AMERICAN KENNEL CLUB
CANINE HEALTH FOUNDATION, INC.

Financial Statements

December 31, 2012 and 2011

(With Independent Auditors’ Report Thereon)

AMERICAN KENNEL CLUB
CANINE HEALTH FOUNDATION, INC.

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KPMG LLP
345 Park Avenue
New York, NY 10154-0102

Independent Auditors' Report

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

We have audited the accompanying financial statements of the American Kennel Club Canine Health Foundation, Inc. (the Foundation), which comprise the statements of financial position as of December 31, 2012 and 2011, and the related statements of activities, functional expenses, cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

KPMG LLP

New York, New York
March 14, 2013

AMERICAN KENNEL CLUB
CANINE HEALTH FOUNDATION, INC.

Statements of Financial Position

December 31, 2012 and 2011

Assets		**2012**	**2011**
Cash and cash equivalents	$	3,872,312	4,280,690
Investments (note 3)		7,912,397	6,846,802
Contributions receivable		22,500	22,600
Other receivables		6,878	3,908
Prepaid expenses		76,627	66,617
Fixed assets, net (note 2)		71,673	92,958
Total assets	$	11,962,387	11,313,575
Liabilities and Net Assets			
Liabilities:			
Accounts payable and accrued expenses	$	66,731	69,607
Grants payable (note 4)		3,212,440	3,033,749
Total liabilities		3,279,171	3,103,356
Net assets (note 5):			
Unrestricted		1,785,436	1,980,393
Temporarily restricted		3,897,372	3,229,418
Permanently restricted		3,000,408	3,000,408
Total net assets		8,683,216	8,210,219
Total liabilities and net assets	$	11,962,387	11,313,575

See accompanying notes to financial statements.

AMERICAN KENNEL CLUB
CANINE HEALTH FOUNDATION, INC.

Statement of Activities

Year ended December 31, 2012

	2012			
	Unrestricted	**Temporarily restricted**	**Permanently restricted**	**Total**
Revenues and other support:				
Contributions	$ 340,573	766,447	—	1,107,020
Contributions – American Kennel Club, Inc. (note 7)	—	500,000	—	500,000
Contributions – Nestle Purina and Pfizer Animal Health (note 8)	1,050,000	227,257	—	1,277,257
Interest and dividend income	9,870	211,178	—	221,048
Net unrealized and realized investment gains	1,945	476,426	—	478,371
Corporate sponsored events and conferences (notes 7 and 8)	78,858	—	—	78,858
In-kind donations (note 7)	148,089	—	—	148,089
Miscellaneous income	28,518	—	—	28,518
Net assets released from restrictions (note 6)	1,513,354	(1,513,354)	—	—
Total revenues and other support	3,171,207	667,954	—	3,839,161
Expenses (note 7):				
Canine research and education	2,620,915	—	—	2,620,915
Fundraising	346,394	—	—	346,394
General and administrative	398,855	—	—	398,855
Total expenses	3,366,164	—	—	3,366,164
(Decrease) increase in net assets	(194,957)	667,954	—	472,997
Net assets – beginning of year	1,980,393	3,229,418	3,000,408	8,210,219
Net assets – end of year	$ 1,785,436	3,897,372	3,000,408	8,683,216

See accompanying notes to financial statements.

AMERICAN KENNEL CLUB
CANINE HEALTH FOUNDATION, INC.

Statement of Activities

Year ended December 31, 2011

		2011		
	Unrestricted	**Temporarily restricted**	**Permanently restricted**	**Total**
Revenues and other support:				
Contributions	$ 363,996	1,419,116	—	1,783,112
Contributions – American Kennel Club, Inc. (note 7)	—	500,000	—	500,000
Contributions – Nestle Purina and Pfizer Animal Health (note 8)	1,050,000	221,498	—	1,271,498
Interest and dividend income	8,451	104,359	—	112,810
Net unrealized and realized investment losses	—	(286,675)	—	(286,675)
Corporate sponsored events and conferences (notes 7 and 8)	247,605	—	—	247,605
In-kind donations (note 7)	171,083	—	—	171,083
Miscellaneous income	36,354	—	—	36,354
Net assets released from restrictions (note 6)	2,263,326	(2,263,326)	—	—
Total revenues and other support	4,140,815	(305,028)	—	3,835,787
Expenses (note 7):				
Canine research and education	2,523,782	—	—	2,523,782
Fundraising	401,737	—	—	401,737
General and administrative	345,025	—	—	345,025
Total expenses	3,270,544	—	—	3,270,544
Increase (decrease) in net assets	870,271	(305,028)	—	565,243
Net assets – beginning of year	1,110,122	3,534,446	3,000,408	7,644,976
Net assets – end of year	$ 1,980,393	3,229,418	3,000,408	8,210,219

See accompanying notes to financial statements.

AMERICAN KENNEL CLUB
CANINE HEALTH FOUNDATION, INC.

Statement of Functional Expenses

Year ended December 31, 2012

		2012		
	Canine research and education	Fundraising	General and administrative	Total expenses
Grants	$ 1,985,603	—	—	1,985,603
Payroll and related expenses	374,787	102,984	212,621	690,392
Professional and consulting fees	1,452	25,075	53,108	79,635
Staff training and education	2,188	1,776	2,905	6,869
Educational communications, programs, and booths	95,898	18,838	—	114,736
Governance and special events	4,455	43,827	4,773	53,055
Printing and publications	23,839	25,634	9,123	58,596
Communication services	133	—	4,256	4,389
Postage and shipping	4,558	11,011	2,190	17,759
Marketing and advertising	—	67,622	—	67,622
Dues, memberships, subscriptions, and registrations	610	600	7,888	9,098
Business travel	11,991	—	1,754	13,745
Software and computer repairs/maintenance	33,783	21,113	10,312	65,208
Insurance	—	—	12,469	12,469
Depreciation	—	—	21,285	21,285
In-kind donations (note 7):				
Office space and services	81,449	24,065	42,576	148,090
Credit card processing and banking fees	—	3,746	11,319	15,065
Office supplies, recycling, and miscellaneous	169	103	2,276	2,548
Total	$ 2,620,915	346,394	398,855	3,366,164

See accompanying notes to financial statements.

AMERICAN KENNEL CLUB
CANINE HEALTH FOUNDATION, INC.

Statement of Functional Expenses

Year ended December 31, 2011

	2011			
	Canine research and education	**Fundraising**	**General and administrative**	**Total expenses**
Grants	$ 1,767,684	—	—	1,767,684
Payroll and related expenses	358,367	132,165	136,950	627,482
Professional and consulting fees	20,510	57,390	75,409	153,309
Staff training and education	386	2,025	2,587	4,998
Educational communications, programs, and booths	225,117	4,248	35	229,400
Governance and special events	4,205	52,006	7,349	63,560
Printing and publications	23,484	19,858	7,740	51,082
Communication services	2,367	1,318	1,303	4,988
Postage and shipping	3,383	6,504	2,039	11,926
Marketing and advertising	—	71,800	—	71,800
Dues, memberships, subscriptions, and registrations	—	300	6,373	6,673
Business travel	11,637	3,979	1,251	16,867
Software and computer repairs/maintenance	15,945	7,600	7,348	30,893
Insurance	4,556	2,829	138	7,523
Depreciation	—	—	29,816	29,816
In-kind donations (note 7):				
Office space and services	85,542	34,217	51,325	171,084
Credit card processing and banking fees	372	5,416	7,033	12,821
Office supplies, recycling, and miscellaneous	227	82	8,329	8,638
Total	$ 2,523,782	401,737	345,025	3,270,544

See accompanying notes to financial statements.

AMERICAN KENNEL CLUB
CANINE HEALTH FOUNDATION, INC.

Statements of Cash Flows

Years ended December 31, 2012 and 2011

		2012	2011
Cash flows from operating activities:			
Increase in net assets	$	472,997	565,243
Adjustments to reconcile increase in net assets to net cash provided by operating activities:			
Depreciation		21,285	29,816
Net unrealized and realized investment (gains) losses		(478,371)	286,675
Noncash contribution of securities		(8,686)	(8,527)
Changes in assets and liabilities:			
Contributions receivable		100	45,674
Other receivables		(2,970)	(1,499)
Prepaid expenses		(10,010)	(48,508)
Accounts payable and accrued expenses		(2,876)	(50,270)
Grants payable		178,691	193,483
Total adjustments		(302,837)	446,844
Net cash provided by operating activities		170,160	1,012,087
Cash flows from investing activities:			
Purchase of investments		(645,778)	(800,315)
Proceeds from sale of investments		67,240	747,815
Purchase of fixed assets		—	(73,004)
Net cash used in investing activities		(578,538)	(125,504)
(Decrease) increase in cash and cash equivalents		(408,378)	886,583
Cash and cash equivalents, beginning of year		4,280,690	3,394,107
Cash and cash equivalents, end of year	$	3,872,312	4,280,690

See accompanying notes to financial statements.

(1) Nature of Operations and Summary of Significant Accounting Policies

(a) 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 healthcare by clinical study, laboratory research, and publication.

(b) Basis of Accounting and Presentation

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

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that will be met either by actions of the Foundation and/or the passage of time. Temporarily restricted net assets have been restricted by donors for research grant purposes.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that the assets be maintained permanently by the Foundation. The earnings on related investments are temporarily restricted, until appropriated for expenditure. Upon appropriation for expenditure, they become unrestricted.

Revenues are reported as increases in unrestricted net assets unless use of the related asset is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

(c) Use of Estimates

In preparing financial statements in conformity with U.S. generally accepted accounting principles (GAAP), 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.

(d) Fair Value

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. GAAP establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. GAAP describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The Foundation follows the measurement provisions of FASB ASC Subtopic 820-10, *Categorizing Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent) within the Fair Value Hierarchy*, to certain investments in alternative investments that do not have readily determinable fair values. This guidance allows for the estimation of the fair value of investments in investment companies for which the investment does not have a readily determinable fair value using net asset value per share or its equivalent, as reported by the investment managers.

Most investments classified in Levels 2 and 3 consist of shares or units in investment funds as opposed to direct interests in the funds' underlying holdings, which may be marketable. Because the net asset value reported by each fund is used as a practical expedient to estimate the fair value of the Foundation's interest therein, its classification in Level 2 or 3 under ASC 820 is based on the Foundation's ability to redeem its interest at or near the date of the statement of financial position. If the interest can be redeemed in the near term, the investment is classified as Level 2. If the interest is not redeemable in the near term, the investment is classified as Level 3. The classification of investments in the fair value hierarchy is not necessarily an indication of the risks, liquidity, or degree of difficulty in estimating the fair value of each investment's underlying assets and liabilities.

(e) Concentration of Credit Risk

At times, cash and cash equivalent balances may be in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limit. Cash and investments in money market funds and shares of registered investment companies are uninsured.

(f) Cash and Cash Equivalents

The Foundation considers all highly liquid investments with an original maturity of three months or less when purchased to be cash and cash equivalents.

(g) Contributions

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

(h) Contributions Receivable and Allowance for Doubtful Accounts

Unconditional promises to give are included in the financial statements as contributions receivable and revenue of the appropriate net asset category. Contributions receivable are expected to be received within one year, and are stated at the amount management expects to collect from outstanding balances. The Foundation considers all contributions receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been established as of December 31, 2012 and 2011.

(i) Grants

Unconditional grants are considered incurred and charged to expense at the time of approval by the board of directors.

(j) Income Taxes

The Foundation is exempt from federal income taxes under Internal Revenue Code 501(a) as an organization described in Section 501(c)(3). Accordingly, no provision for income taxes has been made.

The Foundation follows the provisions of ASC 740-10, *Income Taxes – Overall*, relating to uncertainty in income taxes. ASC 740-10 establishes a minimum threshold for financial statement recognition of the benefits of position taken, or expected to be taken, in filing tax returns. It requires the evaluation of tax positions taken, or expected to be taken, in the course of preparing the Foundation's income tax returns to determine whether the tax positions are more likely than not of being sustained by the applicable tax authority. Tax positions not deemed to meet the more-likely than-not threshold are recorded as tax expense. The Foundation has no tax positions requiring accrual under this criteria.

(k) Functional Allocation of Expenses

The costs of providing the various programs and activities of the Foundation have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

(Continued)

(l) Subsequent Events

In connection with the preparation of the financial statements, the Foundation considered for disclosure subsequent events that occurred after the statement of financial position date of December 31, 2012 through March 14, 2013, which was the date the financial statements were available to be issued. No subsequent events were noted that required disclosure in the financial statements.

(2) Fixed Assets

Fixed assets consist of the following:

		2012	2011
Computer equipment	$	24,166	25,791
Software		129,782	129,782
Equipment		28,533	28,533
Furniture and fixtures		34,297	34,297
Leasehold improvements		68,134	68,134
Total		284,912	286,537
Accumulated depreciation		(213,239)	(193,579)
Total net of accumulated depreciation	$	71,673	92,958

Fixed assets are carried at cost. Donated fixed assets are carried at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method.

(3) Investments

A summary of the Foundation's investments at December 31, 2012 and 2011, reported at fair value, is as follows:

		2012	2011
Equities	$	8,655	8,476
Mutual funds:			
Large cap equity		1,966,857	1,670,463
Small cap equity		634,076	516,207
International equity		602,313	471,278
Fixed income		330,089	130,523
Specialty strategies		90,049	—
Subtotal		3,623,384	2,788,471
Corporate bonds		10,343	31,165
Alternative investments:			
International		1,582,167	1,463,785
Market neutral		1,211,561	1,112,600
Diversified		1,476,287	1,442,305
Subtotal		4,270,015	4,018,690
Total investments	$	7,912,397	6,846,802

Mutual fund investments are measured at fair value based on quoted market prices. Investments in limited partnerships and offshore limited liability companies, which are described as alternative investments, are stated at net asset value in accordance with ASC 820. The financial statements of the alternative investments are audited annually by independent auditors.

The Foundation's alternative investments are diversified across three basic investment strategies as follows:

International – represents alternative investments in international equities with country and sector exposure that attempts to employ a value approach that emphasizes long-term investment and focuses on the selection of individual securities using a bottom-up, research-driven approach.

Market Neutral – represents alternative investments (fund of funds), which seek to achieve above average performance within the market's benchmark by managing hedge funds as a direct alternative to a traditional fixed income mutual fund portfolio.

Diversified – represents alternative investments (fund of funds), which seek to achieve better than benchmark performance over the long term, while having a variable range of strategies including event-driven strategies, distressed debt, mergers and acquisitions, and value investing.

 (Continued)

Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

At December 31, 2012 and 2011, the fair value of the Foundation's investments was determined based on the following:

	2012			
	Quoted prices in active markets (Level 1)	**Other observable inputs (Level 2)**	**Unobservable inputs (Level 3)**	**Fair value**
Mutual funds	$ 3,623,384	—	—	3,623,384
Equities	8,655	—	—	8,655
Corporate bonds	—	10,343	—	10,343
Alternative investments	—	4,270,015	—	4,270,015
	$ 3,632,039	4,280,358	—	7,912,397

	2011			
	Quoted prices in active markets (Level 1)	**Other observable inputs (Level 2)**	**Unobservable inputs (Level 3)**	**Fair value**
Mutual funds	$ 2,788,471	—	—	2,788,471
Equities	8,476	—	—	8,476
Corporate bonds	—	31,165	—	31,165
Alternative investments	—	4,018,690	—	4,018,690
	$ 2,796,947	4,049,855	—	6,846,802

(Continued)

The Foundation's alternative investments contain monthly redemption restrictions with required written notice of 45 days, and semiannual redemption restrictions with required written notice of 90 days after the expiration of an annual lock-up period from the date of the initial investment. In addition, certain equity securities contain various quarterly redemption restrictions with required written notice ranging from 45 to 65 days. As of December 31, 2012, the following table summarizes the composition of such investments by the redemption provisions.

Redemption period	Total amount	International	Market neutral	Diversified
Monthly	$ 334,462	—	—	334,462
Quarterly	2,723,992	1,582,167	—	1,141,825
Semi-annual at year end	1,211,561	—	1,211,561	—
	$ 4,270,015	1,582,167	1,211,561	1,476,287

(4) Grants Payable

Grants payable consist of amounts awarded, but not paid, to canine health researchers. Amounts included in grants payable at December 31, 2012 are scheduled to be disbursed as follows:

2013	$ 1,754,867
2014	1,015,579
2015	389,559
2016	52,435
	$ 3,212,440

(5) Endowment

At the request of its donors, the Foundation has established a permanent operating endowment. The Foundation's donor-restricted endowment funds are subject to the provisions of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). UPMIFA provides, among other things, expanded spending flexibility by allowing, subject to a standard of prudence, the institution to spend from an endowment fund without regard to the book value of the corpus of the fund. Management of the Foundation has interpreted this law as requiring the preservation of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary and considers the invasion of endowment principal as an option of last resort. As a result of this interpretation, the original value of all donor-restricted endowed gifts are recorded as permanently restricted net assets. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until these amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence described by UPMIFA. Once appropriated for expenditure by the Foundation, the amount is reclassified as unrestricted net assets.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding for its programs while seeking to maintain the stability of the endowment assets. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that equal the performance of a custom-balanced index (comprised of the S&P 500 Index, Russell 2000 Index, MSCI EAFE, and Citigroup 90-day Treasury Bill Index) while assuming a reasonable level of investment risk.

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints. The Foundation has adopted a spending policy that allows up to 5% of the endowment balance to be appropriated for expenditure in a given year. In 2011, the Foundation chose not to appropriate the endowment's assets for expenditure due to the net unrealized and realized investment losses incurred.

A reconciliation of the beginning and ending balance of the Foundation's endowment, in total and by net asset class, is as follows:

		2012			
		Unrestricted	Temporarily restricted	Permanently restricted	Total
Endowment, beginning of year	$	—	149,446	3,000,408	3,149,854
Interest and dividend income		—	85,123	—	85,123
Net unrealized and realized investment income		—	215,834	—	215,834
Appropriation of endowment assets for expenditure		172,541	(172,541)	—	—
Expenditures		(172,541)	—	—	(172,541)
Endowment, end of year	$	—	277,862	3,000,408	3,278,270

		2011			
		Unrestricted	Temporarily restricted	Permanently restricted	Total
Endowment, beginning of year	$	—	205,817	3,000,408	3,206,225
Interest and dividend income		—	39,618	—	39,618
Net unrealized and realized investment loss		—	(95,989)	—	(95,989)
Endowment, end of year	$	—	149,446	3,000,408	3,149,854

From time to time, the fair value of assets associated with donor-restricted endowment funds may fall below the level that the donor or state law requires the Foundation to retain as a fund of perpetual duration. Future gains to restore the fair value of the donor-restricted endowment funds to the required level shall first be reported as increases in unrestricted net assets to the extent of the deficiency. There was no deficiency of this nature reported as unrestricted net assets as of December 31, 2012 or 2011.

(6) Net Assets Released from Restrictions

Temporarily restricted net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by donors. The amounts released during the year ended December 31, 2012 were as follows:

		2012	2011
Purpose restriction:			
Canine research	$	1,339,813	2,263,326
General operations		173,541	—
	$	1,513,354	2,263,326

(7) Related Party Transactions

The American Kennel Club (the Club) contributed $500,000 for research grants in both 2012 and 2011. In 2011, the Club also contributed $5,000 towards the Foundation’s National Parent Club Canine Health Conference (included in corporate sponsored events and conferences on the 2011 statement of activities).

The Foundation’s offices are located within the Club’s operations center in Raleigh, North Carolina. In addition to providing rent-free use of its office space, the Club also provided administrative support services to the Foundation. The total estimated value of these donated items was $148,090 and $171,084 in 2012 and 2011, respectively.

The Foundation’s employees are covered under the Club’s pension plan as a related organization. The Foundation made required contributions to this plan, which is administered by the Club, of $13,417 and $13,461 in 2012 and 2011, respectively.

(8) Concentration of Support

The Foundation receives contributions from corporate donors. Nestle Purina contributed $1,027,257 and $1,021,498 for the years ended December 31, 2012 and 2011, respectively. In 2011, Nestle Purina also contributed $100,000 towards the Foundation’s National Parent Club Canine Health Conference (included in corporate sponsored events and conferences on the 2011 statement of activities). Pfizer Animal Health contributed $250,000 for each of the years ended December 31, 2012 and 2011. Also, see note 7 – Related Party Transactions for contributions from the Club.