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2011

Open to Public
Inspection

Form 990-EZ

Department of the Treasury
Internal Revenue Service

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)

► Sponsoring organizations of donor advised funds, organizations that operate one or more hospital facilities, and certain controlling organizations as defined in section 512(b)(13) must file Form 990 (see instructions). All other organizations with gross receipts less than \$200,000 and total assets less than \$500,000 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

A For the 2011 calendar year, or tax year beginning 06-01-2011, and ending 05-31-2012

B Check if applicable

- Address change
- Name change
- Initial return
- Terminated
- Amended return
- Application pending

| | |
|---|---|
| C Name of organization DURHAM KENNEL CLUB INC C/O ROGER AKERS | D Employer identification number 56-6049365 |
| Number and street (or P O box, if mail is not delivered to street address) 9501 ROUGEMONT RD | E Telephone number |
| City or town, state or country, and ZIP + 4 BAHAMA, NC 27503 | F Group Exemption Number ► |

G Accounting method Cash Accrual Other (specify) ► _____**H** Check if the organization is **not** required to attach Schedule B (Form 990, 990-EZ, or 990-PF)**I** Website: ► DURHAMKENNELCLUB.COM**J** Tax-Exempt status (check only one) 501(c)(3) 501(c)(7) (insert no) 4947(a)(1) or 527**K** Check if the organization is not a section 509(a)(3) supporting organization or a section 527 organization **and** its gross receipts are normally **not** more than \$50,000. A Form 990-EZ or Form 990 return is not required though Form 990-N (e-postcard) may be required (see instructions). But if the organization chooses to file a return, be sure to file a complete return.**L** Add lines 5b, 6c, and 7b, to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets (Part II, line 25, column (B) below) are \$500,000 or more, file Form 990 instead of Form 990-EZ ► \$ 153,959**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances** (See the instructions for Part I)Check if the organization used Schedule O to respond to any question in this Part I

| | | |
|------------|--|------------|
| Revenue | 1 Contributions, gifts, grants, and similar amounts received | 1 1,213 |
| | 2 Program service revenue including government fees and contracts | 2 140,492 |
| | 3 Membership dues and assessments | 3 5,273 |
| | 4 Investment income | 4 150 |
| | 5a Gross amount from sale of assets other than inventory | 5a 750 |
| | b Less cost or other basis and sales expenses | 5b |
| | c Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a) | 5c 750 |
| | 6 Gaming and fundraising events | |
| | a Gross income from gaming (attach Schedule G if greater than \$15,000) | 6a |
| Expenses | b Gross income from fundraising events (not including \$ _ of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000) | 6b |
| | c Less direct expenses from gaming and fundraising events | 6c |
| | d Net income or (loss) from gaming and fundraising events (Add lines 6a and 6b and subtract line 6c) | 6d |
| | 7a Gross sales of inventory, less returns and allowances | 7a 281 |
| | b Less cost of goods sold | 7b 280 |
| | c Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a) | 7c 1 |
| | 8 Other revenue (describe in Schedule O) | 8 5,800 |
| | 9 Total revenue. Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8 | 9 153,679 |
| | 10 Grants and similar amounts paid (list in Schedule O) | 10 |
| Net Assets | 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 33,561 |
| | 14 Occupancy, rent, utilities, and maintenance | 14 32,280 |
| | 15 Printing, publications, postage, and shipping | 15 2,049 |
| | 16 Other expenses (describe in Schedule O) | 16 76,119 |
| | 17 Total expenses. Add lines 10 through 16 | 17 144,009 |
| Net Assets | 18 Excess or (deficit) for the year (Subtract line 17 from line 9) | 18 9,670 |
| | 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) | 19 354,938 |
| | 20 Other changes in net assets or fund balances (explain in Schedule O) | 20 |
| | 21 Net assets or fund balances at end of year Combine lines 18 through 20 | 21 364,608 |

Part II Balance SheetsCheck if the organization used Schedule O to respond to any question in this Part II

(See the instructions for Part II)

| | (A) Beginning of year | (B) End of year |
|--|-----------------------|-------------------|
| 22 Cash, savings, and investments | 96,777 | 22 103,954 |
| 23 Land and buildings | 254,817 | 23 260,415 |
| 24 Other assets (describe in Schedule O) | 6,038 | 24 3,159 |
| 25 Total assets | 357,632 | 25 367,528 |
| 26 Total liabilities (describe in Schedule O) | 2,694 | 26 2,920 |
| 27 Net assets or fund balances (line 27 of column (B) must agree with line 21) | 354,938 | 27 364,608 |

Part III Statement of Program Service AccomplishmentsCheck if the organization used Schedule O to respond to any question in this Part III

What is the organization's primary exempt purpose?

PUBLIC EDUCATION FOR THE HUMANE TREATMENT OF ANIMALS AND TO STAGE, PROMOTE AND MANAGE DOG SHOWS AND FIELD EVENTS AND OTHER EVENTS OF A LIKE NATURE

Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. In a clear and concise manner, describe the services provided, the number of persons benefited, and other relevant information for each program title

Expenses

(Required for section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts, optional for others)

28 CONDUCT SANCTIONED MATCHES, DOG SHOWS, AND PERFORMANCE EVENTS UNDER THE RULES OF THE AMERICAN KENNEL CLUB AND DOG TRAINING CLASSES FOR MEMBERS AND THE PUBLIC
 (Grants \$) If this amount includes foreign grants, check here **28a**

29 CONDUCT SANCTIONED MATCHES, DOG SHOWS, AND PERFORMANCE EVENTS UNDER THE RULES OF THE AMERICAN KENNEL CLUB AND DOG TRAINING CLASSES FOR MEMBERS AND THE PUBLIC
 (Grants \$) If this amount includes foreign grants, check here **29a**

30(Grants \$) If this amount includes foreign grants, check here **30a**

31 Other program services (describe in Schedule O)
 (Grants \$) If this amount includes foreign grants, check here **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 the instructions for Part IV)Check if the organization used Schedule O to respond to any question in this Part IV

| (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 |
|---------------------------|--|--|---|--|
| See Additional Data Table | | | | |
| | | | | |
| | | | | |
| | | | | |

Part V Other Information (Note the statement requirements in the instructions for Part V.)

Check if the organization used Schedule O to respond to any question in this Part V

33 Did the organization engage in any significant activity not previously reported to the IRS? If "Yes," provide a detailed description of each activity in Schedule O

34 Were any significant changes made to the organizing or governing documents? If "Yes," attach a conformed copy of the amended documents if they reflect a change to the organization's name. Otherwise, explain the change on Schedule O (see instructions)

35 If the organization had income from business activities, such as those reported on lines 2, 6a, and 7a (among others), but **not** reported on Form 990-T, explain in Schedule O why the organization did not report the income on Form 990-T

a Did the organization have unrelated business gross income of \$1,000 or more during the year from business activities (such as those reported on lines 2, 6a, and 7a, among others)?

b If "Yes" to line 35a, has the organization filed a **Form 990-T** for the year? If "No," provide an explanation in Schedule O

c Was the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization subject to section 6033(e) notice, reporting, and proxy tax requirements during the year? If "Yes," complete Schedule C, Part III

36 Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N

37a 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?

38a 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 outstanding at the end of the tax year covered by this return?

b If "Yes," complete Schedule L, Part II and enter the total amount involved

39 *Section 501(c)(7) organizations.* Enter

a Initiation fees and capital contributions included on line 9

38b

0

b Gross receipts, included on line 9, for public use of club facilities

39a

0

39b

0

40a *Section 501(c)(3) organizations.* Enter amount of tax imposed on the organization during the year under

section 4911 ►, section 4912 ►, section 4955 ►

b *Section 501(c)(3) and 501(c)(4) organizations.* Did the organization engage in any section 4958 excess benefit transaction during the year or did it engage in an excess benefit transaction in a prior year that has not been reported on any of its prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I

c *Section 501(c)(3) and 501(c)(4) organizations.* Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958

d *Section 501(c)(3) and 501(c)(4) organizations.* 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? If "Yes," complete Form 8886-T

| | Yes | No |
|------------|-----|----|
| 33 | | No |
| 34 | | No |
| 35a | | No |
| 35b | | |
| 35c | | No |
| 36 | | No |
| 37b | | No |
| 38a | | No |
| 38b | | |
| 39a | 0 | |
| 39b | 0 | |
| 40b | | |
| 40e | | No |

41 List the states with which a copy of this return is filed ►

42a The organization's books are in care of ► ROGER AKERS Telephone no ► (919) 403-8898
Located at ► 9501 ROUGEMONT RD ZIP + 4 ► 27503
BAHAMA, NC

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, Report of Foreign Bank and Financial Accounts.**

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 ►

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

| | Yes | No |
|------------|-----|----|
| 42b | | No |

44a Did the organization maintain any donor advised funds? If "Yes," *Form 990 must be completed instead of Form 990-EZ.*

b Did the organization operate one or more hospital facilities during the year? If "Yes," *Form 990 must be completed instead of Form 990-EZ*

c Did the organization receive any payments for indoor tanning services during the year?

d If "Yes" to line 44c, has the organization filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O

45a Did the organization have a controlled entity within the meaning of section 512(b)(13)?

45b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," *Form 990 and Schedule R may need to be completed instead of Form 990-EZ (see instructions)*

| | Yes | No |
|------------|-----|----|
| 44a | | No |
| 44b | | No |
| 44c | | No |
| 44d | | |
| 45a | | No |
| 45b | | |

46 Did the organization engage, directly or indirectly, in political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I

| | Yes | No |
|-----------|-----|----|
| 46 | | No |

Part VI Section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts only.

All section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts must answer questions 47-49b and 52.

Check if the organization used Schedule O to respond to any question in this Part VI

47 Did the organization engage in lobbying activities or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II

| | Yes | No |
|-----------|-----|----|
| 47 | | |

48 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

| | |
|------------|--|
| 48 | |
| 49a | |

49a Did the organization make any transfers to an exempt non-charitable related organization?

| | |
|------------|--|
| 49b | |
|------------|--|

50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter "None"

| (a) Name and address of each employee paid more than \$100,000 | (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 |
|--|--|------------------|---|--|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

f Total number of other employees paid over \$100,000

51 Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter "None"

| (a) Name and address of each independent contractor paid more than \$100,000 | (b) Type of service | (c) Compensation |
|--|---------------------|------------------|
| | | |
| | | |
| | | |
| | | |
| | | |

d Total number of other independent contractors each receiving over \$100,000

52 Did the organization complete Schedule A? **NOTE:** All Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A Yes No

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

| | | |
|---------------------------------|--|--|
| Sign Here | <p>***** Signature of officer ROGER AKERS TREASURER Type or print name and title</p> | 2012-10-15 Date |
| Paid Preparer's Use Only | <p>Preparer's signature <input type="checkbox"/> ELLEN GRANGER CPA Firm's name (or yours if self-employed), address, and ZIP + 4 <input type="checkbox"/> HUTCHINGS & HUTCHINGS CPAS PA 3620 SHANNON ROAD SUITE 200 DURHAM, NC 27707</p> | <p>Date 2012-09-27 Check if self-employed <input type="checkbox"/> Preparer's taxpayer identification number (See instructions)</p> <p>EIN <input type="checkbox"/> Phone no <input type="checkbox"/> (919) 489-3393</p> |

May the IRS discuss this return with the preparer shown above? See instructions Yes No

Additional Data

Software ID:
Software Version:
EIN: 56-6049365
Name: DURHAM KENNEL CLUB INC
C/O ROGER AKERS

Form 990-EZ, Special Condition Description:

Special Condition Description

Form 990EZ, Part IV - List of Officers, Directors, Trustees, and Key Employees

| (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 |
|---|--|--|---|--|
| DEE WALLIS 7318 GUESS RD DURHAM, NC 27278 | VP 2 00 | 0 | | |
| GEORGE BEGLANE 7318 GUESS RD DURHAM, NC 27278 | PRESIDENT 2 00 | 0 | | |
| ROGER AKERS 7318 GUESS RD DURHAM, NC 27278 | TREASURER 2 00 | 0 | | |
| SUSAN CICONE 7318 GUESS RD DURHAM, NC 27278 | CORR SEC 2 00 | 0 | | |
| GILLIAN GOODACRE 7318 GUESS RD DURHAM, NC 27278 | REC SEC 2 00 | 0 | | |
| LINDA WOZNIAK 7318 GUESS RD DURHAM, NC 27278 | DIRECTOR 2 00 | 0 | | |
| JAN GRAY 7318 GUESS RD DURHAM, NC 27278 | DIRECTOR 2 00 | 0 | | |
| PAULETTE HICKS 7318 GUESS RD DURHAM, NC 27278 | DIRECTOR 2 00 | 0 | | |
| MARCIA STEDMAN 7318 GUESS RD DURHAM, NC 27278 | DIRECTOR 2 00 | 0 | | |
| JOYCE MCHENRY 7318 GUESS RD DURHAM, NC 27278 | DIRECTOR 2 00 | 0 | | |

SCHEDULE O
(Form 990 or 990-EZ)Department of the Treasury
Internal Revenue Service**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
► Attach to Form 990 or 990-EZ.

2011**Open to Public
Inspection**

Name of the organization

DURHAM KENNEL CLUB INC
C/O ROGER AKERS**Employer identification number**

56-6049365

| Identifier | Return Reference | Explanation |
|--------------------------|--------------------------------|--|
| OTHER REVENUE | FORM 990-EZ, PART I, LINE 8 | BUILDING/EQUIP RENTAL 5,800 TOTAL 5,800 |
| OTHER EXPENSES | FORM 990-EZ, PART I, LINE 16 | EXPENSES OFFICE GEN/ADMIN 185 TRAVEL REIMBURSEMENT 4,743 AMERICAN KENNEL CLUB EVEN 8,592 AWARDS/PRIZES 6,509 BAD CHECKS 20 BANK CHARGES 90 CHARITABLE CONTRIBUTIONS 525 COMMISSIONS & FEES 110 DUES & SUBSCRIPTIONS 2,842 EQ REPAIRS/MAINT 147 FOOD & DRINK 4,065 JUDGES MEALS 1,244 JUDGES GIFTS 568 JUDGES TRAVEL 11,145 MEALS & ENT 1,230 MINOR EQUIP PURCH 141 OTHER MISC SERVICES 2,752 REFUNDS 3,303 RENT 14,247 SECURITY 925 SEMINAR PRESENTER TRAVEL 1,504 SHOW HOSPITALITY 1,693 ROUNDING 3 STEWARDS 1,140 SUPPLIES 1,942 TELEPHONE 1,068 MISC 267 NON-INVESTMENT DEPRECIATION 5,119 TOTAL 76,119 |
| OTHER ASSETS | FORM 990-EZ, PART II, LINE 24 | PREPAID EXPENSES AND DEFERRED CHARGES 1,700 250 57,158 46,561 LESS ACCUMULATED DEPRECIATION 52,820 43,652 TOTAL 6,038 3,159 |
| OTHER LIABILITIES | FORM 990-EZ, PART II, LINE 26 | DEFERRED REVENUE 2,694 2,920 |
| PRIMARY EXEMPT PURPOSE | FORM 990-EZ, PART III | PUBLIC EDUCATION FOR THE HUMANE TREATMENT OF ANIMALS AND TO STAGE, PROMOTE AND MANAGE DOG SHOWS AND FIELD EVENTS AND OTHER EVENTS OF A LIKE NATURE |
| ALL OTHER ACCOMPLISHMENT | FORM 990-EZ, PART III, LINE 31 | CONDUCT SANCTIONED MATCHES, DOG SHOWS, AND PERFORMANCE EVENTS UNDER THE RULES OF THE AMERICAN KENNEL CLUB AND DOG TRAINING CLASSES FOR MEMBERS AND THE PUBLIC |

Form 4562

Depreciation and Amortization
(Including Information on Listed Property)

OMB No 1545-0172

2011

Department of the Treasury
Internal Revenue Service (99)

► See separate instructions. ► Attach to your tax return.

Attachment
Sequence No 179Name(s) shown on return
DURHAM KENNEL CLUB INC
C/O ROGER AKERSBusiness or activity to which this form relates
INDIRECT DEPRECIATIONIdentifying number
56-6049365**Part I Election To Expense Certain Property Under Section 179****Note:** If you have any listed property, complete Part V before you complete Part I.

| | | |
|--|---|-----------|
| 1 Maximum amount (see instructions) | 1 | 500,000 |
| 2 Total cost of section 179 property placed in service (see instructions) | 2 | |
| 3 Threshold cost of section 179 property before reduction in limitation (see instructions) | 3 | 2,000,000 |
| 4 Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0- | 4 | |
| 5 Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions | 5 | |

| 6 | (a) Description of property | (b) Cost (business use only) | (c) Elected cost | |
|--|-----------------------------|------------------------------|------------------|--|
| 7 Listed property Enter the amount from line 29 | 7 | | | |
| 8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7 | 8 | | | |
| 9 Tentative deduction Enter the smaller of line 5 or line 8 | 9 | | | |
| 10 Carryover of disallowed deduction from line 13 of your 2010 Form 4562 | 10 | | | |
| 11 Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions) | 11 | | | |
| 12 Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11 | 12 | | | |
| 13 Carryover of disallowed deduction to 2012 Add lines 9 and 10, less line 11 ► | 13 | | | |

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)**

| | | |
|--|----|-------|
| 14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions) | 14 | 3,555 |
| 15 Property subject to section 168(f)(1) election | 15 | |
| 16 Other depreciation (including ACRS) | 16 | 2,828 |

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**Section A**

| | | |
|--|----|-------|
| 17 MACRS deductions for assets placed in service in tax years beginning before 2011 | 17 | 1,670 |
| 18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ► | | |

Section B—Assets Placed in Service During 2011 Tax Year Using the General Depreciation System

| (a) Classification of property | (b) Month and year placed in service | (c) Basis for depreciation (business/investment use only—see instructions) | (d) Recovery period | (e) Convention | (f) Method | (g) Depreciation deduction |
|--------------------------------|--------------------------------------|--|---------------------|----------------|------------|----------------------------|
| 19a 3-year property | | | | | | |
| b 5-year property | | 278 | 50 | HY | 200 DB | 56 |
| c 7-year property | | | | | | |
| d 10-year property | | | | | | |
| e 15-year property | | | | | | |
| f 20-year property | | | | | | |
| g 25-year property | | 25 yrs | | | S/L | |
| h Residential rental property | | 27 5 yrs | MM | | S/L | |
| i Nonresidential real property | | 27 5 yrs | MM | | S/L | |
| | | 39 yrs | MM | | S/L | |
| | | | MM | | S/L | |

Section C—Assets Placed in Service During 2011 Tax Year Using the Alternative Depreciation System

| | | | | | | |
|----------------|--|--------|----|--|-----|--|
| 20a Class life | | | | | S/L | |
| b 12-year | | 12 yrs | | | S/L | |
| c 40-year | | 40 yrs | MM | | S/L | |

Part IV Summary (see instructions)

| | | |
|--|----|-------|
| 21 Listed property Enter amount from line 28 | 21 | |
| 22 Total Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations—see instructions | 22 | 8,109 |
| 23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs | 23 | |

Part V

Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? Yes No **24b** If "Yes," is the evidence written? Yes No

| (a) Type of property (list vehicles first) | (b) Date placed in service | (c) Business/investment use percentage | (d) Cost or other basis | (e) Basis for depreciation (business/investment use only) | (f) Recovery period | (g) Method/Convention | (h) Depreciation/deduction | (i) Elected section 179 cost |
|---|-------------------------------|---|----------------------------|--|------------------------|--------------------------|-------------------------------|---------------------------------|
| | | | | | | | | |

25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions) **25**

| | | | | | | | | |
|--|---|--|--|--|--|--|--|--|
| | % | | | | | | | |
| | % | | | | | | | |
| | % | | | | | | | |

| | | | | | | | | |
|--|---|--|--|-------|--|--|--|--|
| | % | | | S/L - | | | | |
| | % | | | S/L - | | | | |
| | % | | | S/L - | | | | |

28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1 **28**

29 Add amounts in column (i), line 26 Enter here and on line 7, page 1 **29**

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person

If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

| 30 Total business/investment miles driven during the year (do not include commuting miles) | (a) Vehicle 1 | | (b) Vehicle 2 | | (c) Vehicle 3 | | (d) Vehicle 4 | | (e) Vehicle 5 | | (f) Vehicle 6 | |
|---|---------------|----|---------------|----|---------------|----|---------------|----|---------------|----|---------------|----|
| | Yes | No |
| 31 Total commuting miles driven during the year | | | | | | | | | | | | |
| 32 Total other personal (noncommuting) miles driven | | | | | | | | | | | | |
| 33 Total miles driven during the year Add lines 30 through 32 | | | | | | | | | | | | |
| 34 Was the vehicle available for personal use during off-duty hours? | | | | | | | | | | | | |
| 35 Was the vehicle used primarily by a more than 5% owner or related person? | | | | | | | | | | | | |
| 36 Is another vehicle available for personal use? | | | | | | | | | | | | |

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions)

| | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|------------|-----------|
| 37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? | | | | | | | | | | | | | Yes | No |
| | | | | | | | | | | | | | | |
| 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners | | | | | | | | | | | | | | |
| 39 Do you treat all use of vehicles by employees as personal use? | | | | | | | | | | | | | | |
| 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? | | | | | | | | | | | | | | |
| 41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions) | | | | | | | | | | | | | | |

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles

| (a) Description of costs | (b) Date amortization begins | (c) Amortizable amount | (d) Code section | (e) Amortization period or percentage | (f) Amortization for this year |
|-----------------------------|---------------------------------|---------------------------|---------------------|--|-----------------------------------|
| | | | | | |

42 Amortization of costs that begins during your 2011 tax year (see instructions)

43 Amortization of costs that began before your 2011 tax year **43**

44 Total. Add amounts in column (f) See the instructions for where to report **44**

TY 2011 Compensation Explanation

Name: DURHAM KENNEL CLUB INC

C/O ROGER AKERS

EIN: 56-6049365

| Person Name | Explanation |
|------------------|-------------|
| DEE WALLIS | |
| GEORGE BEGLANE | |
| ROGER AKERS | |
| SUSAN CICONE | |
| GILLIAN GOODACRE | |
| LINDA WOZNIAK | |
| JAN GRAY | |
| PAULETTE HICKS | |
| MARCI STEDMAN | |
| JOYCE MCHENRY | |