not subject to donor-imposed stipulations. Assets restricted solely through actions of the Board are reported as designated, unrestricted net assets.

*Temporarily Restricted Net Assets:* Net assets subject to donor-imposed stipulations that will be met by actions of the League and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

*Permanently Restricted Net Assets:* Net assets subject to donor-imposed stipulations that the assets be maintained permanently by the League. Generally, the donors of these assets permit the League to use all or part of the income earned on any related investments for general or specific purposes. There were no permanently restricted net assets at December 31, 2011 and 2010.

*Contributions:* Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, such assets are reclassified to unrestricted and reported in the statement of activities as net assets released from restrictions. Contributions received with donor restrictions whose restrictions are met in the same reporting period are generally reported as unrestricted support.

Gifts of equipment are reported as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used, and gifts of cash or other assets that must be used to acquire long-lived assets, are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

*Functional Allocation of Expenses:* The costs of providing the services and other activities are summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

*Special Events:* Costs associated with Special Events are netted against the related revenue.

*Advertising:* Advertising and marketing costs are expensed as incurred and totaled approximately \$23,100 in 2011 and \$5,400 in 2010.

**ANIMAL DEFENSE LEAGUE OF TEXAS**  
**Notes to Audited Financial Statements**  
**December 31, 2011 and 2010**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

*Cash and Cash Equivalents:* Cash and cash equivalents consist of cash-on-hand, demand deposits held by financial institutions and any equivalent securities with a maturity of three months or less.

*Contributions Receivable:* Legally enforceable pledges and contributions, less an allowance for uncollectible amounts, are recorded as receivables in the year made unless the pledge or contribution is dependent upon the occurrence of a specified future and uncertain event to bind the promisor. Conditional pledges and contributions are recognized when the conditions upon which they depend are substantially met or when the possibility that the condition will not be met is remote. No allowance was deemed necessary for 2011 and 2010.

*Inventories:* Inventory is valued at the lower of cost or market determined on a specific identification basis.

*Investments:* Investments are reported at fair market value determined by quoted market prices. Investment interest and dividends are reported net of fees of approximately \$3,700 in 2011 and \$1,000 in 2010.

*Property and Equipment:* Property and equipment is valued at historical cost or estimated fair value at date of donation. Expenditures for betterments that materially extend the useful life of an asset are capitalized. Depreciation is recorded using the straight-line method over the estimated useful lives of the related asset (generally three to five years for furniture, equipment and vehicles).

*Income Taxes:* The League is a not-for-profit organization exempt from federal income taxation under Section 501(c) (3) of the Internal Revenue Code. In addition, the League has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code. Donors of money and/or property are entitled to the maximum charitable contribution deduction allowed by law. The League is not subject to the Texas margin tax. Management is not aware of any tax positions that would have a significant impact on its financial position. Its federal tax returns for the last four years remain subject to examination.

*Donated Services and Materials:* The League receives donated services and materials from a variety of sources. These services and materials are reported as contribution revenues and other expenses in the Statement of Activities, and were not significant in 2011 and 2010. See Note C.

*Employee Benefit Plan:* The League has a 403(b) plan that covers substantially all employees. Employees may contribute a percentage of their annual compensation as allowed by the internal revenue code. The League matches a portion of employees' contributions on an annual basis, subject to Board approval. The League did not contribute to the Plan in 2011 and 2010.

*Concentrations of Credit Risk:* Financial instruments that potentially subject the League to concentrations of credit risk consist principally of cash and investments. The League places its cash and investments in certificates of deposit, Government Securities and high-rated corporate equities, and limits the amount of credit exposure, although it may from time to time have investments in excess of that insured by the FDIC and SIPC. The League periodically accesses the financial condition of the institutions and believes the risk of any loss is minimal. Concentration of credit risk with respect to its investments is reduced as a result of the diversity of the underlying securities.

**ANIMAL DEFENSE LEAGUE OF TEXAS**  
**Notes to Audited Financial Statements**  
**December 31, 2011 and 2010**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

*Subsequent Events:* Subsequent events have been evaluated by management through the date of the report of the independent auditors. Material subsequent events, if any, are disclosed in a separate footnote to these financial statements.

*New Accounting Pronouncements:* Management is not aware of any new accounting pronouncements that have been released, and are not yet effective, which will have a significant impact to its financial position or results of operations in future periods.

*Use of Estimates:* The preparation of financial statements in conformity with U. S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE B – ANNUITY RECEIVABLE**

The League is the beneficiary of an annuity gifted to it in 2002 for which it receives \$5,042 per month for 10 years beginning June 30, 2003. The Board has designated these funds to be used for payment on its note payable to Broadway Bank. The annuity receivable is summarized as follows at December 31:

	<u>2011</u>	<u>2010</u>
Receivable in less than one year	\$ 57,030	\$ 53,608
Receivable in one to five years	<u>24,823</u>	<u>81,853</u>
Total annuity receivable	<u>\$ 81,853</u>	<u>\$ 135,461</u>

**NOTE C – DONATED PERSONAL SERVICES**

The League benefits from the assistance of many volunteers. In accordance with *generally accepted accounting principles*, the value of contributed services received are recognized if they (a) create or enhance a nonfinancial asset or (b) required specialized skills, provided by individuals possessing those skills, that would be purchased if they were not donated. The League receives a substantial number of volunteers and volunteer hours each year. However, since the volunteer assistance received by the League during 2011 and 2010 does not meet these criteria, the League did not recognize the value of assistance in its financial statements.

**ANIMAL DEFENSE LEAGUE OF TEXAS**  
**Notes to Audited Financial Statements**  
**December 31, 2011 and 2010**

**NOTE D – ANIMAL DEFENSE LEAGUE FOUNDATION**

The Animal Defense League Foundation (the Foundation) was established to provide support for the League. The Foundation has a separate Board of Trustees (although some members do serve on both Boards) and is a legally separate entity. Under the terms of the estate which created the Foundation, the League is the sole beneficiary of the Foundation. Ordinary income earned by the Foundation during the year is donated to the League in the next year; therefore, under the accrual basis of accounting, the League recognized \$438,000 in 2011, which was earned by the Foundation in 2011 but will be received by the League in 2012. This receivable is reported as temporarily restricted.

**NOTE E – NOTE PAYABLE**

The League has a note payable to Broadway Bank for the construction of dog kennels. The note matures on April 1, 2019, and is collateralized by property. The note has an adjusted rate of interest based on the Federal Home Loan Bank rates plus 2.75%. The adjusted rate of interest was 6.18% as of December 31, 2011. As of December 31, 2011, the principal balance of this note is \$186,876.

Maturities of principal on long-term debt are as follows:

2012	\$ 30,611
2013	32,712
2014	34,903
2015	37,240
2016	39,709
Thereafter	<u>11,701</u>
	<u>\$ 186,876</u>

**NOTE F – OPERATING LEASES**

The League entered into a sixty (60) month operating lease for copiers on September 1, 2010. The minimum monthly payment for the equipment is \$1,097 per month. At December 31, 2011, the minimum rental commitments under operating leases are as follows:

Year Ending December 31,

2012	\$ 13,164
2013	13,164
2014	13,164
2015	8,776

The League paid rent expense of approximately \$17,201 in 2011 and \$1,600 in 2010.

**ANIMAL DEFENSE LEAGUE OF TEXAS**  
**Notes to Audited Financial Statements**  
**December 31, 2011 and 2010**

**NOTE G – FAIR VALUE MEASUREMENTS**

Generally accepted accounting principle has established a hierarchy for measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from independent sources. Unobservable inputs are inputs that reflect assumptions of what market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the reliability of the inputs as follows:

- Level 1: Quoted prices are available in active markets for identical assets or liabilities,
- Level 2: Quoted prices in active markets for similar assets and liabilities that are observable for the asset or liability; or
- Level 3: Unobservable pricing inputs that are generally less observable from objective sources, such as discounted cash flow models or valuations.

The Fair Value Measurement Standard requires financial assets and liabilities to be classified based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of the fair value of assets and liabilities and their placement within the fair value hierarchy levels. The following table presents financial assets and liabilities that were accounted for at fair value on a recurring basis by level within the fair value hierarchy:

December 30, 2011	Fair Value Measurements Using			
	Level 1	Level 2	Level 3	Total
Investments:				
Money market	\$ 309,917	\$ -	\$ -	\$ 309,917
Mutual funds	195,120	-	-	195,120
Equity securities	920,278	-	-	920,278
Total investments	<u>\$ 1,425,315</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,425,315</u>
December 30, 2010				
Investments:				
Money market	\$ 82,536	\$ -	\$ -	\$ 82,536
Mutual funds	392,906	-	-	392,906
Equity securities	423,422	-	-	423,422
Fixed income securities	325,894	-	-	325,894
Total investments	<u>\$ 1,224,758</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,224,758</u>

**NOTE H – CONTINGENCY**

The League is involved in various claims from time to time. Management does not expect any such matters in which it is currently involved to result in a significant loss.