

of wild animals in performances.

In 2000, the Lions Club of America urged its local chapters to avoid supporting circus entertainment because of the questionable and inhumane treatment of animals. Laws were proposed in Florida, Rhode Island, and Maryland to outlaw the use of elephants in performance, and a similar federal bill was introduced.

In 2000, we were involved in the campaigns for successful relocation of two Asian elephants from inappropriate zoo conditions to caring and humane sanctuary environments. We continued to oppose the capture and public display of dolphins and, specifically

the construction of new captive dolphin exhibits in Bermuda, Canada, Chile, Finland, Hawaii, Israel, Malta, Mexico, Ohio, Palau, the Philippines, Spain, South Africa, and Virginia.

To help animals not only in circuses but also in zoos, puppy mills, laboratories, and on airlines, we helped secure an increase of \$2 million in funding for the Federal Animal Welfare Act.



The HSUS helped secure an increase in funding for inspections of animal facilities, including puppy mills.

Making the Connection

In its third year of activity, the HSUS First Strike® campaign conducted more than 50 workshops and presentations in the United States and Canada, reaching veterinarians, prosecutors, judges, and adult protective service and mental health professionals, in an effort to educate the public about the importance of recognizing animal cruelty as an early warning sign for future violence against humans.

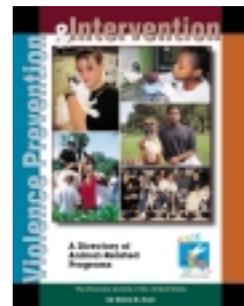
In conjunction with these efforts, we developed new materials on the animal cruelty/human violence connection for veterinary professionals and partnered with the National Center on Elder Abuse



J. A. HALETT

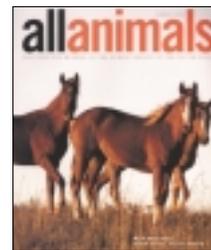
Our First Strike campaign spread the message that teaching kindness to animals may help prevent future violence against humans.

to develop a campaign on the link between animal abuse and elder abuse. We produced *Violence Prevention & Intervention: A Directory of Animal-Related Programs*, which outlines animal-assisted therapy programs that work to reduce violence in our communities. In addition, we launched a new website to keep people informed about high-profile animal cruelty cases, state legislative efforts, and First Strike-related prevention and intervention programs.



Spreading the Word

The HSUS's in-house design and editorial staff produced hundreds of publications ranging from flyers and brochures to magazines and books covering the gamut of animal protection issues. *All Animals*®, our membership magazine produced in cooperation with Time Inc., continued to inform and entertain hundreds of thousands of readers. We debuted three new newsletters: *Kindred Spirits News*, sent to members of the Kindred Spirits™ memorial program; *Helping Hands*, directed to our major donors; and *Pain & Distress*





Report, targeted to scientists and those who work with research animals.

We received 12 awards for design excellence. American Graphic Design gave us

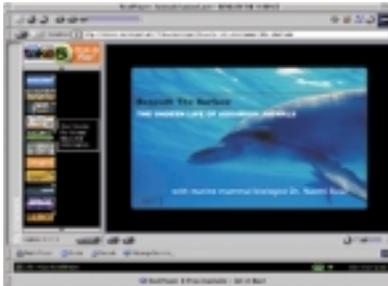
nine awards for the "I'm not a trade barrier!" posters, bookmarks, and letterhead; the HSUS bookmark series; the *Living in Harmony with Wildlife* brochure; the *Give Wildlife a Brake!* spring brochure; and the First Strike



children's brochure. Creativity gave us two awards for the "I'm not a coat" poster and billboard campaigns.



We also received an APEX 2000 award for *Wild Neighbors News* Winter 2000.



The Internet is becoming a major communication tool for The HSUS. In October, *www.animalchannel.net*, our cutting-edge streaming media site, became one of the preprogrammed channels on RealPlayer, keeping company with ABC, CNN, and Discovery.

The Humane Activist Network continued to grow. We now have nearly 40 state coordinators, more



than 140 district captains,

and some 20,000 activists, all prepared to take action in

Bringing Animal Issues to a Global Audience

DUSK IS SETTLING in Kenya's Tsavo East National Park, and the lions, zebras, and other wild animals are on the move. As I look through my viewfinder, a herd of elephants enters the frame. It's a perfect moment, and once again I understand why this magnificent mammal deserves our respect and protection.

This landscape is a stark contrast to the United Nations

building in Nairobi, where the staff of Animal Channel will chronicle the biennial meeting of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). For the next two weeks, we will provide daily coverage via the Internet



WALTER LARRIMORE

of such contentious issues as whether to protect whales, sharks, sea turtles, and bears. But the highest-profile issue will be whether to maintain the ban on the international trade in ivory, which has been in effect for 10 years.

As the meeting unfolds, we document the debates, providing a global audience with exclusive streaming-media coverage of the daily victories and defeats. In the end, the African elephant receives a reprieve. But like so many wins, this one may be short-lived: In 2002, the CITES meeting will be held in Chile, where it's feared that nations will vote to resume the trade in ivory.

Back home, Animal Channel focuses its lens on how African elephants are treated in circuses and zoos. But it's not just about elephants. It's also about dogs and cats, farm animals, urban wildlife, and animals in research. They all deserve attention, from one pet abused by his caregiver to 1 million factory farm hens trapped in their crushed cages in the aftermath of a tornado. Just as important is the dedication of those committed to saving those suffering animals.

Animal Channel has become a powerful voice for animals on the Internet. It is now a preprogrammed channel on RealPlayer—a status that makes our content as visible as that of broadcast giants ABC and CNN. Our archive of more than 600 RealMedia files contains the largest database of online animal-related videos.

Covering animal issues is both exhilarating and heartbreaking. While it's a privilege to be able to bring attention to the plight of animals and the fight for their protection, I look forward to the day when it's no longer necessary.

—Kathy Milani, Director, Video and New Media

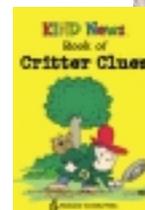
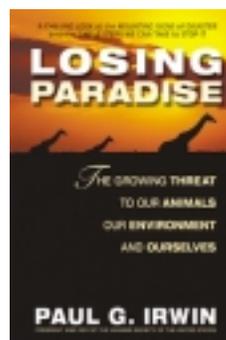
an efficient and coordinated manner on state and federal legislation. The *Humane Activist* newsletter continued to inform and inspire the network.

*HUMANE*lines, our electronic newsletter co-produced with The Fund for Animals, provided some 25,000 activists around the world with positive and productive avenues for humane action.

Tying it together was *Losing Paradise*, a new book by HSUS President Paul G. Irwin, published in August. The book offers

a chilling look at the mounting signs of environmental disaster and the simple steps we can take to stop it.

We published two books aimed at children, *Careers with Animals* and the *KIND News Book of Critter Clues*.



Our work reflects our mission of creating a more humane society. But in a country of 280 million people and a world of more than 6 billion, we must reach out broadly, and hope that we inspire humankind's compassion. We rely on you, our members and supporters, to be personal ambassadors for the animals, to reach out to family members, coworkers, and communities to promote the protection of all animals.

We have accomplished much this year because of you, and with your help our future efforts also will be successful.

THE HUMANE SOCIETY OF THE UNITED STATES COMPARATIVE FINANCIAL OPERATIONS REPORT FOR THE YEARS ENDED DECEMBER 31, 2000 and 1999

Consolidated Statement of Financial Position

	<u>December 31</u>	
	<u>2000</u>	<u>1999</u>
Assets		
Cash and cash equivalents	\$30,163,807	\$25,994,541
Receivables, deposits, and prepaid expenses	2,824,352	2,799,238
Investments, at market value	76,472,579	71,244,044
Fixed assets, net of depreciation	9,646,893	9,756,001
Total Assets	<u>\$119,107,631</u>	<u>\$109,793,824</u>
Liabilities	\$10,450,770	\$8,707,888
Net Assets		
Unrestricted	82,981,000	78,451,166
Temporarily restricted	5,463,584	7,818,856
Permanently restricted	20,212,277	14,815,914
Total Net Assets	<u>108,656,861</u>	<u>101,085,936</u>
Total Liabilities and Net Assets	<u>\$119,107,631</u>	<u>\$109,793,824</u>

Consolidated Statement of Activities

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Year Ended December 31</u>	
				<u>2000 Total</u>	<u>1999 Total</u>
Revenue, Other Additions, and Transfers					
Contributions and grants	\$40,723,018	\$5,448,921	\$310,138	\$46,482,077	\$43,628,297
Bequests	10,448,329	355,839	5,065,239	15,869,407	18,190,355
Investment income	3,508,056	815,726	—	4,323,782	3,399,936
Sale of literature and other income, net	2,233,149	2,755	—	2,235,904	1,424,833
Total Revenue and Other Additions	<u>\$56,912,552</u>	<u>\$6,623,241</u>	<u>\$5,375,377</u>	<u>\$68,911,170</u>	<u>\$66,643,421</u>
Transfers (net assets released from restrictions)	8,616,307	(8,616,307)	—	—	—
Total Revenue, Other Additions, and Transfers	<u>\$65,528,859</u>	<u>(\$1,993,066)</u>	<u>\$5,375,377</u>	<u>\$68,911,170</u>	<u>\$66,643,421</u>
Expenses and Other Deductions					
Animal-protection programs					
Public education, membership information, and publications	\$16,022,486	—	—	\$16,022,486	\$15,952,719
Cruelty investigations and regional offices	4,236,509	—	—	4,236,509	4,165,867
Wildlife, animal-habitat, and sheltering programs	7,623,999	—	—	7,623,999	6,753,038
Youth and higher-education programs	2,883,501	—	—	2,883,501	2,686,527
Legal assistance, litigation, legislation and government relations	2,063,233	—	—	2,063,233	1,934,302
Animal-research issues and bioethics and farm animals	1,705,846	—	—	1,705,846	1,770,251
Supporting services					
Management and general	4,661,450	—	—	4,661,450	4,337,741
Membership development	844,500	—	—	844,500	826,170
Fund-raising	16,865,282	—	—	16,865,282	16,372,027
Total Expenses and Other Deductions	<u>\$56,906,806</u>	<u>0</u>	<u>0</u>	<u>\$56,906,806</u>	<u>\$54,798,642</u>
Change in Net Assets before net appreciation in fair value of investments	8,622,053	(1,993,066)	5,375,377	12,004,364	11,844,779
Net appreciation in fair value of investments	<u>(4,092,219)</u>	<u>(362,206)</u>	<u>20,986</u>	<u>(4,433,439)</u>	<u>10,482,796</u>
Change in Net Assets	<u>\$4,529,834</u>	<u>(\$2,355,272)</u>	<u>\$5,396,363</u>	<u>\$7,570,925</u>	<u>\$22,327,575</u>

The HSUS is tax exempt under Section 501(c)(3) of the Internal Revenue Code. Contributions are tax deductible to the extent allowed by law. The HSUS's audited financial statements are available upon request.

