

**W.J. DONNELLY**  
CERTIFIED PUBLIC ACCOUNTANT  
516 EAST MAUDE AVENUE  
SUNNYVALE, CA 94085  

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 (408) 737-8299

September 19, 2012

To the Board of Directors and Management  
The German Shepherd Dog Club of America, Inc.

In planning and performing my audit of the financial statements of The German Shepherd Dog Club of America, Inc. (the "Club") as of and for the years ended December 31, 2011 and 2010, in accordance with auditing standards generally accepted in the United State of America, I considered the Club's internal control over financial reporting (internal control) as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Club's internal control. Accordingly, I do not express an opinion on the effectiveness of the Club's internal control.

My consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore there can be no assurance that all such deficiencies have been identified. However, as discussed below, I identified a deficiency in internal control that I consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. I consider the following deficiency in the Club's internal control to be a material weakness:

Segregation of Duties

I noted inadequate segregation of duties in the cash receipts and disbursements functions. Cash accounts of the Club are generally maintained by the person having responsibility for the specific program activities of the Club. These accounting activities are performed with little or no supervision. Certain incompatible functions include the preparation, signature, and posting of checks by the treasurer. Checks do not require dual signatures. The persons in charge of cash collections receive cash directly, prepare the deposit slip and report collections for posting in the general ledger. Collection reports for membership dues are not always reconciled to the general ledger and membership data basis.

Bank Reconciliations

I noted that bank accounts were not being reconciled on a timely basis. Bank account balances should be reconciled on a monthly basis by someone independent of the cash receipts and cash disbursement functions.

This communication is intended solely for the information and use of management, Board of Directors, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'WJ Donnelly', with a stylized, cursive script.

W.J. Donnelly

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CERTIFIED PUBLIC ACCOUNTANT  
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\_\_\_\_\_  
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September 19, 2012

To the Board of Directors  
The German Shepherd Dog Club of America, Inc.

I have audited the financial statements of The German Shepherd Dog Club of America, Inc. (the "Club") for the years ended December 31, 2011 and 2010, and have issued my report thereon dated September 19, 2012. Professional standards require that I provide you with information about my responsibilities under auditing standards generally accepted in the United States of America, as well as certain information related to the planned scope and timing of my audit. Professional standards also require that I communicate to you the following information related to my audit.

Significant Audit Findings

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by The German Shepherd Dog Club of America, Inc. are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2011 and 2010. I noted no transactions entered into by the Club during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. I noted no particularly sensitive estimates in the Club's financial statements.

*Difficulties Encountered in Performing the Audit and Corrected Misstatements*

The completion of the audit was delayed for a number of reasons. First, each balance sheet account had to be recomputed. Second there were long delays in receiving requested information. Obtaining the attorney's letter was one of the items that caused a significant delay in completing the audit. Bank accounts had not been reconciled to the financial statements, and this also caused a delay in completing the audit. Given such accounts were not reconciled on a timely basis, the Board may have received inaccurate interim financial statements.



*Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to my satisfaction, that could be significant to the financial statements or the auditors' report. I had no such disagreements.

*Management Representations*

I requested certain representations from management that are included in the management representation letter dated July 26, 2012, which is attached, and which was updated to September 19, 2012 by the 2011 and 2012 President and the Treasurer for both of those years.

*Management Consultations with Other Independent Accountants*

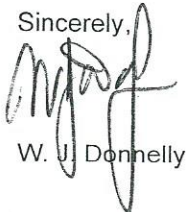
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with me to determine that the consultant has all the relevant facts. To my knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

Occasionally, I may discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of my professional relationship and my responses were not a condition of my retention. I had no such discussions this year.

This information is intended solely for the use of the Board of Directors and management of The German Shepherd Dog Club of America, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,



W. J. Donnelly

RKPTL-1

German Shepherd Dog Club of America



®

my

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Patricia Walker  
10407 Springwood Dr  
Spotsylvania, VA 22553

July 26, 2012

W.J. Donnelly CPA  
516 East Maude Ave  
Sunnyvale, Ca 94085

We are providing this letter in connection with your audit of the statement of financial position of the German Shepherd Dog club of America, Inc. (the "Club") as of December 31, 2011 and the related statement of activities and cash flows for the year then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position, changes in net assets, and cash flows of the Club in conformity with accounting principles generally accepted in the United States of America. We confirm that we are responsible for the fair presentation in the financial statements of financial position, changes in net assets, and cash flows in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining effective internal control, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances makes it probable that their judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief the following representations made to you during your audit:

1. The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America and include all assets and liabilities under the Club's control.
2. We have made available to you all:
  - a. Financial records and related data
  - b. Minutes of the meetings of the Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.



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4. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.
5. There are no material uncorrected financial statement misstatements.
6. Nadine Grady, Treasurer, has reviewed all adjusting Journal entries you have proposed and is in agreement with those entries, and they have been posted to the Club's accounts.
7. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
8. We have no knowledge of any fraud or suspected fraud affecting the club involving –
  - a. Management, Board Members
  - b. Employees who have significant roles in internal control, or
  - c. Others where the fraud could have a material effect on the financial Statements.
9. We have no knowledge of any allegations of fraud or suspected fraud affecting the Club received in communications from board members, employees, former employees, grantors, regulators, or others.
10. The Club has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or net asset balances.
11. The following, if any, have been properly recorded or disclosed in the financial statements:
  - a. Related party transactions, including revenues, expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payables to related parties.
  - b. Guarantees, whether written or oral, under which the Club is contingently liable.
  - c. All accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates and measurements. We believe the estimates and measurements are reasonable in the estimates and measurements are reasonable in the circumstances, consistently applied, and adequately disclosed.
12. There are no estimates that may be subject to a material change in the *near term* that have not been properly disclosed in the financial statements. In addition, we have no knowledge of concentrations existing at the date of the financial statements that make the club vulnerable to the risk of severe impact that have not been properly disclosed in the financial statement.
13. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us; and we have identified and disclosed to you all laws, regulations and provisions of contacts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
14. The Club is an exempt organization under Section 501(c)(7) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Club's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date, except tax 2008, Form's 990 & 990-T.
15. There are no –

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- a. Violations or possible violations of laws and regulations and provisions of contracts and grant agreements whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency.
  - b. Unasserted claims or assessments that our Lawyer has advised us are probable of assertion and must be disclosed in accordance with Financial Accounting Standards Board Statement No. 5 ("SFAS No. 5"), *Accounting for Contingencies*.
  - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by SFAS No. 5.
  - d. Designations of net assets disclosed by you that were not properly authorized and approved, or reclassifications of net assets that have not been properly reflected in the financial statements.
16. The Club has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
  17. We have complied with all restrictions on resources (including donor restrictions) and all aspects of contractual and grant agreements that would have a material effect on the financial statements in the event of noncompliance. This includes complying with donor requirements to maintain a specific asset composition necessary to satisfy their restrictions.
  18. A lawsuit was filed against the Club in the State of Florida by a member who was removed from their duties as an officer of the Club. This Lawsuit has been Settled, per letter sent to you from our Attorney.

No events have occurred subsequent to the statement of financial position date and through the date of this letter that would require adjustment to or disclosure in the financial statements.



Nadine Grady, 2008-2012 Treasurer



Patricia Walker, 2010-2011 President

The German Shepherd Dog Club of America, Inc.

Audited Financial Statements

December 31, 2011 and 2010



The German Shepherd Dog Club of America, Inc.

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December 31, 2011 and 2010

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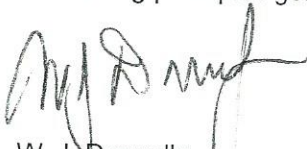
Independent Auditors' Report

To the Board of Directors  
The German Shepherd Dog Club of America, Inc.

I have audited the accompanying statements of financial position of The German Shepherd Dog Club of America, Inc. (the "Club") as of December 31, 2011 and 2010, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Club's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Club's internal control over financial reporting. Accordingly, I do not express such an opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the 2011 and 2010 financial statements referred to above present fairly, in all material respects, the financial position of The German Shepherd Dog Club of America, Inc. as of December 31, 2011 and 2010, and the results of its activities and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

  
W. J. Donnelly  
September 19, 2012

The German Shepherd Dog Club of America, Inc.

Statements of Financial Position

December 31, 2011 and 2010

Assets

	<u>2011</u>	<u>2010</u>
Current Assets		
Cash and cash equivalents (Notes 1 and 3)	\$ 553,880	\$ 326,509
Certificates of deposit	---	237,150
Investments (Note 1)	18,660	21,430
Accounts receivable (Note 1)	4,325	8,050
Accounts receivable - Related party (Note 1)	4,041	---
Inventories (Note 1)	10,471	11,373
Prepaid expenses (Note 1)	35,330	42,152
	<u>626,707</u>	<u>646,664</u>
Furniture and equipment, net of accumulated depreciation of \$66,018 and \$66,018 (Note 1)	---	---
Total Assets	<u>\$ 626,707</u>	<u>\$ 646,664</u>

Liabilities and Net Assets

Current Liabilities		
Accounts payable	\$ 14,282	\$ 26,686
Deferred revenues (Note 1)	94,241	92,421
	<u>108,523</u>	<u>119,107</u>
Commitments and contingencies (Note 5)		
Net Assets		
Other Comprehensive Income	(1,175)	1,595
Unrestricted	438,292	444,895
Temporarily restricted (Note 2)	81,067	81,067
	<u>518,184</u>	<u>527,557</u>
Total liabilities and net assets	<u>\$ 626,707</u>	<u>\$ 646,664</u>

The accompanying notes are an integral part of this statement.



The German Shepherd Dog Club of America, Inc.

Statement of Activities

For the Year Ended December 31, 2011

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Support and Revenues			
Program	\$ 285,508	\$ ---	\$ 285,508
Dues	86,339	---	86,339
Interest - Net	1,747	---	1,747
Contributions	---	33,415	33,415
Released from restrictions	33,415	(33,415)	-
	<u>407,009</u>	<u>---</u>	<u>407,009</u>
Expenses			
Program	375,703	---	375,703
General and administrative	37,909	---	37,909
	<u>413,612</u>	<u>---</u>	<u>413,612</u>
Change in other Comprehensive Income	(2,770)		(2,770)
Change in net assets	(9,373)	---	(9,373)
			-
Net assets - beginning of year	<u>446,490</u>	<u>81,067</u>	<u>527,557</u>
Net assets - end of year	<u>\$ 437,117</u>	<u>\$ 81,067</u>	<u>\$ 518,184</u>

The German Shepherd Dog Club of America, Inc.

Statement of Activities

For the Year Ended December 31, 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Support and Revenues			
Program	\$ 322,401	\$ ---	\$ 322,401
Dues	90,936	---	90,936
Interest	4,682	---	4,682
Contributions	---	31,087	31,087
Released from restrictions	31,087	(31,087)	---
	<u>449,106</u>	<u>---</u>	<u>449,106</u>
Expenses			
Program	445,587	---	445,587
General and administrative	55,490	---	55,490
	<u>501,077</u>	<u>---</u>	<u>501,077</u>
Change in Other Comprehensive Income	1,595	---	1,595
Change in net assets	(50,376)	---	(50,376)
Net assets - beginning of year	<u>496,866</u>	<u>81,067</u>	<u>577,933</u>
Net assets - end of year	<u>\$ 446,490</u>	<u>\$ 81,067</u>	<u>\$ 527,557</u>

The accompanying notes are an integral part of this statement.

The German Shepherd Dog Club of America, Inc.

Statements of Cash Flows

For the Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Operating Activities		
Change in net assets	<u>\$ (9,373)</u>	<u>\$ (50,376)</u>
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:		
Change in assets and liabilities:		
Accounts receivable	3,725	(6,175)
Accounts receivable - Related party	(4,041)	---
Inventories	902	3,346
Prepaid expenses	6,822	(31,914)
Accounts payable	(12,404)	4,251
Deferred revenues	1,820	(18,978)
Total adjustments	<u>(3,176)</u>	<u>(49,470)</u>
Net cash (used for) operating activities	<u>(12,549)</u>	<u>(99,846)</u>
Investing Activities		
Net change in certificate of deposit	237,150	37,775
Net change in investments	<u>2,770</u>	<u>(21,430)</u>
Net cash provided by investing activities	<u>239,920</u>	<u>16,345</u>
Increase (Decrease) in cash and cash equivalents	227,371	(83,501)
Cash and cash equivalents at beginning of year	<u>326,509</u>	<u>410,010</u>
Cash and cash equivalents at end of year	<u><u>\$ 553,880</u></u>	<u><u>\$ 326,509</u></u>



Notes to Financial Statements

December 31, 2011 and 2010

## **1. Summary of Significant Accounting Policies**

### **Organization**

The German Shepherd Dog Club of America, Inc. (the "Club") was incorporated in 1916. The purpose of the Club is to promote the German Shepherd dog by holding annual Specialty and Futurity dog shows and publishing *The German Shepherd Dog Review* (the *Review*). The Club is an exempt organization under Section 501(c)(7) of the Internal Revenue Code. The accompanying financial statements do not include net assets and accounts of local and regional clubs promoting the German Shepherd dog.

### **Basis of Presentation**

The financial statements are prepared in accordance with the AICPA Audit and Accounting Guide for Not-for-Profit Organizations. Under Statement of Financial Accounting Standard ("SFAS") No. 117, the Club is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

### **Use of Estimates**

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America, requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

### **Support and Revenue**

The Club receives support and revenue from a variety of sources including private contributions. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending upon the existence and/or nature of any donor restrictions. Contributions are recognized when the donor makes

## **1. Summary of Significant Accounting Policies (continued)**

a promise to give to the Club that is, in substance, unconditional. Restricted contributions that are limited to specific uses by donor-imposed restrictions are reported as unrestricted when the restrictions are met within the same reporting period. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. Temporarily restricted net assets are reclassified to unrestricted net assets when the restriction expires.

### **Custody of Cash Accounts**

To ensure observance of limitations placed on the use of resources available to the Club, the cash accounts of the Club are generally maintained by the person having responsibility for specific program activities of the Club.

### **Investments**

Investments consist of a fixed rate capital security. This security is classified as available for sale and realized gains and losses are recorded based on the specific identification method. This security has been valued at the quoted price at which this security trades on public exchanges. Changes in market value are reflected in other comprehensive income, which is a component of net assets.

### **Accounts Receivable**

The Club records accounts receivable at their estimated net realizable value. All accounts receivable at December 31, 2011 and 2010 were collected subsequent to year end. Thus no allowance for uncollectible accounts was provided.

### **Accounts Receivable - Related party**

In July of 2011, the Clubs Board of Directors established the "German Shepherd Dog Club of America Charitable Trust." This entity applied for and has been approved as a 501 C (3) Charity by the Internal Revenue Service. As such, the trust will be exempt from federal income tax. The purpose of the trust will be to raise funds to support the 2013 National Centennial Dog Show. The receivable at December 31, 2011 represents funds advanced by the Club to this entity.

## 1. Summary of Significant Accounting Policies (continued)

### Inventories

Inventories are stated at the lower of cost (determined by the first-in, first-out method) or market. Inventories consist of various publications, clothing, memorabilia, pins and medals of the Club.

### Property and Equipment

The cost of property and equipment was depreciated over the estimated useful lives of the related assets using accelerated methods. Maintenance and repairs are charged to operations when incurred.

### Federal Income Taxes

Although the Club is a tax-exempt organization, it is subject to federal income tax on income derived from unrelated business activities. Income subject to such taxation is primarily *Review* advertising, nonmember participation in the National Specialty Show and investment income.

### Deferred Revenues

Deferred revenues at December 31, 2011 and 2010 consisted of receipts for future period activities as follows:

	<u>2011</u>	<u>2010</u>
Unexpired memberships	\$ 46,518	\$ 45,386
Unexpired <i>Review</i> subscriptions	47,053	44,775
Prepaid <i>Review</i> advertising	670	2,260
	<u>\$ 94,241</u>	<u>\$ 92,421</u>

### Donated Services

The value of contributed time is not reflected in the financial statements because it does not meet the specialized skills required of SFAS No. 116, *Accounting for Contributions Received and Contributions Made*.

### Cash Equivalents

The Club considers all highly liquid investments with original maturities of three months or less to be cash equivalents.



## 2. Support and Revenues

At December 31, 2011 and 2010, the Club's temporarily restricted net assets are available for the following purposes:

	<u>2011</u>	<u>2010</u>
Memorials	\$ 927	\$ 927
Don Cliff	965	965
Purina Alliance	56,884	56,884
2013 Working Dog Trials	20,000	20,000
Schowalter	114	114
Legislative Fund	2,177	2,177
	<u>\$ 81,067</u>	<u>\$ 81,067</u>

During the years ended December 31, 2011 and 2010, net assets released from restrictions were released for the following purposes:

	<u>2011</u>	<u>2010</u>
Purina Alliance	\$ 30,665	\$ 28,277
National Show	---	2,810
Streaming Video	2,750	---
	<u>\$ 33,415</u>	<u>\$ 31,087</u>

## 3. Cash Accounts

Cash at December 31, 2011 and 2010 consisted of the following:

	<u>2011</u>	<u>2010</u>
Non Interest-bearing checking accounts:		
National Futurity Shows - National Futurity		
Chairman - National Penn Bank, Boyertown, Pennsylvania	\$ 20,952	\$ 20,952
Club Treasurer - Bank of America, Charlotte, N. Carolina	113,060	115,758
Wells Fargo Account, Portland, Oregon	60,640	71,104
Wells Fargo Savings Account, Portland, Oregon	---	20
Money market funds:		
Club Treasurer -Morgan Stanley, Raleigh, N. Carolina	341,253	102,356
Money market account - Bank of America, Tampa, Florida	576	575
<i>The German Shepherd Dog Review - Review Postage</i>	17,399	15,744
	<u>\$ 553,880</u>	<u>\$ 326,509</u>

## 4. Restricted Funds

The Club received contributions in 2011 and 2010 in the amount of \$33,415 and \$31,087 respectively, that were restricted for designated uses by donor.

## **5. Litigation**

In April of 2012, a lawsuit which had been filed against the Club in the State of Florida, by a member who had been removed from their duties as an officer of the Club, was settled by the parties. No remuneration was required to be paid by the Club as a result of the settlement.

## Supplemental Information



**W.J. DONNELLY**  
CERTIFIED PUBLIC ACCOUNTANT  
516 EAST MAUDE AVENUE  
SUNNYVALE, CA 94085  

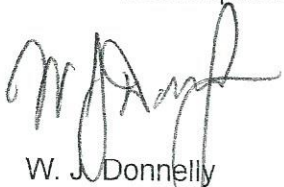
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(408) 737-8299

Independent Auditors' Report on Supplemental Information

To the Board of Directors  
The German Shepherd Dog Club of America, Inc.

My report on my audit of the basic financial statements of The German Shepherd Dog Club of America, Inc. for 2011 and 2010 appears on page 3. The audit was conducted for the purpose of forming an opinion on the 2011 and 2010 basic financial statements taken as a whole. The supplemental schedule of operations for the years ended December 31, 2011 and 2010 (pages 14 through 19) is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information for the year ended December 31, 2011 and 2010, has been subjected to the auditing procedures applied in the audit of the basic 2011 and 2010 financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statement taken as a whole.



W. J. Donnelly  
September 19, 2012

The German Shepherd Dog Club of America, Inc.

Schedule of Operations

For the Year Ended December 31, 2011

Revenues	General	Specialty	Futurities	Review	Red Book	Product and		Web Page	Total
						Services			
Program	\$ ---	\$ 98,271	\$ 35,528	\$ 140,735	\$ 7,238	\$ 3,736	\$ ---		\$ 285,508
Dues	86,339	---	---	---	---	---	---		86,339
Interest - Net	1,747	---	---	---	---	---	---		1,747
Contributions	30,665	---	---	---	---	2,750	---		33,415
	<u>118,751</u>	<u>98,271</u>	<u>35,528</u>	<u>140,735</u>	<u>7,238</u>	<u>6,486</u>	<u>-</u>		<u>407,009</u>
Expenses									
Program	70,402	91,793	28,534	151,666	3,944	8,708	20,656		375,703
General and administrative	37,909	---	---	---	---	---	---		37,909
	<u>108,311</u>	<u>91,793</u>	<u>28,534</u>	<u>151,666</u>	<u>3,944</u>	<u>8,708</u>	<u>20,656</u>		<u>413,612</u>
Excess (expenses) revenues	<u>\$ 10,440</u>	<u>\$ 6,478</u>	<u>\$ 6,994</u>	<u>\$ (10,931)</u>	<u>\$ 3,294</u>	<u>\$ (2,222)</u>	<u>\$ (20,656)</u>		<u>\$ (6,603)</u>

The German Shepherd Dog Club of America, Inc.

Schedule of Operations

For the Year Ended December 31, 2010

Revenues	General	Specialty	Futurities	Review	Red Book	Product and			Total
						Services	Web Page		
Program	\$ 5,269	\$ 89,857	\$ 25,716	\$ 179,884	\$ 9,085	\$ 8,115	\$ 4,475	\$ 322,401	
Dues	90,936	---	---	---	---	---	---	90,936	
Interest	4,682	---	---	---	---	---	---	4,682	
Contributions	31,087	---	---	---	---	---	---	31,087	
	<u>131,974</u>	<u>89,857</u>	<u>25,716</u>	<u>179,884</u>	<u>9,085</u>	<u>8,115</u>	<u>4,475</u>	<u>449,106</u>	
Expenses									
Program	102,286	112,461	38,438	170,294	4,136	11,298	6,674	445,587	
General and administrative	55,490	---	---	---	---	---	---	55,490	
	<u>157,776</u>	<u>112,461</u>	<u>38,438</u>	<u>170,294</u>	<u>4,136</u>	<u>11,298</u>	<u>6,674</u>	<u>501,077</u>	
Excess (expenses) revenues	<u>\$ (25,802)</u>	<u>\$ (22,604)</u>	<u>\$ (12,722)</u>	<u>\$ 9,590</u>	<u>\$ 4,949</u>	<u>\$ (3,183)</u>	<u>\$ (2,199)</u>	<u>\$ (51,971)</u>	



The German Shepherd Dog Club of America, Inc.

Schedules of General Operations

For the Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<b>Revenues</b>		
Dues	\$ 86,339	\$ 90,936
Interest - Net	1,747	4,682
Program	---	5,269
Restricted contributions	30,665	31,087
	<u>118,751</u>	<u>131,974</u>
<b>Expenses</b>		
Directors - board meetings	31,842	42,187
President	4,257	4,023
Corresponding secretary	1,297	478
Treasurer	1,310	464
A.K.C. Delegate	1,274	338
Video	1,470	2,630
Working dog association & sports	6,600	1,258
Central office	1,473	1,619
Accounting, tax, auditing & consulting services	17,663	37,052
Bank charges	594	504
Credit card fees	4,014	4,389
Election expense	4,572	21,495
Insurance	9,370	9,723
Awards	4,309	5,386
SV/WUSV Liaison	4,370	3,388
Membership committee	3,845	7,507
R.O.M.	2,665	1,292
Budget and Finance meetings	576	---
Education	944	1,329
Other	5,866	12,714
	<u>108,311</u>	<u>157,776</u>
Excess revenues (expenses)	<u>\$ 10,440</u>	<u>\$ (25,802)</u>

The German Shepherd Dog Club of America, Inc.

Schedules of Specialty Show Operations

For the Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<b>Revenues</b>		
Current year Specialty Show	<u>\$ 98,271</u>	<u>\$ 89,857</u>
<b>Expenses</b>		
Agility	7,154	7,461
Annual dinner	10,576	2,603
Grounds	18,348	31,729
Herding	8,286	7,140
Judges	5,689	3,810
Catalog	4,271	4,902
Hospitality	2,449	3,090
Lodging	---	6,234
Postage	1,786	4,222
Printing	---	1,801
Fees	2,027	1,580
Ribbons & badges	5,690	5,517
Superintendent fees	7,090	4,308
Temperament testing	93	1,029
Tracking	950	4,130
Travel	4,546	---
Trophy	5,105	14,005
Video	---	3,388
Centennial	1,282	---
Pre-show	1,720	---
Other	4,731	5,512
	<u>91,793</u>	<u>112,461</u>
Excess revenues (expenses)	<u>\$ 6,478</u>	<u>\$ (22,604)</u>

The German Shepherd Dog Club of America, Inc.

Schedules of Futurities Show Operations

For the Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<b>Revenues</b>		
Futurity entries and nominations	<u>\$ 35,528</u>	<u>\$ 25,716</u>
<b>Expenses</b>		
Postage	137	1,506
Printing	129	491
Regional Club profit	17,519	16,614
Catalog	1,651	3,922
Trophies	7,346	12,267
Judges	---	450
Superintendents	620	450
Other	1,132	2,738
	<u>28,534</u>	<u>38,438</u>
Excess revenues (expenses)	<u>\$ 6,994</u>	<u>\$ (12,722)</u>



The German Shepherd Dog Club of America, Inc.  
Schedules of Review  
Operations

For the Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<b>Revenues</b>		
Advertising	\$ 62,866	\$ 80,393
Subscriptions	<u>77,869</u>	<u>99,491</u>
	<u>140,735</u>	<u>179,884</u>
<b>Expenses</b>		
Consulting fees	65,324	65,483
Postage	21,044	28,421
Printing	65,298	67,043
Travel	---	982
Other	<u>---</u>	<u>8,365</u>
	<u>151,666</u>	<u>170,294</u>
Excess (expenses) revenues	<u><u>\$ (10,931)</u></u>	<u><u>\$ 9,590</u></u>