

January 24, 2009

TO ALL DIRECTORS AND OFFICERS

Enclosed are the 2008 annual financial statements. The year resulted in a very small deficit, which approximated the budgeted amount. We continue to be strong financially and have an adequate cash cushion to weather what appears to be a year of tough economic times with the resulting drop in recording fees, dues and other activities. Should this situation continue past 2009, the Board will need to consider what actions need to be taken.

Significant variances for 2008 compared to 2007 are:

- Magazine advertising income has decreased; however printing costs have also decreased in a similar amount, thus no impact on the bottom line.
- Magazine postage in 2007 was reduced by a credit balance that had accumulated in our postage account as a result of mailing fewer copies each month. That credit balance was used up in 2007.
- Our AKC delegate was unable to attend some of the meetings in late 2007 and early 2008; thus reducing those costs.
- In 2007, the national open and amateur championships had a large surplus, resulting from 2<sup>nd</sup> and 3<sup>rd</sup> place dogs in the open championship not being sold in the Calcutta with ABC retaining that portion of the purse as well as there was a larger number of entries in 2007. With the revision to amateur qualifications for the 2009 nationals, that will hopefully help to increase the number of entries in the amateur stake.
- The national open gun dog and amateur gun dog championships experienced a drop in entries in 2008, resulting in a deficit.
- The national specialty show also had a drop in entries, resulting in a deficit in 2008. In 2007, the show broke even.

Details of the 2008 all age and gun dog championships as well as the specialty show have been provided to the respective vice presidents. It is imperative that we take a close look at the income and expenses of each of these events and make the necessary adjustments to bring them to a breakeven status for 2009 and following years. The gun dog nationals and specialty show have historically (see 5-year comparison) struggled to generate enough income to cover their expenses.

#### ADDITIONAL FINANCIAL INFORMATION INCLUDED WITH THIS REPORT

- Summaries of the regional futurities and championship events
- Future grounds fund and breed issues fund—2007 and 2008 detail of activity
- 5-year comparison of income and expense

#### ACTIVITY FOR THE FIRST QUARTER, 2009

In January, 2009, the Board approved a grant of \$25,000 to be applied toward the purchase of Thayer, IA, field trial grounds. There have been no other financial transactions through the date of this letter of significant impact.

If anyone has any questions or comments, please let me know.

Respectfully submitted,

Janet Chase, Treasurer

**Balance sheet**

ASSETS	2008	2007
CASH/CERTIFICATES OF DEPOSIT		
OPERATING	200082	232451
FUTURE GROUNDS	85869	75194
BREED ISSUES	13811	14333
RECEIVABLES	6463	5637
INVENTORY -		
MEDALLIONS	1919	3360
PREPAID EXPENSES	7396	5172
EQUIPMENT -NET OF DEPRECIATION	<u>1107</u>	<u>1287</u>
 TOTAL ASSETS	 <u><u>316648</u></u>	 <u><u>337434</u></u>
 LIABILITIES AND FUND BALANCE		
 ACCOUNTS PAYABLE	4499	6477
UNEARNED DUES	24030	36944
UNEARNED		
ADVERTISING	1310	998
FUTURITY NOMINATIONS -2006/08		15140
FUTURITY NOMINATIONS-2007/09	10375	3210
FUTURITY NOMINATIONS -2008/10	3420	
TRITRONICS AWARD	0	-154
GROUND FUND (BVILLE)	7208	8340
GUN DOG GROUNDS FUND	1926	1926
CORPORATE SPONSOR FUND	<u>56816</u>	<u>66815</u>
 TOTAL LIABILITIES	 <u>109584</u>	 <u>139696</u>
 FUND BALANCE		
UNDESIGNATED	107384	108211
DESIGNATED -FUTURE		
GROUND	85869	75194
DESIGNATED -BREED ISSUES	<u>13811</u>	<u>14333</u>
	<u>207064</u>	<u>197738</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u><u>316648</u></u>	 <u><u>337434</u></u>

**Income statement**

	2008 ACTUAL	2008 ANNUAL BUDGET	2007 ACTUAL
<b>INCOME</b>			
<b>GENERAL:</b>			
DUES	44791	47000	43808
RECORDING FEES	31502	35000	33382
CORP SPONSOR INCOME	7379	7376	7376
INTEREST ON CERTIFICATES OF DEPOSIT	7864	7000	9863
ABC FUTURITY SHARE	1536	1500	1494
YEARBOOKS/PATCHES/DECALS	5868	0	5832
PURINA PARENT CLUB PROGRAM	3520	2700	2825
MISCELLANEOUS	1137	1250	1020
<b>MAGAZINE:</b>			
ADVERTISING	18660	26000	28855
MISCELLANEOUS	305	400	220
	<u>122562</u>	<u>128226</u>	<u>134675</u>
<b>TOTAL INCOME</b>			
<b>EXPENSES</b>			
<b>GENERAL:</b>			
EXECUTIVE SECRETARY	7200	7200	6000
CLERICAL ASST-MEMBR	1050	1050	1050
MEMBERSHIP LIST ASSIST	2700	2700	1800
WEBMASTER	1200	1200	0
DOG REGIST PROGRAM	1388	2000	1209
MEMBERSHIP DEVELOPMENT	0	0	350
INSURANCE	2450	3000	2700
PROFESSIONAL SERVICES	0	0	249
POSTAGE	1799	2000	3099
SUPPLIES	1949	3000	1188
TELEPHONE/INTERNET/FAX	1015	1000	928
JUDGES EDUCATION	976	1500	453
AKC DELEGATE EXPENSE	611	3000	1621
DATES COORDINATORS	300	300	300
DEPRECIATION	120	120	120
ANNUAL ELECTION EXPENSE	1480	1750	1483
ANNUAL MEETING EXPENSE	2147	800	564
CONTRIBUTION TO IONIA FENCE	0	0	1000
YEARBOOKS/ PATCHES/DECALS	3905	0	4369
INCOME TAX ON INTEREST INCOME	1329	1000	862
CREDIT CARD PROCESSING	825	900	1000
PRIOR YEAR EXPENSES	531	0	-23
MISCELLANEOUS	3623	3900	3895

## MAGAZINE:

MANAGING EDITOR	6000	6000	5400
PUBLISHING EDITOR	9750	9750	9750
POSTAGE	12163	14000	3694
SUPPLIES	419	1000	947
TELEPHONE/INTERNET	1270	1100	1262
PRINTING/MAILING MAGAZINE	37243	46200	49504
CREDIT CARD PROCESSING	539	600	668
DEPRECIATION	60	60	60
MISCELLANEOUS	388	300	2512
	<u>104431</u>	<u>115430</u>	<u>108014</u>
TOTAL EXPENSES			
SUBTOTAL	18131	12796	26661
SPECIAL EVENTS-NET			
BOOK SALES	105	0	55
NATIONAL OPEN	2138	1500	6844
NATIONAL AMATEUR	-808	1250	3243
NATIONAL SHOW	-1749	0	0
OPEN GUN DOG CHAMP	-84	0	1551
AMTR GUN DOG CHAMP	-1666	0	179
EAST FUTURITY	649	100	814
CENTRAL FUTURITY	1139	100	596
WEST FUTURITY	-131	-100	240
	<u>17724</u>	<u>15646</u>	<u>40183</u>
TOTAL EXCESS/DEFICIT			
BOARD DESIGNATED TRANSFER TO FUTURE GROUNDS FUND @\$25/DOG	-2800		-5054
BOARD DESIGNATED TRANSFER 1/2 OF REC FEES FUTURE GROUNDS	-7875	-8750	-8345
BREED ISSUES	-7876	-8750	-8345
	<u>-827</u>	<u>-1854</u>	<u>18439</u>
EXCESS (DEFICIT)			

Department income statement #1

	NATL OPEN	NATL AMTR	NATL SHOW
INCOME			
ENTRY FEES	11550	8225	9540
CORP SPONSOR	1000	1000	1000
CALCUTTA SHARE	1345	990	
TROPHY DONATIONS	486	386	3082
AUCTION PROCEEDS	1366	1366	746
ABC RAFFLE PROCEEDS	269	269	269
MISCELLANEOUS	46	46	713
	<u>16062</u>	<u>12282</u>	<u>15350</u>
TOTAL INCOME			
EXPENSES			
JUDGES	4311	3280	1672
TROPHIES	2218	2248	5611
SWEEPS PURSE			1199
GRDS/SHOW SITE	1533	1760	3005
SHOW SUPT			3200
LICENSES/FEES	648	795	687
REPORTER	975	916	
BIRDS	1895	1895	
HORSES	1815	1615	
CHMN/SECR EXP	191	191	
HOSPITALITY	140	139	528
MISCELLANEOUS/SUPPLIES	198	251	1197
	<u>13924</u>	<u>13090</u>	<u>17099</u>
TOTAL EXPENSES			
NET INCOME	<u>2138</u>	<u>-808</u>	<u>-1749</u>

Department income statement # 2

	EAST FUT	CENT FUT	WEST FUT	OPEN GUN DOG	AMTR GUN DOG	80'S BOOK
INCOME						
ENTRY FEES	2960	4120	2750	7700	6650	
CORP SPONSOR	500	500	500	1000	1000	
CALCUTTA SHARE				472	416	
ABC RAFFLE PROCEEDS				269	268	
AUCTION PROCEEDS				264		
AUCTION PROCEEDS TO FUT GD GRDS				0		
TROPHY DONATIONS				602	212	
BOOK SALES						105
MISCELLANEOUS		90		156	157	
TOTAL INCOME	<u>3460</u>	<u>4710</u>	<u>3250</u>	<u>10463</u>	<u>8703</u>	<u>105</u>
EXPENSES						
JUDGES	421	1156	1085	2726	2706	
TROPHIES	281	281	281	1932	1932	
GRDS/SHOW SITE	410	300	1021	1003	807	
BIRDS	482	301	506	1730	1730	
HORSE RENTAL		80		1250	950	
LICENSES/FEES	165	165	165	589	768	
REPORTER		80	200	268	680	
HOSPITALITY	262					
PREMIUMS/CATALOGS	82	68	69			
CHMN/SECR EXPENSE				142	132	
MAILING BOOK						0
MISCELLANEOUS	59		54	907	664	
TOTAL EXPENSE	<u>2162</u>	<u>2431</u>	<u>3381</u>	<u>10547</u>	<u>10369</u>	<u>0</u>
NET INCOME	1298	2279	-131	<u>-84</u>	<u>-1666</u>	<u>105</u>
PROFIT SPLIT WITH HOST CLUB	<u>-649</u>	<u>-1140</u>	<u>0</u>			
NET INCOME TO ABC	<u>649</u>	<u>1139</u>	<u>-131</u>			

Future grounds fund/breed issues fund

AMERICAN BRITTANY CLUB  
 DETAIL OF FUTURE GROUNDS FUND  
 AND BREED ISSUES FUND  
 TO DECEMBER 31, 2008

	FUTURE GROUNDS FUND	BREED ISSUES FUND
BALANCE FWD 1/1/07	61795	13988
2007		
Allocation of 1/2 of increase in rec fees	8345	8345
Open Gun Dog Ch @\$25/dog	1425	
Amtr Gun Dog Ch @\$25/dog (ltd to profit)	179	
Open Champ @ \$25/dog	1750	
Amtr Champ @ \$25/dog	1700	
Contributions		
NAIA		-500
NAIA Trust		-500
Bird Dog Fdn		-2000
UC Regents/Nelson Fund		-2000
US Sportsmens Alliance		-3000
Balance 12/31/07	75194	14333
2008		
Allocation of 1/2 of increase in rec fees	7875	7876
Open Gun Dog and Amateur Gun Dog @\$25/dog (limited to profit)	0	
Open Champ @ \$25/dog	1625	
Amtr Champ @ \$25/dog	1175	
Membership development		0
NAIA Conference expense		-398
Contributions		
NAIA		-500
NAIA Trust		-500
Bird Dog Fdn		-2000
UC Regents/Nelson Fund		-2000
US Sportsmens Alliance		-3000
Balance 12/31/08	85869	13811

Note: In January, 2009, the board approved a grant of \$25,000 towards the purchase of Thayer grounds, to be disbursed from the future grounds fund.

Summary income statement for 5 years

	2008	2007	2006	2005	2004
INCOME:					
DUES	44791	43808	43265	45460	39387
CORPORATE SPONSOR INC	7379	7376	7376	7376	3816
ADVERTISING	18660	28855	26076	28463	24532
RECORDING FEES	31502	33382	33937	32353	35874
INTEREST	7864	9863	6749	4427	2661
ABC FUTURITY SHARE	1536	1494	1272	1090	1549
YEARBOOKS & PATCHES	5868	5832	3334	5254	4736
PURINA PARENT CLUB PROGRAM	3520	2825	2832	2482	
MISCELLANEOUS	1442	1240	2924	2706	4605
	<u>122562</u>	<u>134675</u>	<u>127765</u>	<u>129611</u>	<u>117160</u>
EXPENSES:					
EXECUTIVE					
SECRETARY	7200	6000	6000	6000	5100
PUBLISHING EDITOR	9750	9750	9750	9750	10775
MANAGING EDITOR	6000	5400	5400	5400	4500
CLERICAL ASSISTANCE	1050	1050	1050	1050	2525
MEMBR LIST ASSISTANCE	2700	1800	1800	1800	900
WEBMASTER	1200				
ADVERTISING		37	750	765	1218
DOG REGIST					
PROGRAM	1388	1209	1702	2188	3076
MEMBERSHIP DEVELOPMENT		350			
INSURANCE	2450	2700	2778	2700	2657
POSTAGE	13962	6793	11006	16572	18076
SUPPLIES	2368	2135	3678	3212	2215
TELEPHONE/INTERNET	2285	2190	2043	2315	1649
PRINTING/MAILING MAGAZINE	37243	49504	41055	45649	40892
JUDGES EDUCATION	976	453	281		213
PROFESSIONAL SERVICES		249	240		-250
YEARBOOKS & PATCHES	3905	4369	6679	6546	6797
AKC DELEGATE EXPENSE	611	1621	4720	901	1070
ANNUAL ELECTION EXPENSE	1480	1483	1555	*	*
ANNUAL MEETING EXPENSE	2147	564	*	*	*
DATES					
COORDINATORS	300	300	300	300	300
CONTRIBUTION TO IONIA FENCE		1000	1000		
INCOME TAX ON INTEREST INCOME	1329	862	530	**	**
CREDIT CARD PROCESSING	1364	1668	1425	**	**
DEPRECIATION	180	180	180	180	180

PRIOR YEARS EXPENSES	531	-23	656		
MISCELLANEOUS	4012	6370	3017	5840	6456
TOTAL EXPENSES	<u>104431</u>	<u>108014</u>	<u>107595</u>	<u>111168</u>	<u>108349</u>
 SUBTOTAL	 18131	 26661	 20170	 18443	 8811
 SPECIAL EVENTS					
NET ACTIVITY:					
BOOK SALES	105	55	276	-1283	-1612
NATIONAL OPEN	2138	6844	1889	2780	2096
NATIONAL AMATEUR	-808	3243	2897	161	2135
NATIONAL SHOW	-1749	0	143	-705	-1620
OPEN GUN DOG	-84	1551	1525	801	1175
AMTR GUN DOG	-1666	179	-267	-1767	-203
EAST FUTURITY	649	814	288	906	1392
CENTRAL FUTURITY	1139	596	886	-34	1438
WEST FUTURITY	<u>-131</u>	<u>240</u>	<u>315</u>	<u>-592</u>	<u>901</u>
 NET INCOME BEFORE TRANSFERS	 17724	 40183	 28122	 18710	 14513
 BOARD DESIGNATED TRANSFER TO FUTURE GRDS FUND @\$25/DOG	 -2800	 -5054	 -4350	 -4125	 -3600
 BOARD DESIGNATED TRANSFERS OF 1/2 OF REC FEES INCR EFFECTIVE 7/02					
FUTURE GROUNDS	-7875	-8345	-8484	-8087	-8969
BREED ISSUES	<u>-7876</u>	<u>-8345</u>	<u>-8484</u>	<u>-8087</u>	<u>-8968</u>
 NET INCOME (LOSS) AFTER TRANSFERS	 <u><u>-827</u></u>	 <u><u>18439</u></u>	 <u><u>6804</u></u>	 <u><u>-1589</u></u>	 <u><u>-7024</u></u>

\* combined with supplies and postage

\*\* combined with miscellaneous expense