

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2001

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

The organization may have to use a copy of this return to satisfy state reporting requirements

A For the **2001** calendar year, or tax year period beginning and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type See Specific Instructions	C Name of organization AMERICAN KENNEL CLUB CANINE HEALTH FOUNDATION, INC.		D Employer identification number 13-3813813
		Number and street (or P O box if mail is not delivered to street address) 251 WEST GARFIELD ROAD		Room/suite 160
		City or town, state or country, and ZIP + 4 AURORA, OH 44202		E Telephone number 330-995-0807

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ)

H and I are not applicable to section 527 organizations

H(a) Is this a group return for affiliates? Yes No

H(b) If "Yes," enter number of affiliates

H(c) Are all affiliates included? N/A Yes No (if "No," attach a list)

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Enter 4-digit GEN

M Check if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF)

G Web site WWW.AKCCHF.ORG

J Organization type (check only one) 501(c) (3) (insert no) 4947(a)(1) or 527

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail it should file a return without financial data. Some states require a complete return

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 **5,137,983.**

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Revenue	1	Contributions, gifts, grants, and similar amounts received			
	a	Direct public support	1a	2,640,985.	
	b	Indirect public support	1b		
	c	Government contributions (grants)	1c		
	d	Total (add lines 1a through 1c) (cash \$ 2,598,313. noncash \$ 42,672.)	1d	2,640,985.	
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2		
	3	Membership dues and assessments	3		
	4	Interest on savings and temporary cash investments	4		
	5	Dividends and interest from securities	5	146,456.	
	6a	Gross rents	6a		
	b	Less rental expenses	6b		
	c	Net rental income or (loss) (subtract line 6b from line 6a)	6c		
7	Other investment income (describe)	7			
8a	Gross amount from sale of assets other than inventory	(A) Securities	2,272,813.	(B) Other	
b	Less cost or other basis and sales expenses	8a	2,531,519.	8b	
c	Gain or (loss) (attach schedule)	8c	-258,706.	8d	-258,706.
d	Net gain or (loss) (combine line 8c, columns (A) and (B))	STMT 1			
9	Special events and activities (attach schedule)				
a	Gross revenue (not including \$ 142,591. of contributions reported on line 1a)	9a	60,850.		
b	Less direct expenses other than fundraising expenses	9b			
c	Net income or (loss) from special events (subtract line 9b from line 9a)	SEE STATEMENT 3	9c	60,850.	
10a	Gross revenue from other than contributions, grants, and allowances	10a			
b	Less cost of goods sold	10b			
c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c			
11	Other revenue (from Part VII, line 10)	11	16,879.		
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	2,606,464.		
Expenses	13	Program expenses (from line 14, column (B))	13	1,776,608.	
	14	Management and general (from line 14, column (C))	14	522,446.	
	15	Fundraising (from line 44, column (D))	15	254,242.	
	16	Payments to affiliates (attach schedule)	16		
	17	Total expenses (add lines 16 and 44, column (A))	17	2,553,296.	
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	53,168.	
	19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	2,623,758.	
	20	Other changes in net assets or fund balances (attach explanation)	20	103,484.	
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	2,780,410.	

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**AMERICAN KENNEL CLUB CANINE
HEALTH FOUNDATION, INC.**

Form 990 (2001)

13-3813813

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Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) cash \$1329137. noncash \$	22 1,329,137.	1,329,137.		
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25 Compensation of officers, directors, etc	25 89,289.	49,109.	17,858.	22,322.
26 Other salaries and wages	26 248,588.	106,723.	105,117.	36,748.
27 Pension plan contributions	27 6,783.	3,064.	2,411.	1,308.
28 Other employee benefits	28 59,028.	24,864.	24,042.	10,122.
29 Payroll taxes	29 30,144.	14,001.	10,876.	5,267.
30 Professional fundraising fees	30			
31 Accounting fees	31			
32 Legal fees	32			
33 Supplies	33 15,668.	3,656.	9,503.	2,509.
34 Telephone	34 28,817.	8,694.	12,054.	8,069.
35 Postage and shipping	35 31,958.	8,498.	12,208.	11,252.
36 Occupancy	36 45,240.		45,240.	
37 Equipment rental and maintenance	37 27,311.	3,622.	19,911.	3,778.
38 Printing and publications	38 60,484.	16,938.	25,429.	18,117.
39 Travel	39 45,674.	12,032.	23,130.	10,512.
40 Conferences, conventions, and meetings	40 227,224.	154,896.	25,205.	47,123.
41 Interest	41			
42 Depreciation depletion, etc (attach schedule)	42 17,373.		10,371.	7,002.
43 Other expenses not covered above (itemize)				
a	43a			
b	43b			
c	43c			
d	43d			
e SEE STATEMENT 4	43e 290,578.	41,374.	179,091.	70,113.
44 Total functional expenses (add lines 22 through 43) Organizations completing columns (B) (D) carry these totals to lines 13-15	44 2,553,296.	1,776,608.	522,446.	254,242.

Joint Costs Check if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No

If "Yes," enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to Program services \$ _____, (iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? **SEE STATEMENT 5**

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

Program Service Expenses
(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts but optional for others)

a SEE STATEMENT 6				
	(Grants and allocations \$	1,329,137.)		1,776,608.
b				
	(Grants and allocations \$			
c				
	(Grants and allocations \$			
d				
	(Grants and allocations \$			
e Other program services (attach schedule)				
	(Grants and allocations \$			
f Total of Program Service Expenses (should equal line 44, column (B), Program services)				1,776,608.

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Form 990 (2001)

Part IV Balance Sheets

Note		(A)		(B)		
Where required, attached schedules and amounts within the description column should be for end-of-year amounts only		Beginning of year		End of year		
Assets	45	Cash - non-interest-bearing		45		
	46	Savings and temporary cash investments	644,253.	46	869,165.	
	47 a	Accounts receivable	47a			
	b	Less allowance for doubtful accounts	47b		47c	
	48 a	Pledges receivable	48a	394,442.		
	b	Less allowance for doubtful accounts	48b		48c	
	49	Grants receivable			49	
	50	Receivables from officers, directors, trustees, and key employees			50	
	51 a	Other notes and loans receivable	51a			
	b	Less allowance for doubtful accounts	51b		51c	
	52	Inventories for sale or use			52	
	53	Prepaid expenses and deferred charges		5,764.	53	5,764.
	54	Investments - securities STMT 7 STMT 8 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		3,516,686.	54	3,212,347.
	55 a	Investments - land, buildings, and equipment basis	55a			
	b	Less accumulated depreciation	55b		55c	
56	Investments - other			56		
57 a	Land buildings and equipment basis	57a	123,767.			
b	Less accumulated depreciation	57b	70,006.	57c		
58	Other assets (describe <input type="checkbox"/> SEE STATEMENT 9)		42,639.	58	53,761.	
59	Total assets (add lines 45 through 58) (must equal line 74)		109,236.	59	106,960.	
Liabilities	60	Accounts payable and accrued expenses		60	48,076.	
	61	Grants payable		61	32,014.	
	62	Deferred revenue		62	1,788,681.	
	63	Loans from officers directors trustees, and key employees		63		
	64 a	Tax-exempt bond liabilities		64a		
	b	Mortgages and other notes payable		64b		
	65	Other liabilities (describe <input type="checkbox"/> SEE STATEMENT 10)		31,031.	65	41,334.
66	Total liabilities (add lines 60 through 65)		1,753,062.	66	1,862,029.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74					
	67	Unrestricted		67	702,533.	
	68	Temporarily restricted		68	109,852.	
	69	Permanently restricted		69	878,394.	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74					
	70	Capital stock, trust principal, or current funds		70	1,042,831.	
	71	Paid-in or capital surplus, or land, building and equipment fund		71		
	72	Retained earnings, endowment, accumulated income, or other funds		72		
73	Total net assets or fund balances (add lines 67 through 69 OR lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)		2,623,758.	73	2,780,410.	
74	Total liabilities and net assets / fund balances (add lines 66 and 73)		4,376,820.	74	4,642,439.	

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore please make sure the return is complete and accurate and fully describes, in Part III the organization's programs and accomplishments

Part VII Analysis of Income-Producing Activities (See Specific Instructions on page 32)

	Unrelated business income		Excluded by section 512, 513 or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue					
a					
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities			14	146,456.	
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	-258,706.	
101 Net income or (loss) from special events			01	60,850.	
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a MISCELLANEOUS			01	16,879.	
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0.		-34,521.	0.
105 Total (add line 104, columns (B), (D), and (E))					-34,521.

Note Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See Specific Instructions on page 32)

Line No	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
▼	

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See Specific Instructions on page 33)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See Specific Instructions on page 33)

- (a) Did the organization during the year, receive any funds directly or indirectly to pay premiums on a personal benefit contract? Yes No
- (b) Did the organization during the year, pay premiums, directly or indirectly on a personal benefit contract? Yes No

accompanying schedules and statements and to the best of my knowledge and belief, it is true, and the information of which preparer has any knowledge

12-02 **ALEXANDER FRASER DZLNER**

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

OMB No 1545-0047

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

2001

Department of the Treasury
Internal Revenue Service

Supplementary Information-(See separate instructions.)
▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization **AMERICAN KENNEL CLUB CANINE HEALTH FOUNDATION, INC.** Employer identification number **13 3813813**

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions List each one if there are none, enter "None")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
DEBORAH A. DILALLA C/O AKC CANINE HEALTH FOUNDATION, INC 251 WEST GARFIELD ROAD, SUITE 160 AURORA, OH 44202	ADMINISTRATOR FULL TIME	59,356.	5,804.	
Total number of other employees paid over \$50,000 ▶ 0				

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions List each one (whether individuals or firms) If there are none, enter "None")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
RUTH REID & CO. 37 MAIN STREET, 3RD FLOOR, CHARDON, OH 44024	ANNUAL REPORT, BROCHURES, ARTICLES	97,240.
Total number of others receiving over \$50,000 for professional services ▶ 0		

AMERICAN KENNEL CLUB CANINE

Part III Statements About Activities (See page 2 of the instructions)

	Yes	No
1 During the year has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line 1 of Part VI-B) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities	1	X
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors trustees, directors, officers, creators key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions) SEE STATEMENT 14		
a Sale exchange, or leasing of property?	2a	X
b Lending of money or other extension of credit?	2b	X
c Furnishing of goods services, or facilities?	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE PART V, FORM 990	2d	X
e Transfer of any part of its income or assets?	2e	X
3 Does the organization make grants for scholarships, fellowships, student loans, etc ? (See Note below)	3	X
4 Do you have a section 403(b) annuity plan for your employees?	4	X
Note Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments		

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions)

The organization is not a private foundation because it is (Please check only **ONE** applicable box)

- 5 A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6 A school Section 170(b)(1)(A)(ii) (Also complete Part V)
- 7 A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8 A Federal, state or local government or governmental unit Section 170(b)(1)(A)(v)
- 9 A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state **▶** _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 11b A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 12 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc , functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3))

Provide the following information about the supported organizations (See page 5 of the instructions)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14 An organization organized and operated to test for public safety Section 509(a)(4) (See page 6 of the instructions)

AMERICAN KENNEL CLUB CANINE

Schedule A (Form 990 or 990-EZ) 2001 HEALTH FOUNDATION, INC.

13-3813813 Page 3

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) **Use cash method of accounting**
 Note You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in)	(a) 2000	(b) 1999	(c) 1998	(d) 1997	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28)	2,360,534.	2,155,678.	1,751,520.	1,532,676.	7,800,408.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	146,236.	57,940.	1,173.		205,349.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	425,474.	196,398.	197,547.	232,611.	1,052,030.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.					
23 Total of lines 15 through 22	2,932,244.	2,410,016.	1,950,240.	1,765,287.	9,057,787.
24 Line 23 minus line 17	2,786,008.	2,352,076.	1,949,067.	1,765,287.	8,852,438.
25 Enter 1% of line 23	29,322.	24,100.	19,502.	17,653.	
26 Organizations described on lines 10 or 11	a Enter 2% of amount in column (e), line 24				26a 177,049.
	b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1997 through 2000 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.				26b 4,296,802.
	c Total support for section 509(a)(1) test. Enter line 24, column (e).				26c 8,852,438.
	d Add Amounts from column (e) for lines	18 1,052,030.	19	22 4,296,802.	26d 5,348,832.
	e Public support (line 26c minus line 26d total)				26e 3,503,606.
	f Public support percentage (line 26e (numerator) divided by line 26c (denominator))				26f 39.5779%
27 Organizations described on line 12	a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person" prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: N/A				
	(2000)	(1999)	(1998)	(1997)	
	b For any amount included in line 17 that was received from each person (other than "disqualified persons") prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2) enter the sum of these differences (the excess amounts) for each year: N/A				
	(2000)	(1999)	(1998)	(1997)	
	c Add Amounts from column (e) for lines	15	16	17	20
		17	20	21	27c N/A
	d Add Line 27a total	and line 27b total		27d N/A	
	e Public support (line 27c total minus line 27d total)				27e N/A
	f Total support for section 509(a)(2) test. Enter amount on line 23, column (e): N/A				27f N/A
	g Public support percentage (line 27e (numerator) divided by line 27f (denominator))				27g N/A %
	h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))				27h N/A %

28 Unusual Grants For an organization described in line 10, 11, or 12, that received any unusual grants during 1997 through 2000 prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

NONE

AMERICAN KENNEL CLUB CANINE

Part V Private School Questionnaire (See page 7 of the instructions)

N/A

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement)		

32	Does the organization maintain the following		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement)	32d	

33	Does the organization discriminate by race in any way with respect to		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities? If you answered "Yes" to any of the above please explain (If you need more space, attach a separate statement)	33h	

34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement	34b	
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50 1975-2 C B 587 covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions)

N/A

(To be completed ONLY by an eligible organization that filed Form 5768)

Check a if the organization belongs to an affiliated group Check b if you checked "a" and "limited control" provisions apply

Limits on Lobbying Expenditures

(The term "expenditures" means amounts paid or incurred)

	(a) Affiliated group totals	(b) To be completed for ALL electing organizations
	N/A	
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38 Total lobbying expenditures (add lines 36 and 37)	38	
39 Other exempt purpose expenditures	39	
40 Total exempt purpose expenditures (add lines 38 and 39)	40	
41 Lobbying nontaxable amount Enter the amount from the following table -		
If the amount on line 40 is -		
Not over \$500,000		
Over \$500,000 but not over \$1,000,000		
Over \$1,000,000 but not over \$1,500,000		
Over \$1,500,000 but not over \$17,000,000		
Over \$17,000,000		
The lobbying nontaxable amount is -		
20% of the amount on line 40		
\$100,000 plus 15% of the excess over \$500,000		
\$175,000 plus 10% of the excess over \$1,000,000		
\$225,000 plus 5% of the excess over \$1,500,000		
\$1,000,000		
42 Grassroots nontaxable amount (enter 25% of line 41)	42	
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43	
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44	

Caution If there is an amount on either line 43 or line 44, you must file Form 4720

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below See the instructions for lines 45 through 50 on page 11 of the instructions)

Calendar year (or fiscal year beginning in)	Lobbying Expenditures During 4-Year Averaging Period				N/A (e) Total
	(a) 2001	(b) 2000	(c) 1999	(d) 1998	
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 12 of the instructions)

N/A

During the year did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

- a Volunteers
- b Paid staff or management (Include compensation in expenses reported on lines c through h)
- c Media advertisements
- d Mailings to members, legislators, or the public
- e Publications, or published or broadcast statements
- f Grants to other organizations for lobbying purposes
- g Direct contact with legislators their staffs, government officials, or a legislative body
- h Raffles, demonstrations, seminars conventions, speeches lectures, or any other means
- i Total lobbying expenditures (Add lines c through h)

Yes	No	Amount
		0.

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities

Schedule B
(Form 990, 990-EZ, or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

Supplementary Information for
line 1 of Form 990, 990-EZ and 990-PF (see instructions)

OMB No 1545-0047

2001

Name of organization

AMERICAN KENNEL CLUB CANINE
HEALTH FOUNDATION, INC.

Employer identification number

13-3813813

Organization type (check one)

Filers of

Section

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust not treated as a private foundation

527 political organization

Form 990 PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General rule** or a **Special rule** (Note Only a section 501(c)(7), (8), or (10) organization can check box(es) for both the General rule and a Special rule-see instructions)

General Rule-

For organizations filing Form 990, 990 EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor (Complete Parts I and II)

Special Rules-

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms (Complete Parts I and II)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990 EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals (Complete Parts I, II, and III)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990 EZ, that received from any one contributor, during the year, some contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000 (If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose Do not complete any of the Parts unless the General rule applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year) ▶ \$ _____

Caution Organizations that are not covered by the General rule and/or the Special rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they must check the box in the heading of their Form 990, Form 990-EZ, or on line 1 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization
**AMERICAN KENNEL CLUB CANINE
 HEALTH FOUNDATION, INC.**

Employer identification number
13-3813813

Part I Contributors (See Specific Instructions)

(a) No	(b) Name, address and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1		\$ 101,350.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
2		\$ 1,090,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
3		\$ 74,959.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
(a) No	(b) Name, address and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
(a) No	(b) Name, address and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
(a) No	(b) Name, address and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

FORM 990	GAIN (LOSS) FROM PUBLICLY TRADED SECURITIES			STATEMENT	1
DESCRIPTION	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	NET GAIN OR (LOSS)	
GATEWAY FUND	20,000.	19,965.	0.	35.	
GATEWAY FUND	211,711.	208,843.	0.	2,868.	
FNMA 5.625% 3/15/01	50,000.	49,799.	0.	201.	
DRESDNER RCM GLOBAL TECH FUND	19,292.	25,968.	0.	-6,676.	
MAS MID CAP GROWTH	28,919.	49,716.	0.	-20,797.	
MAS MID CAP VALUE	10,242.	11,425.	0.	-1,183.	
DREYFUS EMERGING LEADERS	20,000.	22,176.	0.	-2,176.	
EXCELSIOR VALUE	32,049.	30,585.	0.	1,464.	
JANUS WORLDWIDE	19,618.	32,351.	0.	-12,733.	
TR PRICE BLUE CHIP GROWTH	39,739.	51,998.	0.	-12,259.	
FNMA 5.75% 6/15/01	50,000.	49,841.	0.	159.	
US TREASURY STRIPS 8/15/01	69,615.	69,615.	0.	0.	
FNMA 6.10% 9/14/01	50,000.	49,590.	0.	410.	
EATON VANCE WORLDWIDE HEALTH SCIENCES	11,432.	13,036.	0.	-1,604.	
GABELLI WESTWOOD EQUITY	45,472.	55,971.	0.	-10,499.	
MASTERS SELECT EQUITY	10,856.	14,288.	0.	-3,432.	
S&P 400 MID CAP	12,675.	13,599.	0.	-924.	
FHLMC 7.00% 2/23/16	65,000.	65,000.	0.	0.	
US TREASURY STRIPS 11/15/01	38,150.	38,150.	0.	0.	
FHLB 6.00% 11/15/01	100,000.	98,369.	0.	1,631.	
GANNETT CO INC.	15,773.	16,186.	0.	-413.	
GENERAL MOTORS H DRESDNER RCM GLOBAL TECH FUND	3,750.	5,214.	0.	-1,464.	
MAS MID CAP VALUE	14,818.	30,221.	0.	-15,403.	
JOHNSON CONTROLS INC.	47,976.	56,664.	0.	-8,688.	
FHLMC 6.51% 6/7/06	17,219.	15,561.	0.	1,658.	
WILLIAMETTE INDS INC.	45,000.	45,000.	0.	0.	
ADAMS EXPRESS	12,307.	10,264.	0.	2,043.	
ENGELHARD CORP	39,496.	53,394.	0.	-13,898.	
FHMLC 6.01%	18,569.	13,999.	0.	4,570.	
FNMA 6.21% 2/12/09	75,000.	75,000.	0.	0.	
GABELLI WESTWOOD EQUITY	125,000.	125,000.	0.	0.	
JANUS SPECIAL SITUATIONS	67,121.	80,971.	0.	-13,850.	
	17,147.	28,966.	0.	-11,819.	

JANUS WORLDWIDE	44,245.	54,817.	0.	-10,572.
VANGUARD TOTAL STOCK MARKET	73,837.	83,866.	0.	-10,029.
HONEYWELL INTL	8,902.	14,155.	0.	-5,253.
FNMA 5.65% 6/1/01	50,000.	49,627.	0.	373.
FNMA 5.29% 12/17/01	50,000.	48,750.	0.	1,250.
OLD REPUBLIC INTL CO	5,660.	6,400.	0.	-740.
COLUMBIA BALANCED	32,100.	36,609.	0.	-4,509.
MAS MID CAP VALUE	25,645.	29,289.	0.	-3,644.
SBC COMMUNICATIONS	18,180.	20,606.	0.	-2,426.
JANUS WORLDWIDE	16,073.	26,949.	0.	-10,876.
GATEWAY FUND	67,468.	63,772.	0.	3,696.
JANUS BALANCED FUND	23,921.	25,574.	0.	-1,653.
TIAA-CREF GROWTH & INCOME	47,699.	56,182.	0.	-8,483.
JANUS SPECIAL SITUATIONS	15,100.	26,303.	0.	-11,203.
FHLB 6.02% 10/10/06	43,860.	43,860.	0.	0.
FHLB 6.02% 10/10/06	56,140.	56,140.	0.	0.
FHLMC 7.00% 2/23/16	25,000.	25,000.	0.	0.
CALAMOS MARKET NEUTRAL	48,648.	48,422.	0.	226.
DRESDNER RCM GLOBAL TECH FUND	13,230.	30,162.	0.	-16,932.
INVESCO EUROPEAN FUND	24,044.	42,316.	0.	-18,272.
GABELLI GROWTH FUND	43,663.	64,553.	0.	-20,890.
GABELLI WESTWOOD EQUITY	34,071.	42,474.	0.	-8,403.
MORGAN STANLEY TRUST MID CAP	26,381.	33,968.	0.	-7,587.
EUROPEAN AMERICAN CD	50,000.	50,000.	0.	0.
GREAT SOUTHERN BANK CD	25,000.	25,000.	0.	0.
TO FORM 990, PART I, LINE 8	<u>2,272,813.</u>	<u>2,531,519.</u>	<u>0.</u>	<u>-258,706.</u>

FORM 990 OTHER CHANGES IN NET ASSETS OR FUND BALANCES STATEMENT 2

DESCRIPTION	AMOUNT
UNREALIZED APPPRECIATION ON PORTFOLIO	103,484.
TOTAL TO FORM 990, PART I, LINE 20	<u>103,484.</u>

FORM 990 SPECIAL EVENTS AND ACTIVITIES STATEMENT 3

DESCRIPTION OF EVENT	GROSS RECEIPTS	CONTRIBUT. INCLUDED	GROSS REVENUE	DIRECT EXPENSES	NET INCOME
GALA 2001 - ORLANDO FLA (DINNER, AUCTION, RAFFLE)	126,585.	88,429.	38,156.		38,156.
GOLF OUTING - SARASOTA FLA (GREEN FEES, CART, PRIZES, MEALS)	32,665.	25,398.	7,267.		7,267.
IKC SEMINAR, BANQUET & GATE	21,750.	16,340.	5,410.		5,410.
SPECIAL EVENTS - OTHER	22,441.	12,424.	10,017.		10,017.
TOTAL	203,441.	142,591.	60,850.		60,850.

FORM 990 OTHER EXPENSES STATEMENT 4

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
PROFESSIONAL FEES	126,506.	40,851.	85,293.	362.
AGENCY LABOR	0.			
MARKETING, ADVERTISING, ANNUAL REPORT	45,131.		30,506.	14,625.
INSURANCE	12,799.		12,799.	
MEMBERSHIP EXPENSES	19,822.		10,159.	9,663.
AMORTIZATION OF CUSTOMER LISTINGS	13,976.		6,988.	6,988.
WEBSITE DESIGN AND EXPENSES	4,260.		4,260.	
NEW DEVELOPMENT EXPENSES	21,295.		9,951.	11,344.
PROMOTIONAL ITEMS PURCHASED	17,980.			17,980.
MISCELLANEOUS	28,809.	523.	19,135.	9,151.
TOTAL TO FM 990, LN 43	290,578.	41,374.	179,091.	70,113.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 5
PART III

EXPLANATION

THE ORGANIZATIONAL EXEMPT PURPOSE IS TO SUPPORT BASIC AND APPLIED HEALTH PROGRAMS WITH EMPHASIS ON CANINE GENETICS TO IMPROVE THE QUALITY OF LIFE FOR DOGS AND THEIR OWNERS.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 6

DESCRIPTION OF PROGRAM SERVICE ONE

THE FOUNDATION FUNDS RESEARCH AND SUPPORTS CANINE HEALTH SCIENTISTS AND PROFESSIONALS IN THEIR EFFORTS TO STUDY THE CAUSES AND ORIGINS OF CANINE DISEASES AND AFFLICTIONS AND TO FORMULATE EFFECTIVE TREATMENTS. SEE ATTACHMENTS ENTITLED "GRANTS FOR RESEARCH ON SPECIFIC CANINE DISEASES AND FOR RESEARCH IN SPECIFIC BREEDS OF DOG".

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE A	<u>1,329,137.</u>	<u>1,776,608.</u>

FORM 990 NON-GOVERNMENT SECURITIES STATEMENT 7

SECURITY DESCRIPTION	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	OTHER SECURITIES	TOTAL NON-GOV'T SECURITIES
MUTUAL FUNDS			1,375,318.		1,375,318.
COMMERCIAL PAPER		308,490.			308,490.
MARKETABLE EQUITY SECURITIES	574,591.				574,591.
OTHER				0.	
TO 990, LN 54 COL B	<u>574,591.</u>	<u>308,490.</u>	<u>1,375,318.</u>	<u>0.</u>	<u>2,258,399.</u>

FORM 990	GOVERNMENT SECURITIES		STATEMENT 8
DESCRIPTION	U.S. GOVERNMENT	STATE AND LOCAL GOV'T	TOTAL GOV'T SECURITIES
U.S. GOVERNMENT OBLIGATIONS	953,948.		953,948.
TOTAL TO FORM 990, LINE 54, COL B	953,948.		953,948.

FORM 990	OTHER ASSETS		STATEMENT 9
DESCRIPTION			AMOUNT
CHARITABLE REMANDER ANNUITY TRUST RECEIVABLE			72,413.
DIVIDEND & INTEREST RECEIVABLE			24,566.
MAILING LIST NET OF AMORTIZATION OF \$31,950			9,981.
TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B			106,960.

FORM 990	OTHER LIABILITIES		STATEMENT 10
DESCRIPTION			AMOUNT
DEFERRED CONTRIBUTION INCOME			41,334.
TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B			41,334.

FORM 990	OTHER REVENUE NOT INCLUDED ON FORM 990		STATEMENT 11
DESCRIPTION			AMOUNT
NET UNREALIZED DEPRECIATION ON PORTFOLIO			0
TOTAL TO FORM 990, PART IV-A			0

FORM 990

PART V - LIST OF OFFICERS, DIRECTORS,
TRUSTEES AND KEY EMPLOYEES

STATEMENT 12

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
DR. SHELDON B. ADLER C/O AKC CANINE HEALTH FOUNDATION, INC. 251 W. GARFIELD RD, SUITE 160 AURORA, OH 44202	0		0.	0.
LEE ARNOLD C/O AKC CANINE HEALTH FOUNDATION, INC. 251 W. GARFIELD RD. SUITE 160 AURORA, OH 44202	SECRETARY 0		0.	0.
ALEXANDER F. DRAPER C/O AKC CANINE HEALTH FOUNDATION, INC. 251 W. GARFIELD RD. SUITE 160 AURORA, OH 44202	TREASURER 0		0.	0.
DR. DAVID BEBIAK C/O AKC CANINE HEALTH FOUNDATION, INC. 251 W. GARFIELD RD. SUITE 160 AURORA, OH 44202	0		0.	0.
ELYZABETH HIGGINS C/O AKC CANINE HEALTH FOUNDATION, INC. 251 W. GARFIELD RD. SUITE 160 AURORA, OH 44202	EMERITUS DIRECTOR 0		0.	0.
ROBERT L. KELLY C/O AKC CANINE HEALTH FOUNDATION, INC. 251 W. GARFIELD RD. SUITE 160 AURORA, OH 44202	0		0.	0.
CATHERINE BELL C/O AKC CANINE HEALTH FOUNDATION, INC. 251 W. GARFIELD RD. SUITE 160 AURORA, OH 44202	SECOND VICE PRESIDENT 0		0.	0.
DEBORAH LYNCH C/O AKC CANINE HEALTH FOUNDATION, INC. 251 W. GARFIELD RD. SUITE 160 AURORA, OH 44202	EXEC. VICE PRESIDENT 40	89,289.	12,308.	0.
DR. ASA MAYS C/O AKC CANINE HEALTH FOUNDATION, INC. 251 W. GARFIELD RD. SUITE 160 AURORA, OH 44202	0		0.	0.

JOHN A. STUDEBAKER C/O AKC CANINE HEALTH FOUNDATION, INC. 251 W. GARFIELD RD. SUITE 160 AURORA, OH 44202	VICE PRESIDENT 0	0.	0.	0.
TOM CROWE C/O AKC CANINE HEALTH FOUNDATION, INC. 251 W. GARFIELD RD. SUITE 160 AURORA, OH 44202	DIRECTOR EMERITUS 0	0.	0.	0.
HOWARD FALBERG C/O AKC CANINE HEALTH FOUNDATION, INC. 251 W. GARFIELD RD. SUITE 160 AURORA, OH 44202	PRESIDENT (AS OF 3/10/01) 0	0.	0.	0.
DR. C. CRESTON FARROW C/O AKC CANINE HEALTH FOUNDATION, INC. 251 W. GARFIELD RD. SUITE 160 AURORA, OH 44202	DIRECTOR EMERITUS 0	0.	0.	0.
WAYNE FERGUSON C/O AKC CANINE HEALTH FOUNDATION, INC. 251 W. GARFIELD RD. SUITE 160 AURORA, OH 44202	0	0.	0.	0.
MYRLE HALE C/O AKC CANINE HEALTH FOUNDATION, INC. 251 W. GARFIELD RD. SUITE 160 AURORA, OH 44202	0	0.	0.	0.
SUSAN LACROIX HAMIL C/O AKC CANINE HEALTH FOUNDATION, INC. 251 W. GARFIELD RD. SUITE 160 AURORA, OH 44202	0	0.	0.	0.
BRUCE ANDREW KORSON C/O AKC CANINE HEALTH FOUNDATION, INC. 251 W. GARFIELD RD. SUITE 160 AURORA, OH 44202	0	0.	0.	0.
PROF. IRIS C. LOVE C/O AKC CANINE HEALTH FOUNDATION, INC. 251 W. GARFIELD RD. SUITE 160 AURORA, OH 44202	0	0.	0.	0.
DR. WILLIAM R. NEWMAN C/O AKC CANINE HEALTH FOUNDATION, INC. 251 W. GARFIELD RD. SUITE 160 AURORA, OH 44202	0	0.	0.	0.

DR. ROBERT HRITZO	DIRECTOR EMERITUS			
C/O AKC CANINE HEALTH FOUNDATION,	0			
INC. 251 W. GARFIELD RD, SUITE 160		0.	0.	0.
AURORA, OH 44202				

TOTALS INCLUDED ON FORM 990, PART V		89,289.	12,308.	0.
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FORM 990	LIST OF STATES RECEIVING COPY OF RETURN PART VI, LINE 90	STATEMENT	13
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STATES

NY, CA, CT, IL, MI, NJ, NC, PA, OH, MN, KS, MS, VA, SC, OK, AR, AL, WA, AZ, GA, MA, MO, NH, RI,
WV, OR, WI, ME, UT, DC, NM, TN, ND, MD, AK, KY, FL, IN

SCHEDULE A	STATEMENT REGARDING ACTIVITIES WITH SUBSTANTIAL CONTRIBUTORS, TRUSTEES, DIRECTORS, CREATORS, KEY EMPLOYEES, ETC, .	STATEMENT	14
	PART III, LINE 2		

THE FOUNDATION REIMBURSES IT'S OFFICERS AND DIRECTORS FOR OUT OF POCKET EXPENDITURES MADE ON BEHALF OF THE FOUNDATION UPON RECEIPT OF AN ITEMIZATION OF SUCH EXPENDITURES.

NOTE 3 - FURNITURE, FIXTURES AND EQUIPMENT

Furniture, fixtures and equipment consisted of the following

	<u>2001</u>	<u>2000</u>
Furniture, fixtures and equipment	\$ 123,767	\$ 95,272
Less accumulated depreciation	<u>70,006</u>	<u>52,633</u>
Furniture, fixtures and equipment, net	<u>\$ 53,761</u>	<u>\$ 42,639</u>

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545 1709

▶ File a separate application for each return

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
 - If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)
- Note** Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Part I Automatic 3-Month Extension of Time - Only submit original (no copies needed)

Note Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only
 All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041

Type or print	Name of Exempt Organization AMERICAN KENNEL CLUB CANINE HEALTH FOUNDATION, INC.	Employer identification number 13-3813813
File by the due date for filing your return See instructions	Number, street, and room or suite no. If a P O box, see instructions 251 WEST GARFIELD ROAD, NO. 160	
	City, town or post office, state, and ZIP code. For a foreign address see instructions AURORA, OH 44202	

Check type of return to be filed (file a separate application for each return)

- | | | |
|--|--|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990 T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990 BL | <input type="checkbox"/> Form 990 T (sec 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990 EZ | <input type="checkbox"/> Form 990 T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990 PF | <input type="checkbox"/> Form 1041 A | <input type="checkbox"/> Form 8870 |

- If the organization does not have an office or place of business in the United States check this box
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the **whole group**, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover

1 I request an automatic 3 month (6 month, for **990-T corporation**) extension of time until **AUGUST 15, 2002** to file the exempt organization return for the organization named above. The extension is for the organization's return for calendar year **2001** or tax year beginning _____, and ending _____

2 If this tax year is for less than 12 months, check reason Initial return Final return Change in accounting period

3a If this application is for Form 990 BL, 990 PF, 990 T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions. \$ _____

b If this application is for Form 990 PF or 990 T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. \$ _____

c Balance Due Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions. \$ **N/A**

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature *[Handwritten Signature]* Title *[Handwritten Title]* Date *[Handwritten Date]*

LHA For Paperwork Reduction Act Notice, see instruction

Form 8868 (12-2000)

American Kennel Club Canine Health Foundation, Inc.
Attachment to Form 990, Year ended December 31, 2001
Confirmed Copy of Amended Bylaws of the
American Kennel Club Canine Health Foundation, Inc.

To whom it may concern,

I confirm that the amended Bylaws attached hereto are
complete and accurate copies of the original documents.


By, Alexander F Draper, Treasurer

Dated: 5.3.02



Canine Health Foundation

AMERICAN KENNEL CLUB

(A New York Not-for-Profit Corporation)

BYLAWS

ARTICLE I

NAME

The name of the corporation is American Kennel Club Canine Health Foundation. The corporation shall hereinafter in these Bylaws be referred to as the "Corporation."

ARTICLE II

OFFICE

The principal office of the Corporation shall be located in the City of New York, County of New York, State of New York, or such other location as the Board of Directors may designate.

ARTICLE III

PURPOSES OF THE CORPORATION

The purpose of the Corporation is to further the knowledge of canine diseases and health care by clinical study, laboratory research, the sponsorship of educational programs, and taking any and all lawful steps in furtherance of this purpose, consistent with the Corporation's Certificate of Incorporation.

ARTICLE IV

MEMBERS

The Board of Directors may establish categories of non-voting membership from individuals and organizations who indicated their interest in the purposes and programs of the foundation and who pay the appropriate dues. Rights, privileges and dues of such members may vary from category to category and shall be determined by the Board of Directors.

ARTICLE V

BOARD OF DIRECTORS

Section 1. Qualification of Directors. Each director shall be at least eighteen (18) years of age.

Section 2. Powers and Duties. The Board of Directors shall have the general power and responsibility to control and manage the business, affairs and property of the Corporation, subject to applicable law and the Corporation's Certificate of Incorporation. It shall have full power, by

majority vote of the directors present and voting at any duly constituted meeting, to adopt rules and regulations governing the action of the Board of Directors. Specific notice regarding rules and regulations to be considered at a regular meeting of the Board of Directors need not be given. The Board of Directors shall have full authority with respect to the distribution and payment of the monies received by the Corporation from time to time.

Section 3. Number, Election, Term of Office and Removal. The number of directors shall be not fewer than five (5), the number to be fixed from time to time by resolution of the Board of Directors adopted by the affirmative vote of a majority of the entire Board of Directors. The initial directors shall be the persons named in the Certificate of Incorporation. The regular term of office shall be four years. One class shall be elected to regular terms at each annual meeting. All elections shall be by ballot. Mail ballots may be used if approved at least thirty days in advance by the affirmative vote of a majority of the entire Board of Directors. Thereafter, the directors shall be elected at the annual meeting of the Board of Directors by the affirmative vote of a majority of the directors then in office, and each shall continue in office until the next annual meeting of the Board of Directors and until his or her successor shall have been elected and qualified or until his or her earlier death, resignation or removal. Any director may be removed at any time for cause providing prior notice is given to the Board and to the Director a minimum of one month and a maximum of three months prior to such a vote. On December 9, 2001 the number of Directors was fixed at twenty four.

Section 4. Annual Meeting; Notice. The annual meeting of the Board of Directors shall be held at the principal office of the Corporation or at such other place as the Board of Directors shall designate on such day generally in March, but not later than June and no more than six (6) months after the end of the Corporation's most recent fiscal year as the Board of Directors shall designate. Notice of the time, place and purposes of such annual meeting shall be given by the Secretary personally, by telephone or facsimile, or by mailing a copy thereof by first class mail or delivering the same to each director not less than thirty (30) days before such annual meeting.

Section 5. Other Meetings; Notice. Regular meetings shall be held in each calendar quarter and notice thereof shall be delivered to each director not less than seven (7) days before each such meeting. Other meetings of the Board of Directors may be called by the President or by any director upon verbal or written demand of not less than one-fourth of the entire Board of Directors, with such meeting to be held at the principal office of the Corporation or at such other place as may be designated in the notice of such meeting. Notice of the time, place and purposes of any such meeting shall be given by the Secretary personally, by telephone or facsimile, or by mailing a copy thereof by first class mail or delivering the same to each director not less than seven (7) days before such meeting.

Section 6. Waiver of Notice of Meeting. Notice of any meeting of the Board of Directors may be waived orally or in writing, before or after the meeting. Attendance of any meeting without protest regarding defects in notice of any meeting or written approval of the minutes of any meeting shall be equivalent to waiver of notice thereof.

Section 7. (a) Action Without a Meeting. Any action permitted to be taken by the Board of Directors may be taken without a meeting if all members of the Board of Directors consent verbally or in writing to the adoption of a resolution authorizing the action. The resolution and any written consents thereto by the members of the Board of Directors shall be filed with or recorded in the minutes or the proceedings or the Board of Directors.

(b) Meetings by Conference Telephone. The members of the Board of Directors or any committee thereof may participate in a meeting of such board or committee by means of teleconferencing or similar communications equipment by means of which all persons participating in the meeting can communicate with each other and such participation shall constitute presence in person at such meeting.

Section 8. Quorum; Adjustment of Meetings. At all meetings of the Board of Directors, one-third, (but no less than two (2) members) of the entire board shall constitute a quorum for the transaction of business. In the absence of a quorum, a majority of the directors present may, without giving notice other than by announcement at the meeting, adjourn the meeting from time to time until a quorum is obtained. At any such adjourned meeting, at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called. The act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors unless a greater vote is required by law. Among the actions for which a greater vote is required by law are purchases, sales and mortgages of real property and leases of real property owned by the Corporation.

Section 9. Organization. The President of the Corporation shall preside at all meetings of the Board of Directors or, in the absence of the President, the Vice-President, or in the absence of the President and the Vice-President, a Chairperson shall be chosen by a majority of the directors present. The Secretary of the Corporation shall act as Secretary at all meetings of the Board of Directors. In the absence of the Secretary, the person presiding at the meeting may appoint any person to act as Secretary of the meeting.

Section 10. Compensation. No officer or director of the Corporation shall receive, directly or indirectly, any salary, compensation or emolument therefrom for his or her services as officer or director or in any other capacity except for expenses incurred at the request of the Executive Committee, unless authorized by the affirmative vote of a majority of the entire Board of Directors.

Section 11. Resignation. Any director may resign at any time by giving written or oral notice to the President or the Corporation. Such resignation shall take effect at any time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. All Board members shall promptly be notified of any resignation.

Section 12. Director Emeritus. The Board of Directors may designate a former member as Director Emeritus.

Section 13. Parliamentary Authority. The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern the Corporation in all cases to which they are applicable and in which they are not inconsistent with this Constitution and Bylaws and any special rules or Order the Corporation may adopt

ARTICLE VI **EXECUTIVE COMMITTEE**

Section 1. Qualifications. The Executive Committee shall be composed of Officers plus the Chairs of Planning and Grants Committees. The Chairs of other Committees may be included in specific Executive Committee meetings at the request of the President

Section 2. Powers and Duties. Between meetings of the Board of Directors, the Executive Committee shall have the authority to act on matters requiring attention but not in conflict with any action of the Board nor in any matter reserved by law to the Board of Directors

Section 3. Meetings. Meetings may be called by the President or at the request of any two members, two days' notice shall be given. A quorum shall be a majority plus one

Section 4. Organization. The President shall preside at all meetings. The Executive Vice President shall be the Secretary of the committee unless another is named by the President

Section 5. Reporting. The committee shall report its actions at the next regularly scheduled Board of Directors meeting

ARTICLE VII **NOMINATING COMMITTEE**

Section 1. Appointment and Duties. Immediately following the annual election of officers the President shall appoint an annual Nominating Committee of three or more Directors who are not officers to nominate candidates for vacancies on the Board to be filled at the annual meeting. This committee shall also nominate Directors as candidates for officers to be elected at the annual meeting, or during the year. Written nominations by the Committee shall be delivered to the Secretary 60 days prior to the Annual Meeting. Written nominations will close 30 days prior to the Annual meeting. There shall be no nominations made thereafter

Section 2. Potential Candidates. Any two Directors may submit to the Nominating Committee a signed recommendation of a person they believe would be a new Director. The chair of the Committee shall determine potential candidates' interest and willingness to serve and send to such persons descriptive material regarding the Corporation and its work, a director profile, and shall ask for a brief biography of the candidate. The Committee shall present its nominees to the Board of Directors for discussion and action

Section 3. Notification. No person except the President shall notify a candidate of nomination or election to the Board of Directors

ARTICLE VIII **OFFICERS**

Section 1. Officers. The officers of the Corporation shall be a President, a First Vice-President, a Second Vice-President, a Secretary, a Treasurer and such other officers, if any, as the Board of Directors may from time to time appoint or elect. One person may hold more than one office in the Corporation, except that one person may not hold both the offices of President and Secretary or President and Treasurer. No instrument required to be signed by more than one officer shall be signed by one person in more than one capacity. Except for the Executive Vice-President, only a director of the Corporation may serve as an officer.

Section 2. Election, Term of Office and Removal. The initial officers of the Corporation shall be selected by the initial directors of the Corporation. Thereafter, the officers of the Corporation shall be elected at the annual meeting of the Board of Directors immediately following the election of directors and shall hold office for one year. Any officer of the Corporation may be removed at any time, with or without cause, by the affirmative vote of a majority of the directors then in office.

Section 3. Other Agents. The Board of Directors may from time to time appoint such agents as it shall deem necessary, each of whom shall hold office at the pleasure of the Board of Directors, and shall have such authority, compensation, if any, as the Board of Directors may from time to time determine.

Section 4. Vacancies. Any vacancy in any office may be filled by the Board of Directors at any meeting. Any officer so elected shall hold office until the next annual meeting.

Section 5. President; Powers and Duties. The President shall be the chief executive officer of the Corporation and shall preside at all meetings of the Board of Directors. The President shall generally manage and supervise the affairs of the Corporation. The President shall keep the Board of Directors fully informed, and shall freely consult with them concerning the activities of the Corporation. The President shall present at the annual meeting of the Board of Directors a report complying with Section 519 of the New York Not-for-Profit Corporation Law, which report shall be filed with the records of the Corporation. The President shall have the power to sign alone, unless the Board of Directors shall specifically require an additional signature, in the name of the Corporation all contracts authorized either generally or specifically by the Board of Directors. The President shall perform all duties incident to the office of President, subject to the direction of the Board of Directors and such other duties as shall from time to time be assigned to him or her by the Board of Directors.

Section 6. Secretary; Powers and Duties. The Secretary shall act as secretary of all meetings of the Board of Directors and shall keep the minutes of all such meetings in the books proper for that purpose and shall distribute copies of such minutes to all Directors within three weeks after each meeting. As a procedural, not as part of the bylaws, a draft is to be sent within one week of the meeting, by fax, with corrections/additions returned to the secretary again within another week by fax. The Secretary shall attend to the giving and serving of all notices of the Corporation. The Secretary shall have custody of the seal of the Corporation and shall affix the same to all instruments requiring it when authorized by the Board of Directors or President, and attest the same. The Secretary shall perform all duties incident to the office of the Secretary subject to the direction of the President and such other duties as shall from time to time be assigned to him or her by the President or by the Board of Directors.

Section 7. First Vice-President; Powers and Duties. The First Vice-President shall assume the powers and duties of the President in the absence, incapacity or death of the President.

Section 8. Second Vice-President; Powers and Duties. The Second Vice-President shall assume the powers and duties of the President in the absence, incapacity or death of the President and the absence, incapacity or death of the First Vice-President.

Section 9. Treasurer; Powers and Duties. The Treasurer shall have the custody of all funds, securities, evidences of indebtedness and other valuable documents of the Corporation which may come into his or her hands. The Treasurer shall keep or cause to be kept complete and accurate accounts of receipts and disbursements of the Corporation, and shall deposit all moneys and other valuable effects of the Corporation in the name and to the credit of the Corporation in such banks or depositories as the Board of Directors may designate. Whenever required by the Board of Directors, the Treasurer shall render a statement of his or her accounts. The Treasurer shall at all reasonable times exhibit his or her books and accounts to any officer or director of the Corporation, and shall perform all duties incident to the office of Treasurer subject to the direction of the President and such other duties as shall from time to time be assigned to him or her by the President or by the Board of Directors. The Treasurer shall, if so required by the Board of Directors, give such security for the faithful performance of his or her duties as the Board of Directors may require.

ARTICLE IX **ADVISORS**

Section 1. Advisors. The Board of Directors may appoint from time to time any number of persons as advisors of the Corporation to act either singly or as a committee or committees. Each such advisor shall hold office at the pleasure of the Board of Directors and shall have only such authority or obligation as the Board of Directors may from time to time determine.

Section 2. Compensation. No advisor of the Corporation shall receive, directly or indirectly, any salary, compensation or emolument therefrom for any service rendered to the Corporation by such advisor, unless authorized by the concurring vote of two-thirds of all the directors then in office. No director or officer of the Corporation shall be eligible for appointment as a paid advisor.

ARTICLE X
CONTRACTS, CHECKS, BANK ACCOUNTS, INVESTMENTS, ETC.

Section 1. Checks, Notes, Contracts, Etc. The Board of Directors is authorized to select such banks or depositories as it shall deem proper for the funds of the Corporation. The Board of Directors shall determine who, if anyone, in addition to the President, the Secretary and the Treasurer, shall be authorized from time to time on the Corporation's behalf to sign checks, drafts or other orders for the payment of money, acceptances, notes or other evidences of indebtedness, to enter into contracts, or to execute and deliver other documents and instruments.

Section 2. Investments. The funds of the Corporation may be retained in whole or in part in cash or be invested and reinvested from time to time in such property, real, personal or otherwise, or stocks, bonds or other securities, as the Board of Directors in its discretion may deem desirable.

Section 3. Gifts. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes, or for any special purpose, of the Corporation.

ARTICLE XI
BOOKS

Section 1. Books. There shall be kept at the principal office of the Corporation correct books of account of the activities and transactions of the Corporation, including a minute book which shall contain a copy of the Certificate of Incorporation, a copy of these Bylaws and all minutes of meetings of the Board of Directors.

ARTICLE XII
CORPORATE SEAL

The seal of the Corporation shall be circular in form and shall bear the name of the Corporation and words and figures showing that it was incorporated in the State of New York in 1994.

ARTICLE XIII
FISCAL YEAR

The fiscal year of the Corporation shall end with the thirty-first day of December of each year.

ARTICLE XIV
INDEMNIFICATION

Section 1. Indemnification. The Corporation shall, to the fullest extent now or hereafter permitted by law, indemnify any person made, or threatened to be made, a party to any action, suit or proceeding by reason of the fact that he or she (or a person of whom he or she is the legal or personal representative or heir or legatee) is or was a director, officer, employee or other agent of the Corporation, or of any other organization served by him or her in any capacity at the request of the Corporation, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorney's fees. Such right of indemnification shall be a contract right which may be enforced in any manner such person may elect.

Section 2. Other Indemnification Rights. Such right of indemnification shall not be exclusive of any other rights which those indemnified may have or hereafter acquire under any bylaws, agreements, resolution of directors, provisions of law or otherwise.

Section 3. Insurance. The Board of Directors shall have the power to authorize the Corporation to purchase and maintain insurance (i) to indemnify the Corporation against liability incurred by the Corporation in connection with the activities of the Corporation, (ii) to indemnify the Corporation for any express obligation which it incurs as a result of the indemnification of any person under the provisions of this Article, and (iii) to indemnify any person who is or was a director, officer or employee of the Corporation, or the legal representative for such a person, against all expenses, liability and loss incurred by or asserted against such person in such capacity of arising out of such status, whether or not the Corporation would have the power to indemnify such person.

Section 4. Amendments. The Board of Directors may from time to time adopt further bylaws with respect to indemnification permitted by the laws of the State of New York.

ARTICLE XV
AMENDMENTS

These Bylaws or any part thereof may be amended or repealed at any meeting of the Board of Directors by the affirmative vote of a majority of the entire Board of Directors, provided that notice of intention to amend the Bylaws and the proposed changes shall have been contained in the notice of the meeting.



Walthall, Drake & Wallace LLP

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

March 15, 2002

The Board of Directors of
American Kennel Club Canine Health Foundation, Inc.

We have audited the accompanying statements of financial position of the American Kennel Club Canine Health Foundation, Inc (the "Foundation") as of December 31, 2001 and 2000 and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2001 and 2000 and the results of its activities and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Walthall, Drake & Wallace LLP

Certified Public Accountants

**AMERICAN KENNEL CLUB
CANINE HEALTH FOUNDATION, INC.**

FINANCIAL STATEMENTS

DECEMBER 31, 2001 AND 2000

**AMERICAN KENNEL CLUB
CANINE HEALTH FOUNDATION, INC.**

FINANCIAL STATEMENTS

DECEMBER 31, 2001 AND 2000

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AMERICAN KENNEL CLUB CANINE HEALTH FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2001 AND 2000

ASSETS		
	2001	2000
Cash and cash equivalents (Note 1)	\$ 869,165	\$ 644,253
Investments (Notes 1 and 2)	3,212,347	3,516,686
Dividends and interest receivable	24,566	15,730
Contributions receivable	394,442	58,242
Prepaid expenses	5,764	5,764
Furniture, fixtures and equipment, net (Notes 1 and 3)	53,761	42,639
Charitable remainder annuity trust receivable (Note 1)	72,413	69,549
Mailing lists, net (Note 1)	9,981	23,957
TOTAL ASSETS	\$4,642,439	\$4,376,820
LIABILITIES		
Accounts payable	\$ 32,014	\$ 48,076
Grants payable (Notes 1 and 4)	1,788,681	1,673,955
Deferred contribution income	41,334	--
Amount due to broker	--	31,031
TOTAL LIABILITIES	1,862,029	1,753,062
NET ASSETS		
Unrestricted (Note 1)	109,852	702,533
Temporarily restricted (Notes 1 and 5)	1,621,155	878,394
Permanently restricted (Note 1)	1,049,403	1,042,831
TOTAL NET ASSETS	2,780,410	2,623,758
TOTAL LIABILITIES AND NET ASSETS	\$4,642,439	\$4,376,820

The accompanying notes are an integral part of the financial statements

AMERICAN KENNEL CLUB CANINE HEALTH FOUNDATION, INC.
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

	2001			Total
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	
REVENUES, GAINS AND OTHER SUPPORT				
Contributions	\$ 279,504	\$1,048,106	\$ 6,572	\$1,334,182
Contributions - American Kennel Club, Inc (Note 7)	600,000	--	--	600,000
Membership income	14,212	--	--	14,212
Interest and dividend income	143,592	2,864	--	146,456
Net unrealized and realized investment gains (losses)	(155,222)	--	--	(155,222)
Corporate sponsored events and conferences (Note 7)	349,461	3,980	--	353,441
Administrative support - American Kennel Club, Inc (Note 7)	400,000	--	--	400,000
Miscellaneous income	16,879	--	--	16,879
NET ASSETS RELEASED FROM RESTRICTIONS				
Satisfaction of program restrictions	<u>312,189</u>	<u>(312,189)</u>	<u>--</u>	<u>--</u>
TOTAL REVENUES, GAINS AND OTHER SUPPORT	1,960,615	742,761	6,572	2,709,948
FUNCTIONAL EXPENSES				
Canine research and education	1,776,608	--	--	1,776,608
Fund raising	254,242	--	--	254,242
Organizational development	177,030	--	--	177,030
General and administrative	<u>345,416</u>	<u>--</u>	<u>--</u>	<u>345,416</u>
TOTAL FUNCTIONAL EXPENSES	<u>2,553,296</u>	<u>--</u>	<u>--</u>	<u>2,553,296</u>
INCREASE (DECREASE) IN NET ASSETS	(592,681)	742,761	6,572	156,652
NET ASSETS - BEGINNING	<u>702,533</u>	<u>878,394</u>	<u>1,042,831</u>	<u>2,623,758</u>
NET ASSETS - ENDING	<u>\$ 109,852</u>	<u>\$1,621,155</u>	<u>\$1,049,403</u>	<u>\$2,780,410</u>

The accompanying notes are an integral part of the financial statements

2000

<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
\$571,161	\$580,036	\$ 2,293	\$1,153,490
500,000	--	--	500,000
41,763	--	--	41,763
301,741	--	--	301,741
(271,760)	--	--	(271,760)
115,811	--	--	115,811
508,000	--	--	508,000
34,356	--	--	34,356
<u>257,706</u>	<u>(257,706)</u>	<u>--</u>	<u>--</u>
2,058,778	322,330	2,293	2,383,401
1,499,769	--	--	1,499,769
173,845	--	--	173,845
187,216	--	--	187,216
<u>318,486</u>	<u>--</u>	<u>--</u>	<u>318,486</u>
<u>2,179,316</u>	<u>--</u>	<u>--</u>	<u>2,179,316</u>
(120,538)	322,330	2,293	204,085
<u>823,071</u>	<u>556,064</u>	<u>1,040,538</u>	<u>2,419,673</u>
<u>\$ 702,533</u>	<u>\$ 878,394</u>	<u>\$1,042,831</u>	<u>\$2,623,758</u>

The accompanying notes are an integral part of the financial statements

AMERICAN KENNEL CLUB CANINE HEALTH FOUNDATION, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

	2001				Total Expenses
	<u>Canine Research and Education</u>	<u>Fund Raising</u>	<u>Organizational Development</u>	<u>General and Administrative</u>	
Grants	\$1,329,137	\$ --	\$ --	\$ --	\$1,329,137
Payroll and related expenses	197,761	75,766	53,960	106,344	433,831
Professional fees	40,851	362	1,926	83,367	126,506
Travel	12,032	10,512	16,386	6,744	45,674
Meetings	3,398	543	722	9,329	13,992
Conferences	151,498	46,580	15,155	--	213,233
Printing, telephone, postage and office	37,786	39,947	38,201	20,993	136,927
Equipment rental and repairs	3,622	3,778	3,654	16,257	27,311
Insurance	--	--	--	12,799	12,799
Rent and utilities	--	--	--	45,240	45,240
Marketing and advertising	--	14,625	6,316	24,190	45,131
Website design and expense	--	--	4,261	--	4,261
Membership expenses	--	9,663	9,659	500	19,822
New development	--	11,344	9,951	--	21,295
Promotional items purchased	--	17,980	--	--	17,980
Depreciation and amortization	--	13,990	6,988	10,371	31,349
Miscellaneous	<u>523</u>	<u>9,152</u>	<u>9,851</u>	<u>9,282</u>	<u>28,808</u>
TOTAL	<u>\$1,776,608</u>	<u>\$254,242</u>	<u>\$177,030</u>	<u>\$345,416</u>	<u>\$2,553,296</u>

The accompanying notes are an integral part of the financial statements

2000				
<u>Canine Research and Education</u>	<u>Fund Raising</u>	<u>Organizational Development</u>	<u>General and Administrative</u>	<u>Total Expenses</u>
\$1,187,216	\$ --	\$ --	\$ --	\$1,187,216
176,034	62,852	44,450	86,300	369,636
37,800	500	2,558	76,100	116,958
36,880	6,057	4,325	10,813	58,075
7,193	139	622	3,067	11,021
24,181	--	35,059	--	59,240
23,911	38,698	36,377	21,058	120,044
4,711	475	779	11,391	17,356
--	--	--	6,357	6,357
--	--	--	46,474	46,474
--	11,950	20,420	25,601	57,971
--	--	8,555	--	8,555
--	12,091	22,601	4,357	39,049
--	1,769	--	--	1,769
--	26,172	--	--	26,172
--	12,990	6,989	10,146	30,125
<u>1,843</u>	<u>152</u>	<u>4,481</u>	<u>16,822</u>	<u>23,298</u>
<u>\$1,499,769</u>	<u>\$173,845</u>	<u>\$187,216</u>	<u>\$318,486</u>	<u>\$2,179,316</u>

The accompanying notes are an integral part of the financial statements

AMERICAN KENNEL CLUB CANINE HEALTH FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 156,652	\$ 204,085
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation and amortization	31,349	30,125
Non-cash contribution of securities	(31,898)	(21,245)
Net unrealized and realized investment losses	155,222	271,760
Gain from sale of contributed property held for resale	--	(3,522)
Changes in assets and liabilities		
Dividends and interest receivable	(8,836)	(1,267)
Contributions receivable	(336,200)	63,602
Royalty receivable	--	125,000
Accounts payable	(16,062)	(99,370)
Grants payable	114,726	(44,260)
Charitable remainder annuity trust receivable	(2,864)	(2,750)
Deferred contribution income	41,334	--
Amount due to broker	(31,031)	31,031
 Total adjustments	<u>(84,260)</u>	<u>349,104</u>
 NET CASH PROVIDED BY OPERATING ACTIVITIES	 72,392	 553,189
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(2,091,798)	(2,913,334)
Proceeds from sale of investments	2,272,813	2,297,353
Purchase of furniture and equipment	(28,495)	(11,382)
Proceeds from disposition of contributed property held for resale	--	78,522
 NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>152,520</u>	<u>(548,841)</u>
 INCREASE IN CASH AND CASH EQUIVALENTS	 224,912	 4,348
 CASH AND CASH EQUIVALENTS - BEGINNING	<u>644,253</u>	<u>639,905</u>
 CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 869,165</u>	<u>\$ 644,253</u>
 SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year		
Interest	\$ --	\$ --
Income taxes	\$ --	\$ --

The accompanying notes are an integral part of the financial statements

AMERICAN KENNEL CLUB CANINE HEALTH FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS

The American Kennel Club Canine Health Foundation, Inc (the "Foundation"), established February 21, 1995, is a not-for-profit organization (exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code) formed for the purpose of furthering the advancement of knowledge of canine diseases and health care by clinical study, laboratory research and publication

BASIS OF ACCOUNTING

The financial statements of the Foundation have been prepared on the accrual basis of accounting

ESTIMATES

In preparing financial statements in conformity with generally accepted accounting principles, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CONCENTRATION OF CREDIT RISK

The Foundation places its cash and cash equivalents with high-credit quality institutions. At times these balances may be in excess of the FDIC insurance limit. Cash and investments in money market funds and shares of registered investment companies are uninsured.

CASH AND CASH EQUIVALENTS

The Foundation considers demand deposits and all highly-liquid investments with a maturity of three months or less when purchased as cash and cash equivalents for the purpose of the Statements of Cash Flows.

INVESTMENTS

Investments in mutual funds, commercial paper, marketable equity securities, and U S government obligations are stated at fair market value with both realized and unrealized gains and losses recognized in the Statements of Activities and Changes in Net Assets.

CONTRIBUTIONS

The Foundation recognizes contributions received, including all unconditional promises to give, as revenues in the period received at their fair values. Conditional promises to give are recognized as revenues when the conditions on which they depend are substantially met.

The Board of Directors has predicated funding for certain grants on receiving a stipulated amount of donor support. Pledges received on these grants are considered conditional pledges and are not included in revenue until the required donor support level has been obtained. As of December 31, 2001 and 2000 there were \$276,976 and \$-0- respectively, of conditional pledges made on grants not meeting the required donor support level. Cash contributions received on these grants are shown on the Statements of Financial Position as Deferred Contribution Income.

Contributions receivable reflected on the Statements of Financial Position are expected to be received within one year. The Foundation considers contributions receivable to be fully collectible, accordingly, no allowance for doubtful accounts is required.

AMERICAN KENNEL CLUB CANINE HEALTH FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FURNITURE, FIXTURES AND EQUIPMENT

Purchased property and equipment are carried at cost. Donated property and equipment are carried at the approximate fair value at the date of donation. Depreciation is computed using primarily the straight-line method. Depreciation charged to operations was \$17,373 and \$16,148 in 2001 and 2000, respectively.

CHARITABLE REMAINDER ANNUITY TRUST

The Foundation is a beneficiary under a charitable remainder annuity trust agreement under which the donor is entitled to annuity payments for the remainder of his life. Upon the donor's death, the assets in the trust will revert to the Foundation. The Foundation has reflected a receivable in the amount of \$72,413 and \$69,549 at December 31, 2001 and 2000, respectively, in its Statements of Financial Position, representing the present value of the future benefits to be received by the Foundation.

CONTRIBUTED PROPERTY HELD FOR RESALE

Contributed property held for resale is recorded at its fair value at the date of contribution.

MAILING LISTS

Mailing lists, representing in-kind contributions to the Foundation, are recorded at their fair value at the date of contribution. Amortization is being calculated on the straight-line method over three years. Amortization charged to expense was \$13,976 and \$13,977 in 2001 and 2000, respectively.

GRANTS

Unconditional single or multi-year grants are considered incurred and charged to expense at the time of approval by the Board of Directors. Any grant cancellations approved by the Board of Directors are recognized at the time of approval.

The Board of Directors has predicated funding for certain grants on receiving a stipulated amount of donor support. These grants are considered incurred and charged to expense when the donor support level has been obtained. As of December 31, 2001 and 2000 there were \$1,310,885 and \$-0- respectively of proposed grants not meeting the required donor support level.

NET ASSETS

Unrestricted net assets include contributions and investment income that will be used to fund canine research and educational programs designated by the Board of Directors. Temporarily restricted net assets are those whose use has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by the Foundation in perpetuity. Investment income from permanently restricted net assets is unrestricted.

ADVERTISING COSTS

The cost of advertising is expensed as incurred.

MEMBERSHIP EXPENSES

All costs related to acquiring new members are expensed as incurred.

AMERICAN KENNEL CLUB CANINE HEALTH FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and activities have been summarized on a functional basis in the Statements of Activities and the Statements of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

RECLASSIFICATIONS

Certain prior year amounts have been reclassified to conform to the current year classifications.

NOTE 2 - INVESTMENTS

Investments in mutual funds, commercial paper, marketable equity securities and U S government obligations with readily determinable fair values are reported at their fair values in the Statements of Financial Position.

Investments are comprised of the following:

	<u>2001</u>	<u>2000</u>
Mutual funds	\$1,375,318	\$2,275,033
Commercial paper	308,490	99,098
Marketable equity securities	574,591	183,765
U S government obligations	953,948	928,085
Other	-	30,705
	<u>\$3,212,347</u>	<u>\$3,516,686</u>

NOTE 3 - FURNITURE, FIXTURES AND EQUIPMENT

Furniture, fixtures and equipment consisted of the following:

	<u>2001</u>	<u>2000</u>
Furniture, fixtures and equipment	\$ 123,767	\$ 95,272
Less accumulated depreciation	<u>70,006</u>	<u>52,633</u>
Furniture, fixtures and equipment, net	<u>\$ 53,761</u>	<u>\$ 42,639</u>

NOTE 4 - GRANTS PAYABLE

Grants payable are scheduled to be disbursed as follows:

2002	\$1,273,939
2003	458,822
2004	<u>45,920</u>
	<u>\$1,778,681</u>

NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS

	<u>2001</u>	<u>2000</u>
Specific canine research	\$1,548,742	\$ 808,845
Annuity trust agreement (for future periods)	<u>72,413</u>	<u>69,549</u>
Total temporarily restricted net assets	<u>\$1,621,155</u>	<u>\$ 878,394</u>

Temporarily restricted net assets were released for research related to the study of specific diseases.

AMERICAN KENNEL CLUB CANINE HEALTH FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000

NOTE 6 - LEASES

The Foundation leases office space under an operating lease agreement which expires in May 2004. The Foundation also leases certain office equipment under an operating lease agreement which expires in September 2004. Rent expense under these operating leases totaled \$39,585 in 2001 and \$38,645 in 2000.

The minimum future rents payable for these operating leases are

2002	\$39,959
2003	\$39,959
2004	\$18,718

NOTE 7 - RELATED PARTY TRANSACTIONS

During 2001, the American Kennel Club, Inc. ("the Club") contributed funds to be used for canine research, educational programs and administrative support totaling \$1,050,000, consisting of a general contribution of \$600,000, administrative support of \$400,000 and \$50,000 for the National Parent Club Conference. Also, the Club pledged \$40,000 for Search and Rescue Research. During 2000, the Club provided funds totaling \$1,008,000, consisting of a general contribution of \$500,000 and administrative support of \$508,000. The Foundation's employees are covered under the Club's medical and pension plans as a related organization. The defined benefit pension plan, administered by the Club, is currently overfunded and therefore no pension expense is recorded in the accompanying Statements of Activities.



AKC CANINE HEALTH FOUNDATION

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May 14, 2002