

July 24, 2010

TO ALL DIRECTORS AND OFFICERS

2010 OPERATING RESULTS-SIX MONTHS ENDED JUNE 30, 2010

The financial statements for the first six months of 2010 are attached. They include the results of the regional futurities which ran this spring and reflect the profit split (1/2) with the host clubs.

Key variances in operating results for the first six months of 2010 compared to 2009 are:

- Magazine advertising income, publishing editor, printing/ mailing costs and postage expenses reflect activity for only four months in 2010 since the May and June issues had not yet been printed and mailed as of 6/30/10. If all six months of this income and expense had been recorded, the net profit for the first six months of this year would have approximated the first six months of 2009.
- No brochures have been mailed yet in 2010 to owners of newly registered dogs—that expense would have been approximately \$1000.
- Interest income on certificates of deposit has declined slightly in 2010, reflecting lower interest rates at renewal.

FUTURE GROUNDS AND BREED ISSUES FUNDS

The future grounds fund includes \$25/dog from the national championships and ½ of the increase in recording fees. The balance at June 30, 2010 is \$78359. The breed issues fund includes ½ of the increase in recording fees. The balance at June 30, 2010 is \$17007. We have targeted a balance of \$10000 in this account as a contingency for related matters that may arise during the year. Details of transactions in each of these funds are included with this report.

ACTIVITY THRU DATE OF THIS REPORT

There have been no financial transactions through the date of this letter of significant impact.

If you have any questions or comments, please let me know.

Respectfully submitted,

Janet Chase, Treasurer

AMERICAN BRITTANY CLUB
BALANCE SHEET
JUNE 30

| ASSETS | 2010 | 2009 |
|---|--------------------------|--------------------------|
| CASH/CERTIFICATES OF DEPOSIT | | |
| OPERATING | 187454 | 204576 |
| FUTURE GROUNDS | 78359 | 65435 |
| BREED ISSUES | 17007 | 18118 |
| ACCOUNTS RECEIVABLE | 120 | 1216 |
| INVENTORY-MEDALLIONS | 2675 | 1920 |
| PREPAID EXPENSES | 11038 | 12181 |
| EQUIPMENT-NET OF DEPRECIATION | <u>1657</u> | <u>1017</u> |
| TOTAL ASSETS | <u><u>298310</u></u> | <u><u>304463</u></u> |
| LIABILITIES AND FUND BALANCE | | |
| ACCOUNTS PAYABLE | 1052 | 3458 |
| UNEARNED DUES | 22042 | 30179 |
| UNEARNED ADVERTISING | 520 | 390 |
| FUTURITY NOMINATIONS-2008/10 | 0 | 4400 |
| FUTURITY NOMINATIONS-2009/11 | 4231 | 1440 |
| FUTURITY NOMINATIONS-20010/12 | 1560 | 0 |
| TROPHY FUND | 0 | 412 |
| TRITRONICS AWARD | 0 | -1745 |
| GROUND FUND (BVILLE) | 8140 | 7208 |
| GUN DOG GROUNDS FUND | 2176 | 1926 |
| CORPORATE SPONSOR FUND | <u>51072</u> | <u>61068</u> |
| TOTAL LIABILITIES | <u><u>90793</u></u> | <u><u>108736</u></u> |
| FUND BALANCE | | |
| UNDESIGNATED | 112151 | 112175 |
| DESIGNATED-FUTURE GROUNDS | 78359 | 65435 |
| DESIGNATED-BREED ISSUES | <u>17007</u> | <u>18117</u> |
| | <u><u>207517</u></u> | <u><u>195727</u></u> |
| TOTAL LIABILITIES AND FUND BALANCE | <u><u>298310</u></u> | <u><u>304463</u></u> |

AMERICAN BRITANY CLUB
INCOME STATEMENT

| | GENERAL | MAGAZINE | JAN-JUNE 2010 TOTAL | 2010 ANNUAL BUDGET (updated per BOD action) | JAN-JUNE 2009 TOTAL |
|---|---------------------|----------------------|---------------------------|---|---------------------------|
| INCOME: | | | | | |
| DUES | 20371 | | 20371 | 44000 | 21013 |
| ADVERTISING | | 6180 | 6180 | 17000 | 6992 |
| RECORDING FEES | 17895 | | 17895 | 32000 | 18274 |
| CORP SPONSOR INCOME | 2688 | | 2688 | 7376 | 2688 |
| INTEREST INCOME | 2532 | | 2532 | 6000 | 3900 |
| ABC FUTURITY SHARE | 1339 | | 1339 | 1200 | 1028 |
| YEARBOOKS & PATCHES | 206 | | 206 | 0 | 139 |
| PURINA PARENT CLUB PROGRAM | 3255 | | 3255 | 3300 | 3401 |
| MISCELLANEOUS | <u>539</u> | <u>156</u> | <u>695</u> | <u>1400</u> | <u>374</u> |
| TOTAL INCOME | <u>48825</u> | <u>6336</u> | <u>55161</u> | <u>112276</u> | <u>57809</u> |
| EXPENSES: | | | | | |
| EXECUTIVE SECRETARY | 3600 | | 3600 | 7200 | 3600 |
| MANAGING EDITOR-MAG | | 3300 | 3300 | 6600 | 3300 |
| PUBLISHING EDITOR-MAG | | 3250 | 3250 | 9750 | 4875 |
| CLERICAL ASST-MEMBR | 350 | | 350 | 1050 | 525 |
| MEMBERSHIP LIST ASSIST | 1350 | | 1350 | 2700 | 1350 |
| ABC WEBMASTER | 600 | | 600 | 1200 | 600 |
| DOG REGIST PROGRAM | | | 0 | 2000 | 1220 |
| INSURANCE | 1197 | | 1197 | 2500 | 1197 |
| PROFESSIONAL SERVICES | | | 0 | 0 | 0 |
| POSTAGE | 811 | 3815 | 4626 | 12800 | 5930 |
| SUPPLIES | 735 | 187 | 922 | 2000 | 274 |
| TELEPHONE/INTERNET | 497 | 554 | 1051 | 2900 | 1646 |
| PRINTING MAGAZINE | | 9569 | 9569 | 33000 | 13942 |
| MAIL MAGAZINE | | 633 | 633 | 2200 | 1007 |
| JUDGES EDUCATION | 56 | | 56 | 700 | 420 |
| AKC DELEGATE EXPENSE | 429 | | 429 | 2500 | 0 |
| DATES COORDINATORS | | | 0 | 300 | 0 |
| DEPRECIATION | 90 | | 90 | 180 | 90 |
| ANNUAL ELECTION EXPENSE | | | 0 | 1750 | 0 |
| ANNUAL MEETING EXPENSE | | | 0 | 2200 | 0 |
| INCOME TAX ON INTEREST INCOME | 1133 | | 1133 | 750 | 1030 |
| CREDIT CARD PROCESSING | 403 | 222 | 625 | 1800 | 835 |
| HOSPITALITY/NATIONALS | | | | 800 | |
| PRIOR YEAR EXPENSES | | | 0 | 0 | 0 |
| MISCELLANEOUS | <u>3414</u> | <u>85</u> | <u>3499</u> | <u>3500</u> | <u>2374</u> |
| TOTAL EXPENSES | <u>14665</u> | <u>21615</u> | <u>36280</u> | <u>100380</u> | <u>44215</u> |
| SUBTOTAL | <u><u>34160</u></u> | <u><u>-15279</u></u> | 18881 | 11896 | 13594 |
| SPECIAL EVENTS-NET | | | | | |
| BOOK SALES | | | 0 | 50 | 45 |
| NATIONAL OPEN | | | | 1000 | 0 |
| NATIONAL AMATEUR | | | | 750 | 0 |
| NATIONAL SHOW | | | | 0 | 0 |
| OPEN GUN DOG CHAMP | | | | 0 | 0 |
| AMTR GUN DOG CHAMP | | | | 0 | 0 |
| EAST FUTURITY | | | 194 | 0 | 363 |
| CENTRAL FUTURITY (2008 INCOMPLETE AT 6/30/08) | | | 284 | 0 | -138 |
| WEST FUTURITY | | | <u>249</u> | <u>0</u> | <u>59</u> |
| TOTAL EXCESS/DEFICIT | | | 19608 | 13696 | 13923 |
| BOARD DESIGNATED TRANSFER 1/2 OF REC FEES | | | | | |
| FUTURE GROUNDS | | | -4474 | -8000 | -4566 |
| BREED ISSUES | | | <u>-4474</u> | <u>-8000</u> | <u>-4566</u> |
| EXCESS (DEFICIT) | | | <u><u>10660</u></u> | <u><u>-2304</u></u> | <u><u>4791</u></u> |

AMERICAN BRITTANY CLUB
DEPARTMENT INCOME STATEMENTS
JUNE 30, 2010

| | EAST FUT | CENT FUT | WEST FUT | 80'S BOOK |
|-----------------------------|-----------------------|-----------------------|-----------------------|--------------------|
| INCOME | | | | |
| ENTRY FEES | 2830 | 1870 | 2590 | |
| CORP SPONSOR | 500 | 500 | 500 | |
| BOOK SALES | <u> </u> | <u> </u> | <u> </u> | <u> 0</u> |
| TOTAL INCOME | <u> 3330</u> | <u> 2370</u> | <u> 3090</u> | <u> 0</u> |
| EXPENSES | | | | |
| JUDGES | 169 | 418 | 1094 | |
| TROPHIES | 292 | 292 | 292 | |
| GRDS/SHOW SITE | 670 | 615 | 475 | |
| BIRDS | 675 | 200 | 425 | |
| HORSE RENTAL | 750 | | | |
| LICENSES/FEES | 145 | 145 | 145 | |
| HOSPITALITY | 200 | | 75 | |
| PREMIUMS/CATALOG | 40 | 42 | 86 | |
| MISCELLANEOUS | 1 | 91 | | |
| MAILING BOOK | <u> </u> | <u> </u> | <u> </u> | <u> 0</u> |
| TOTAL EXPENSE | <u> 2942</u> | <u> 1803</u> | <u> 2592</u> | <u> 0</u> |
| NET INCOME | 388 | 567 | 498 | <u> 0</u> |
| PROFIT SPLIT WITH HOST CLUB | <u> -194</u> | <u> -283</u> | <u> -249</u> | |
| NET INCOME TO ABC | <u> 194</u> | <u> 284</u> | <u> 249</u> | |

AMERICAN BRITTANY CLUB
**DETAIL OF FUTURE GROUNDS FUND
AND BREED ISSUES FUND**
TO JUNE 30, 2010

| | FUTURE GROUNDS FUND | BREED ISSUES FUND |
|---|---------------------------|-------------------------|
| BALANCE FWD 1/1/08 | 75194 | 14333 |
| 2008 | | |
| Allocation of 1/2 of increase in rec fees | 7875 | 7876 |
| Open Gun Dog & Amtr Gun Dog Ch @\$25/dog (limited to profit) | 0 | |
| Open All Age Champ @\$25/dog | 1625 | |
| Amateur All Age Champ @\$25/dog | 1175 | |
| NAIA Conference expense | | -397 |
| Contributions | | |
| NAIA | | -500 |
| NAIA Trust | | -500 |
| Bird Dog Fdn | | -2000 |
| UC Regents/Nelson Fund | | -2000 |
| US Sportsmens Alliance | | -3000 |
| Balance 12/31/08 | <u>85869</u> | <u>13812</u> |
| 2009 | | |
| Allocation of 1/2 of increase in rec fees | 4566 | 4566 |
| Grant for Thayer Grounds purchase | -25000 | |
| Membership development | | |
| Badger BC re Pheasant Fest | | -260 |
| Balance 6/30/09 | <u>65435</u> | <u>18118</u> |
| Allocation of 1/2 increase in rec fees | 3250 | 3249 |
| Open Gun Dog Ch @\$25/dog | 1350 | |
| Amtr Gun Dog Ch @\$25/dog | 1075 | |
| Open Ch @\$25/dog | 1425 | |
| Amtr Champ @\$25/dog | 1350 | |
| Membership development | | |
| Meet the Breeds expos | | -334 |
| Contributions | | |
| AKC Canine Legislative Support Fund | | -500 |
| NAIA | | -500 |
| NAIA Trust | | -500 |
| Bird Dog Fdn | | -2000 |
| UC Regents/Nelson Fund | | -2000 |
| US Sportsmens Alliance | | -3000 |
| Balance 12/31/09 | <u>73885</u> | <u>12533</u> |
| 2010 | | |
| Allocation of 1/2 of increase in rec fees | <u>4474</u> | <u>4474</u> |
| Balance 6/30/10 | <u><u>78359</u></u> | <u><u>17007</u></u> |