

Short Form
Return of Organization Exempt From Income Tax
 Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code
 (except black lung benefit trust or private foundation)

OMB No. 1545-1150

2006

Form **990-EZ**

Department of the Treasury
 Internal Revenue Service

▶ Sponsoring organizations, and controlling organizations as defined in section 512(b)(13) must file Form 990. All other organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at the end of the year may use this form.

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

Open to Public Inspection

A For the 2006 calendar year, or tax year beginning , 2006, and ending , 20

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return
 Amended return
 Application pending

C Name of organization
SARGES ANIMAL RESCUE FOUNDATION INC
 Number and street (or P.O. box, if mail is not delivered to street address) Room/suite
P.O. BOX 854
 City or town, state or country, and ZIP + 4
Waynesville NC 28785

D Employer identification number
 [REDACTED]

E Telephone number
(828) 926-9579

F Group Exemption Number . . . ▶

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

G Accounting method: Cash Accrual
 Other (specify) ▶

I Website: ▶ SARGEANDFRIENDS.ORG

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

H Check if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

K Check if the organization is not a section 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts; if \$100,000 or more, file Form 990 instead of Form 990-EZ. ▶ \$ **81,629**

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 47 of the instructions.)

R Revenue	1 Contributions, gifts, grants, and similar amounts received	1	23,619
	2 Program service revenue including government fees and contracts	2	
	3 Membership dues and assessments	3	9,700
	4 Investment income	4	242
	5a Gross amount from sale of assets other than inventory	5a	
	b Less: cost or other basis and sales expenses	5b	
	c Gain or (loss) from sale of assets other than inventory (line 5a less line 5b) (attach schedule)	5c	
	6 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>		
	a Gross revenue (not including \$ _____ of contributions reported on line 1)	6a	43,617
b Less: direct expenses other than fundraising expenses	6b	2,199	
c Net income or (loss) from special events and activities (line 6a less line 6b)	6c	41,418	
7a Gross sales of inventory, less returns and allowances	7a	4,451	
b Less: cost of goods sold	7b	45	
c Gross profit or (loss) from sales of inventory (line 7a less line 7b)	7c	4,406	
8 Other revenue (describe ▶ _____)	8		
9 Total revenue (add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8)	9	79,385	
E Expenses	10 Grants and similar amounts paid (attach schedule)	10	
	11 Benefits paid to or for members	11	
	12 Salaries, other compensation, and employee benefits	12	
	13 Professional fees and other payments to independent contractors	13	
	14 Occupancy, rent, utilities, and maintenance	14	292
	15 Printing, publications, postage, and shipping	15	1,594
	16 Other expenses (describe ▶ STM130)	16	13,349
17 Total expenses (add lines 10 through 16)	17	15,235	
A Assets	18 Excess or (deficit) for the year (line 9 less line 17)	18	64,150
	19 Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19	589
	20 Other changes in net assets or fund balances (attach explanation)	20	
	21 Net assets or fund balances at end of year (combine lines 18 through 20)	21	64,739

Part II Balance Sheets - If Total assets on line 25, column (B) are \$250,000 or more, file Form 990 instead of Form 990-EZ.

(See page 51 of the instructions.)

	(A) Beginning of year	(B) End of year
22 Cash, savings, and investments	589	22 62,027
23 Land and buildings		23
24 Other assets (describe ▶ STM131)		24 1,771
25 Total assets	589	25 63,798
26 Total liabilities (describe ▶ _____)		26
27 Net assets or fund balances (line 27 of column (B) must agree with line 21)	589	27 63,798

Part III Statement of Program Service Accomplishments (See page 51 of the instructions.)	Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; optional for others.)
What is the organization's primary exempt purpose? PREVENTING CRUELTY TO ANIMALS	
Describe what was achieved in carrying out the organization's exempt purposes. In a clear and concise manner, describe the services provided, the number of persons benefited, or other relevant information for each program title.	
28 DOWNTOWN DOG WALK, VARIETY SHOW AND DOG QUILT RAFFLE PROCEEDS WERE ALL USED FOR DIRECT SUPPORT OF SAVING ADOPTABLE ANIMALS FROM EUTHANASIA (Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	28a
29	
(Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	29a
30	
(Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	30a
31 Other program services (attach schedule) (Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	31a
32 Total program service expenses (add lines 28a through 31a)	32

Part IV List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated. See page 52 of the instructions.)				
(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
DOYLE TEAGE 151 FLAT TOP ROA WAYNESVILL NC 28785	PRES.	0	0	0
STEN LUNDGREN 94 KINGS RIDGE R MAGGIE VAL NC 28751	VP	0	0	0
NANCY RHOADES 423 LOCUST GROVE WAYNESVILL NC 28785	TRES.	0	0	0
ERNA LUNDGREN 94 KINGS RIDGE R MAGGIE VAL NC 28751	SEC.	0	0	0

Part V Other Information (Note the statement requirement in General Instruction V.)		Yes	No
33 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	33		X
34 Were any changes made to the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes	34		X
35 If the organization had income from business activities, such as those reported on lines 2, 6, and 7 (among others), but not reported on Form 990-T, attach a statement explaining your reason for not reporting the income on Form 990-T.			
a Did the organization have unrelated business gross income of \$1,000 or more or 6033(e) notice, reporting, and proxy tax requirements?	35a		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	35b		
36 Was there a liquidation, dissolution, termination, or substantial contraction during the year? (If "Yes," attach a statement.)	36		X
37 a Enter amount of political expenditures, direct or indirect, as described in the instructions.	37a		
b Did the organization file Form 1120-POL for this year?	37b		X
38 a Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still unpaid at the start of the period covered by this return?	38a		X
b If "Yes," attach the schedule specified in the line 38 instructions and enter the amount involved	38b		
39 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on line 9	39a		
b Gross receipts, included on line 9, for public use of club facilities	39b		

Part V Other information (Note the statement requirement in General Instruction V.) (Continued)

- 40 a 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911 ▶ _____ ; section 4912 ▶ _____ ; section 4955 ▶ _____
- b 501(c)(3) and (4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach an explanation
- c Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ _____
- d Enter amount of tax on line 40c reimbursed by the organization ▶ _____
- e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?

	Yes	No
40b		X
40c		
40d		
40e		X

41 List the states with which a copy of this return is filed. ▶ NORTH CAROLINA

42 a The books are in care of ▶ % NANCY RHOADES Telephone no. ▶ 828-926-9579
 Located at ▶ 423 LOCUST GROVE DRI Waynesville NC ZIP + 4 ▶ 28785

- b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?
- If "Yes," enter the name of the foreign country: ▶ _____
- See the instructions for exceptions and filing requirements for **Form TD F 90-22.1**.
- c At any time during the calendar year, did the organization maintain an office outside of the U.S.?
- If "Yes," enter the name of the foreign country: ▶ _____

	Yes	No
42b		X
42c		X

43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041-Check here
 and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 43

I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge it is true and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here

Signature of officer *Nancy Rhoades* Date 3/14/07
NANCY RHOADES TRES.
 Type or print name and title.

Paid Preparer's Use Only

Preparer's signature *Michael F. Kennedy* Date 03-12-2007 Check if self-employed
 Firm's name (or yours if self-employed), address, and ZIP + 4 MICHAEL F. KENNEDY, CPA, P.A. EIN [REDACTED]
154 N. MAIN ST., STE 5
Waynesville NC 28786- Phone no. ▶ 828-452-0500

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

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

OMB No. 1545-0047

2006

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

Employer identification number

SARGES ANIMAL RESCUE FOUNDATION INC

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 2 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
NONE				

Total number of other employees paid over \$50,000 ▶

Part II-A 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
NONE		

Total number of others receiving over \$50,000 for professional services ▶

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of other contractors receiving over \$50,000 for other services ▶

Federal Supporting Statements

2006 PG 01

Your Social Security Number

Name(s) as shown on return
SARGES ANIMAL RESCUE FOUNDATION INC

FORM 990EZ, PART I, LINE 6 SPECIAL EVENTS SCHEDULE

Statement #101

Event	Gross Receipts	Contributions	Gross Revenue	Direct Expenses	Net Income
VARIETY SHOW	3,125		3,125		3,125
BAKE SALE	193		193		193
LITTER BOX	4,155		4,155		4,155
FUNDRAISERS	3,059		3,059	533	2,526
RAFFLE DOG QUILT	1,675		1,675		1,675
SILENT AUCTION	3,680		3,680		3,680
DOWNTOWN DOG WALK	26,789		26,789	1,666	25,123
MISC.	941		941		941
TOTAL	43,617		43,617	2,199	41,418

Sarge's Animal Rescue Foundation, Inc. [REDACTED]

[REDACTED] Item 19 (D) + 22 (D)
[REDACTED]

Our main goal and activity is preventing cruelty to animals through saving adoptable animals from euthanasia. (S.A.F.E.) This is currently being done by individuals fostering animals until they can be placed with adoptive families. Coordination with Haywood Animal Welfare Association and the Haywood Animal Shelter and various breed rescue organizations is in place. Our next step is to secure land and build a permanent structure in Haywood County to house adoptable animals until they can be placed for adoption. Any fees charged will only equal or be less than the cost to spay/neuter the animal and have its inoculation current.