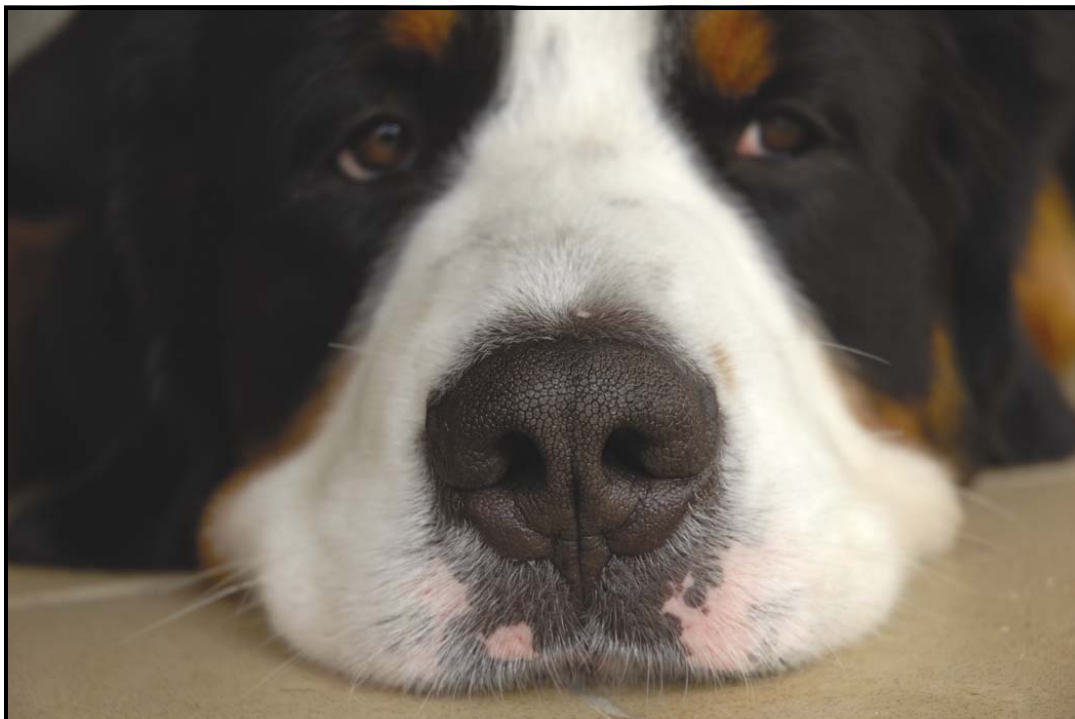




2007 Summary of Operations



Our Companions Domestic Animal Sanctuary, Inc.

P.O. Box 673, Bloomfield, CT 06002

(860) 242-9999 www.OurCompanions.org



2007 Summary of Operations

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A Letter from Our Companions Founding Directors

Dear Friends,

What a pleasure it is to share all of our accomplishments in 2007!

When Our Companions was founded in 2002, it was little more than a dream among a small group of people passionate about animal welfare. Guided by a mission of ending the unnecessary euthanasia of animals, and propelled by the promise of building a sanctuary on 43 acres of donated land, Our Companions was born.

The response to our mission has been nothing short of overwhelming. Our community's commitment to improving the lives of pets is demonstrated each day through Our Companions' dedicated family of over 2,000 donors as well as our ever growing team of over 100 passionate volunteers. We also expanded our staff from one employee to four to address the growing demand for our unique services.

The success of Our Companions is largely due to our simple philosophy that no pet should ever be homeless. This includes animals that are easily adopted and those who require special care. In 2007, we rescued and adopted out 491 pets without the luxury of a shelter. This is a testament to the resourcefulness, creativity and passion of our volunteers.

We invite you to read about our other accomplishments in 2007; we thank our family of volunteers and donors for making these accomplishments possible.

2008 will be a landmark year for Our Companions. We will begin building our much-needed sanctuary in Ashford, CT which will allow us to provide far more resources and expand our current rescue programs.

Thank you for caring deeply for the welfare of animals. We look forward to sharing many more successes with you.

Sincerely,

A handwritten signature in black ink, appearing to read "Susan B. Linker".

Susan B. Linker
Chief Executive Officer

A handwritten signature in black ink, appearing to read "Marie Joyner".

Marie Joyner
Chief Operating Officer





Our Companions Domestic Animal Sanctuary

Our Mission Statement & History

Our Companions Domestic Animal Sanctuary is a nonprofit 501(C)(3) organization that was founded in May, 2002 with a mission to end the unnecessary euthanasia of pets in Connecticut. Our mission will be accomplished by:

- Creating a sanctuary that will care for pets who would otherwise be destroyed
- Providing progressive animal behavior programs and educational services
- Initiating partnerships among the animal welfare community to create state-wide programs that address the root causes of pet homelessness



No Pet Should Ever Be Homeless



Key Developments in Our Companions History

In December 2002, Our Companions Domestic Animal Sanctuary, headquartered in Bloomfield, CT received a major gift of 43 acres of land (a former factory farm) in Ashford, CT. A plan was conceived to develop this land into a domestic animal sanctuary with permanent housing, adoption and pet rescue facilities. Three committees were created by the Board of Directors to execute the organization's strategic goals: the Development, Program and Facilities Planning committees.

A website was established and direct marketing programs implemented that currently reach over 7,000 households. The fundraising has progressed from an initial annual amount of \$39,000 raised in 2003, to \$445,000 in 2007. During 2007, the current existing farm structures on the Ashford property were demolished paving the way for construction of the sanctuary to begin in 2008.



Other important developments in Our Companion's history include the creation of a number of programs specifically targeting the root causes of pet homelessness which include:

- Canine behavioral training
- Sterilization programs
- Advocacy programs
- Volunteer training programs
- Community education programs
- Rescue and adoption services

The Animal Helpline has also been established, staffed by trained volunteers to assist pet owners with a variety of animal welfare related issues. The positive response to the Helpline has been overwhelming, which demonstrates the strong need that exists for animal welfare assistance programs.

Our Companions also assisted in founding the Animal Welfare Federation of Connecticut, which is a coalition of existing animal welfare organizations in Connecticut, with the goal of developing cooperative solutions and promoting humane animal welfare programs in Connecticut.

Our Companions currently has 4 employees (2 full time & 2 part time), an 18 person Board of Directors providing oversight and over 100 dedicated volunteers who deeply believe in Our Companions mission to end the unnecessary euthanasia of healthy pets.

Our Companions - The Animal Sanctuary Development

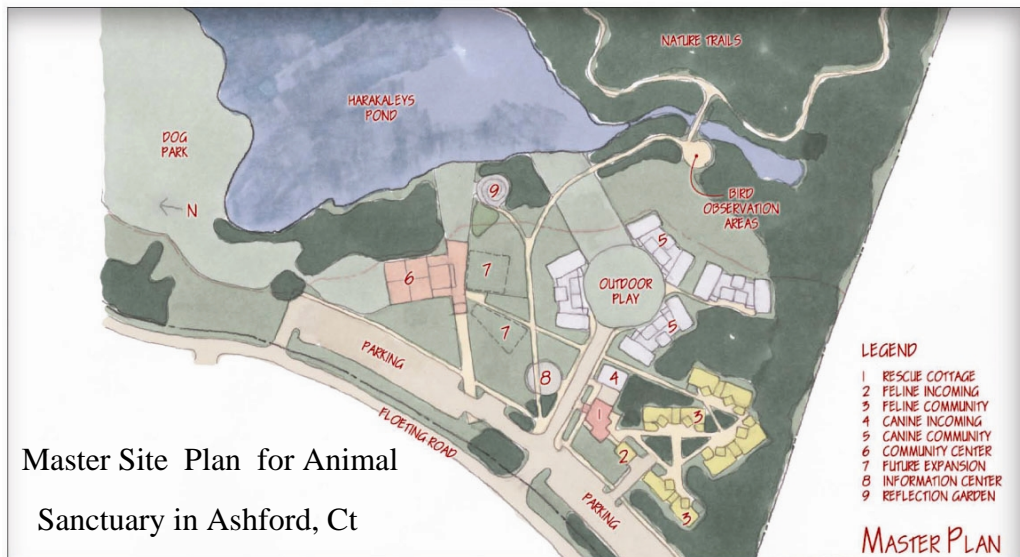
Our Companions primary goal is to build a domestic animal sanctuary on 43 acres of land in Ashford Ct. The images below display the site as it exists now as well as the conceptual design for the future sanctuary. In 2007, the buildings visible in the aerial photo immediately below on the left were substantially demolished. Site preparation should be completed in early 2008, clearing the way for construction of the first rescue cottage to begin in late 2008. Eventually the site facilities will include permanent animal housing cottages, an adoption center, hiking trails and a reflection garden.



Aerial View of land prior to demolition of existing farm structures



View of land in Ashford after demolition of existing buildings



Master Site Plan for Animal Sanctuary in Ashford, Ct



Reflection Garden



Rescue Cottage conceptual design

Our Companions 2007 Accomplishments

Our Companions Domestic Animal Sanctuary has made continuous progress during the last 5 years and is rapidly developing into one of the leading No Kill animal welfare organizations in this state. The key accomplishments in 2007 are listed below:

Program Highlights

- Responded to approximately 3,600 calls for assistance on the Animal Helpline
- Increased helpline staff from 6 to 12 volunteers and created a new training manual
- Hired 3 additional employees to the program staff
- Held quarterly adoption events at four PETCO locations
- Sterilized over 210 feral cats through the Sterile Feral program
- Sterilized 220 cats through the Friendly Feline program
- Increased Canine College volunteer staff to 18 qualified instructors and developed a new teaching manual
- Created new Canine Behavioral Assessment Guidelines to assist with canine temperament testing
- Held 152 private training sessions through the Stay-at-Home Training program and 14 group training sessions.
- Trained 28 new volunteer ambassadors
- Increased total active volunteer base by 25%
- Rescued and successfully adopted 491 pets

Development Highlights

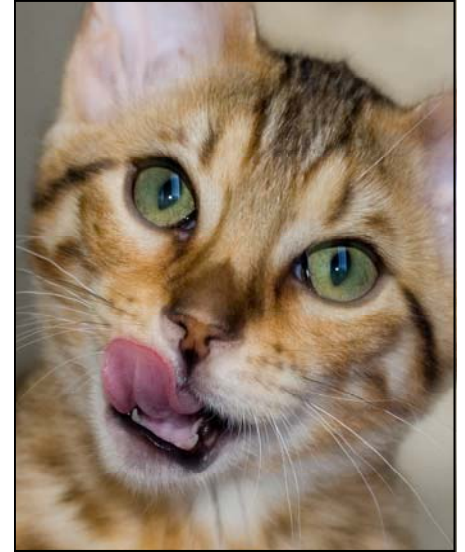
- Increased annual fund donations by 80% in 2007, to a total of \$333,350 compared with \$185,372 in 2006
- Revised & published capital campaign case statement for Phase One of the sanctuary development in Ashford
- Held Dogman Classic and Planet Bark golf tournaments, netting \$24,716
- Expanded the Board of Directors and increased financial development involvement to incorporate a board solicitor program
- Created new organizational marketing brochure outlining the organization's programs and services
- Launched Fur-Get-Me-Not feline and Crickett Canine rescue funds
- Created new leadership giving society, Henry & K.K. McLane Society
- Continued to improve and enhance quarterly news publication, Our Companions News, and expanded Editorial Board of Our Companions News to include professional author, Judith Ivie
- Updated Our Companions website with new tour, capital campaign information and online giving program
- Completed audit and certification of 2006 financial statements by Robert King CPA firm

Facilities Planning Highlights

- Changed contractors and made significant progress demolishing the existing structures at the Ashford site.
- Began search for new program facility in Hartford county
- Developed new master plan design for the rescue cottage at the animal sanctuary in Ashford
- Began design for installation of bird and wildlife observation platform made possible by grant from The Last Green Valley
- Received permanent tax exempt status from IRS after 5 year preliminary waiting period

Our Companions 2008 Goals

Below are the goals that Our Companions has targeted for achieving in 2008:



Program Goals

- Rescue and adopt out 550 pets
- Increase Animal Helpline Volunteer Staff from 12 to 15 volunteers
- Add 20 Ambassadors to assist with events and public relations initiatives
- Expand PETCO Adoption events from 4 to 6 locations in Connecticut and continue to host quarterly adoption events
- Increase the Rescue Outreach readership by 25%
- Fully train 3 new dog trainers allowing them to teach classes and perform evaluations
- Open new canine training and education center and add 5 new dog trainers to Canine College Program.
- Create new Canine College teaching manual for volunteer dog trainers
- Increase number of cats sterilized by 25%
- Increase frequency of helpline training sessions and provide continuing education for helpline volunteer staff
- Increase feral cats sterilizations by 33% and expand TNR training curriculum
- Hold quarterly ambassador update meetings

Development Goals

- Raise \$400,000 in Capital Campaign Donations and begin Phase One of animal sanctuary construction in Ashford
- Increase annual fund donations revenue by 35%
- Create Development Committee and Public Relations committees of the Board of Directors
- Launch Forever Home planned giving society
- Expand Leadership Giving Societies by 100 members
- Increase donor retention and cultivation programs and expand active donor base by 250 members
- Open online store

Facility Planning Goals

- Hire engineer to develop master plan and begin site work in Ashford
- Build footbridge and observation platform
- Open hiking trails and picnic area
- Open dog park

Our Companions Programs

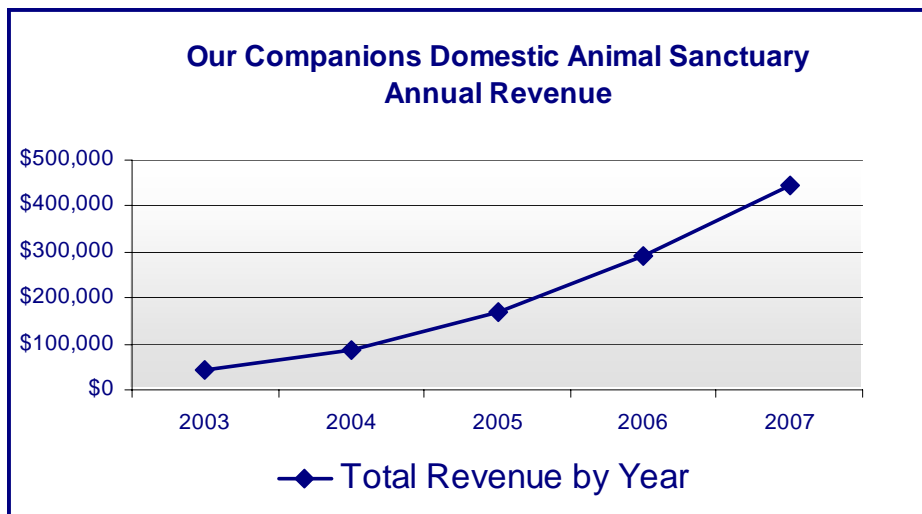
Our Companions Domestic Animal Sanctuary currently operates many programs that target the root causes of pet homelessness. These programs include:

- **Animal Assistance Helpline** - Our Companions Helpline is staffed by trained volunteers who offer information and advice to individuals experiencing pet related problems. The helpline facilitates pet adoptions by locating and matching animals in need with individuals seeking to adopt a pet.
- **Stay-at-Home Training** - The Stay-At-Home program is aimed at preventing pet homelessness by designing a proactive program that helps people solve behavioral problems so pets can stay in their homes.
- **Adopt-a-Shelter Program** - Our Companions is committed to working with Animal Control Officers who have an interest in minimizing euthanasia. The volunteers in this program promote their adoptable pets, build websites, create fliers, plan events, etc.
- **Home for Good Training Classes** - The Home for Good program offers low-cost behavioral group training for people who have adopted a pet from any shelter or have rescued a homeless pet. The course offers techniques that start and keep the relationship with their new pet companion positive and rewarding.
- **Canine College** - The Our Companions Canine College provides a structured learning curriculum for individuals interested in becoming professional dog trainers. The volunteers in the Canine College program offer their newly-learned skills to provide behavioral assistance for pets who are at risk of becoming homeless.
- **Rescue Outreach Program** - The Rescue Outreach Program is an email-based program that delivers updates about Our Companions, including notification of pets who are in need of a good home or those who are at risk of becoming homeless. Weekly emails are sent to over 2,000 animal lovers who spread the word about pets who are in need of rescue.
- **Friendly Feline Sterilization Program** - Our Companions offers low-cost spay/neuter and vaccination services for people who are in financial need or those who are rescuing a stray or abandoned cat.
- **Sterile Feral Program** - Our Companions has recently launched this Trap, Neuter, Return (TNR) program to provide low-cost (\$40 per cat) sterilization and vaccination of feral cats. This program will allow caregivers to afford to spay or neuter the feral cats they are feeding.
- **Our Companions University** - Humane education is a priority for Our Companions. We offer programs for children of all ages and adult groups, as well. Our Companions also offers a myriad of educational materials for schools, families and individual pet owners.
- **Animal Welfare Federation of Connecticut** - Our Companions Domestic Animal Sanctuary is a founding member of the Animal Welfare Federation of Connecticut, a partnership of no-kill rescue organizations and professionals that are dedicated to improving the status and welfare of animals in Connecticut.



Our Companions Domestic Animal Sanctuary Financial Statements – Analysis of Operations

Financially, 2007 was another very successful year for Our Companions, with total donation income increasing to \$444,980. Annual fund donations were \$333,350 which is an 80% increase over the 2006 total of \$185,375. The capital campaign donations decreased slightly to \$70,900 in 2007. However, this area was not targeted for development as construction was not ready to proceed in Ashford. In addition, there were two golf tournaments in 2007 which contributed \$24,716. The chart below shows total annual revenue for the last 5 years and clearly indicates the progress that Our Companions has made each year since it was founded in 2002.



On the expense side, 2007 salaries totaled \$53,895 as the paid staff increased to two full time and 2 part time employees. However, salary expense still remains a relatively low 21% of the total \$254,298 in expenses. The other major expense category is veterinary expense which totaled \$59,316 in 2007. These program-related expenditures directly benefit the animals which are at the core of Our Companions mission. Veterinary expenses by program category were as follows: Sterile Feral- \$11,826, Friendly Feline- \$11,671, Crickett Canine- \$15,084, Feline Fur-Get-Me-Not- \$13,479 and Other Veterinary Expense- \$7,256.

Total expenses were \$254,298 in 2007, compared to \$178,955 in 2006. The 43% increase in expenses corresponds with the 52% increase in donation income and is evidence that Our Companions is a rapidly expanding organization.

On the balance sheet side, Our Companions finished the year with \$363,448 in current assets, compared with \$184,777 at 12/31/06. A bond deposit of \$50,000 was issued as required by the Town of Ashford before proceeding with the demolition of the existing structures at the sanctuary site. All or part of this amount is expected to be refunded sometime in 2008. Also at 12/31/07 Our Companions had investments of \$224,239 held in an ING Brokerage Account and invested in the Classic Money Market Fund. In addition, an inventory account was set up with \$1,973 worth of Our Companions Logo products purchased for sale beginning in 2008. The liabilities remain very low and totaled \$1,246 at 12/31/07, all of which related to payroll liabilities. Construction in Progress increased to \$27,581, which consists of demolition related expenditures for site work in Ashford.

In 2007, Our Companions was audited by the Robert King CPA firm and as a result, the organization's 2006 financial statements are certified to be compliant with generally accepted accounting principles. In 2007, Our Companions also received its permanent tax exemption status from the IRS after the standard preliminary 5 year waiting period.

Looking towards the future, it is our belief that Our Companions can sustain and increase its current level of operations, primarily because the response to the animal helpline demonstrates the strong demand that exists for the services we provide. In addition, Our Companions is developing very favorable name recognition and a strong reputation for providing high quality services. These factors combine to put Our Companions in position to become one of the leading animal welfare organizations in the Connecticut area in the near future.



Our Companions Domestic Animal Sanctuary Comparative Income Statement

For the 12 Months Ended 12/31/07, 12/31/06 and 12/31/05

	12 months Ended 12/31/07	12 months Ended 12/31/06	12 months Ended 12/31/05
Income			
Adoption Fee/Service Income	16,014	9,275	1,445
Donation Income - Capital Campaign	70,900	81,462	4,000
Donation Income - General	333,350	185,372	156,630
Net Fund Raising Event Revenue	24,716	16,084	6,652
Total Income	444,980	292,193	168,727
Administrative Expenses			
Salary Expense	53,895	46,845	21,364
Payroll Taxes - Fica & Suta	4,557	4,083	2,079
Veterinary	59,316	26,543	11,199
Pet Care Expenses	15,089	12,904	3,681
Fundraising	3,291	8,797	8,799
Printing	10,761	9,020	11,127
Postage	8,727	14,264	11,423
Insurance	10,884	2,956	5,898
Promotional	9,174	3,373	684
Professional Fees/Consultants	10,647	4,357	5,276
Information Technology Services	11,642	6,152	6,800
Utilities	3,147	1,961	1,671
Office Supplies	3,095	3,850	2,279
Repairs & Maintenance	3,422	5,214	
Event/Trade Shows/Conference Fees	6,930	2,848	6,063
Educational Materials	16,198	7,510	1,385
Stewardship/Cultivation	1,037	1,409	628
Training Program Expense	4,017	1,951	1,060
Volunteer Expenses	3,635	4,708	3,090
Miscellaneous Expense	2,448	1,930	4,112
Travel & Meal Expense	9,056	3,551	1,076
Depreciation Expense	3,289	4,629	2,751
Amortization Expense	42	100	100
Total Administrative Expense	254,298	178,955	112,545
Net Ordinary Income	190,683	113,238	56,182
Other Income/Expense			
Interest & Dividend Income	6,395	2,089	29
Gain / Loss on investments	(725)	773	(1,175)
Total Other Income & Expense	5,670	2,862	(1,146)
Net Income	196,353	116,100	55,036



Our Companions Domestic Animal Sanctuary Statement of Functional Expenses For the 12 Months Ended 12/31/07

Classification of expenses by Fundraising, General Management and Program

Expense Description	Fund Raising	Management & General	Program Expenses	TOTAL
Salary & Payroll Taxes	19,484	19,484	19,484	58,452
Veterinary			59,316	59,316
Pet Care Expenses	-	-	15,089	15,089
Fundraising	1,683	-	1,608	3,291
Printing	2,202	2,886	5,674	10,761
Postage	921	219	7,587	8,727
Insurance	-	6,185	4,699	10,884
Promotional	-	1,169	8,006	9,175
Professional Fees/Consultants	3,642	3,481	3,524	10,647
Information Technology Service	-	8,781	2,861	11,642
Utilities	-	1,513	1,634	3,147
Office Supplies	5	2,187	903	3,095
Repairs & Maintenance	-	455	2,967	3,422
Educational Materials	-	-	16,198	16,198
Stewardship/Cultivation	-	-	1,037	1,037
Training Programs	-	-	4,017	4,017
Volunteer Expenses	-	-	3,635	3,635
Miscellaneous Expense	-	2,346	5,564	7,910
Travel & Entertainment	-	-	3,595	3,595
Event Fees/Trade Shows	-	-	6,930	6,930
Depreciation & Amoritzation	1,110	1,110	1,111	3,331
Total Expense	29,046	49,816	175,436	254,298
Percentage of Total Expense	11%	20%	69%	

The Internal Revenue Service requires that qualified nonprofit organizations report their expenses based on three classifications on their Federal 990 tax return. The three categories are Program Services, Fundraising and General Management expense. The purpose is to allow interested parties to easily determine what percentage of total expense is spent directly on program services, which represents the core reason for the nonprofit organization's existence. The Statement of Functional Expenses is one of the standard criteria by which all nonprofit organizations are judged. In general, it's important that nonprofits show a high percentage of expense being used for program services, with lower percentages being allocated for general management and fundraising expense. In 2007, 69% of Our Companions total expenses were program related, which indicates that the majority of expenditures were utilized directly to fulfill the purpose of the core mission.



Our Companions Domestic Animal Sanctuary Comparative Balance Sheet

For the Periods Ended 12/31/07, 12/31/06 and 12/31/05

	<u>12/31/2007</u>	<u>12/31/2006</u>	<u>12/31/2005</u>
ASSETS			
Current Assets			
Petty Cash			74
Bank North Checking	81,658	73,909	5,354
Bank North - Savings	2,992	31,283	55,326
Total Cash	<u>84,650</u>	<u>105,192</u>	<u>60,754</u>
Other Current Assets			
Short Term Investments - ING	224,239	74,666	
Accounts Receivable		908	16,842
Prepaid Insurance	2,586	4,011	
Deposits	50,000		
Inventory	1,973		
Total Other Current Assets	<u>278,798</u>	<u>79,585</u>	<u>16,842</u>
Total Current Assets	363,448	184,777	77,596
Fixed Assets			
Land	456,400	456,400	456,400
Buildings & Improvements	5,827	5,827	
Vehicles	5,675	5,675	5,675
Furniture, Fixtures, Equipment	2,500	2,500	2,500
Computer Equipment	6,517	6,517	6,517
Communication Equipment	1,800	1,800	
Construction In Progress	27,581	5,741	
Accum Depr - Furn, Fixt, Equip	(11,968)	(8,679)	(4,050)
Total Fixed Assets	<u>494,332</u>	<u>475,781</u>	<u>467,042</u>
Other Assets			
Organizational Costs	500	500	500
Accum Amort - Organizational	(500)	(458)	(358)
Total Other Assets	<u>-</u>	<u>42</u>	<u>142</u>
TOTAL ASSETS	<u><u>857,780</u></u>	<u><u>660,600</u></u>	<u><u>544,780</u></u>
LIABILITIES & EQUITY			
Current Liabilities			
Federal Withholding Liability	223	117	214
FICA/Medicare Liability	919	281	468
State Income Tax Liability	104	21	17
Total Payroll Tax Liabilities	<u>1,246</u>	<u>419</u>	<u>699</u>
Total Current Liabilities	<u>1,246</u>	<u>419</u>	<u>699</u>
Long Term Liabilities			
Total Liabilities	1,246	419	699
Equity			
Retained Earnings	660,181	544,081	489,045
Net Income	196,353	116,100	55,036
Total Equity	<u>856,534</u>	<u>660,181</u>	<u>544,081</u>
TOTAL LIABILITIES & EQUITY	<u><u>857,780</u></u>	<u><u>660,600</u></u>	<u><u>544,780</u></u>



Our Companions Domestic Animal Sanctuary

2008 Officers & Board Members

Officers

Laura Jordan	Secretary	Laura@OurCompanions.org
Marie Joyner	Chief Operating Officer	Marie@OurCompanions.org
Susan Linker	Chief Executive Officer	SusanL@OurCompanions.org
Henry Petrofsky	Treasurer	Henry@OurCompanions.org



Board of Directors

Janet Bailey	Farmington, CT
Andrea Baranyai	East Hartford, CT
Valerie Friedman	Washington, CT
Carol D. Hauss	Avon, CT
Debby Hyde	West Hartford, CT
Charlotte Kinlock	Avon, CT
Gretchen LaBau	Bloomfield, CT
Mitchell Linker	Bloomfield, CT
Barbara Millar	Colebrook, CT
Gail Perkins	Avon, CT
Damon Scott	Bloomfield, CT
Chris Shivery	Avon, CT
Kim Zimmermann	Farmington, CT
Adam Zweifler	West Hartford, CT



Our Companions Domestic Animal Sanctuary

Contact Information and Resource Guide

Resource Guide

Subject	Resource	Phone	Email
Help with Pet Adoption and Placement	Animal Helpline	(860) 242-9999, ext. 6	Helpline@OurCompanions.org
Assistance with Feral Cat Issues	Laura Jordan, Sterile Feral Program	(860) 242-9999, ext. 5	Laura@OurCompanions.org
Dog Training Opportunities	Marie Joyner, Canine Behavioral Programs	(860) 242-9999, ext. 4	Marie@OurCompanions.org
Get Involved! (Volunteer Opportunities)	Stephanie Radowitz, Program Manager	(860) 242-9999, ext. 2	Stephanie@OurCompanions.org
Development and Communications	Susan Linker, Chief Executive Officer	(860) 242-9999, ext. 1	SusanL@OurCompanions.org
General Questions and Information	Susan Linker, Chief Executive Officer	(860) 242-9999, ext. 1	SusanL@OurCompanions.org

Main Office

Our Companions Domestic Animal Sanctuary, Inc

P.O. Box 673, Bloomfield, CT 06002

Phone: (860) 242-9999

Website: www.OurCompanions.org

Fed Tax ID # 41-2047734

