

MICHIANA HUMANE SOCIETY, INC.

FINANCIAL STATEMENTS AND
INDEPENDENT ACCOUNTANTS' REVIEW REPORT
FOR THE YEARS ENDED
DECEMBER 31, 2021 AND 2020



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MICHIANA HUMANE SOCIETY, INC.

STATEMENTS OF FINANCIAL POSITION
as of December 31, 2021 and 2020

ASSETS

| | <u>2021</u> | <u>2020</u> |
|--|---------------------|---------------------|
| Current assets: | | |
| Cash and cash equivalents | \$ 2,176,271 | \$ 919,931 |
| (\$1,636,457 and \$584,753 board designated, respectively) | | |
| Investments, at fair market value (board designated) | 385,264 | 311,619 |
| Accounts receivable | 100 | 100 |
| Pledges receivable, current portion | 12,286 | - |
| Prepaid expenses | 3,433 | 2,308 |
| Total current assets | <u>2,577,354</u> | <u>1,233,958</u> |
| Endowment Fund (board designated): | | |
| Investments, at fair market value | <u>314,768</u> | <u>262,545</u> |
| Fixed assets, at cost: | | |
| Land | 35,000 | 35,000 |
| Buildings and improvements | 1,228,744 | 1,221,931 |
| Equipment | 52,326 | 52,326 |
| Vehicles | 15,441 | 15,441 |
| | <u>1,331,511</u> | <u>1,324,698</u> |
| Less, accumulated depreciation | (712,285) | (678,797) |
| Net fixed assets | <u>619,226</u> | <u>645,901</u> |
| Total Assets | <u>\$ 3,511,348</u> | <u>\$ 2,142,404</u> |

LIABILITIES & NET ASSETS

| | <u>2021</u> | <u>2020</u> |
|---------------------------------|---------------------|---------------------|
| Current liabilities: | | |
| Accounts payable | \$ 8,829 | \$ 3,472 |
| Payroll and sales taxes payable | 932 | 493 |
| Accrued salaries and wages | 3,898 | 8,454 |
| Spray/Neuter deposits | 375 | |
| Deferred revenues | 120,000 | 300 |
| Total current liabilities | <u>134,034</u> | <u>12,719</u> |
| Net assets: | | |
| Without donor restrictions: | | |
| Operating | 2,758,088 | 1,483,784 |
| Fixed assets | 619,226 | 645,901 |
| Total net assets | <u>3,377,314</u> | <u>2,129,685</u> |
| Total liabilities & net assets | <u>\$ 3,511,348</u> | <u>\$ 2,142,404</u> |

See accompanying notes and Independent Accountants' Review Report

MICHIANA HUMANE SOCIETY, INC.

STATEMENTS OF ACTIVITIES
for the years ended December 31, 2021 and 2020

| | <u>2021</u> | <u>2020</u> |
|--|-------------|-------------|
| Public support and revenues: | | |
| Dog park memberships | \$ 750 | \$ 525 |
| Contributions | 1,414,948 | 494,779 |
| Fundraising | 18,919 | 15,152 |
| Grants | 178,560 | 214,500 |
| Promotional events | 262,842 | 62,962 |
| Merchandise sales | 7,075 | 3,922 |
| Program services | 85,562 | 57,811 |
| Investment income | 13,566 | 15,517 |
| Realized gains, net | 101,263 | 24,517 |
| Unrealized gains (losses), net | 18,859 | 51,043 |
| Miscellaneous income | 608 | 1,737 |
| | <hr/> | <hr/> |
| Total public support and revenues | 2,102,952 | 942,465 |
| | <hr/> | <hr/> |
| Paycheck Protection Program loan forgiveness | - | 83,960 |
| | <hr/> | <hr/> |

(continued)

See accompanying notes and Independent Accountants' Review Report

MICHIANA HUMANE SOCIETY, INC.

STATEMENTS OF ACTIVITIES
for the years ended December 31, 2021 and 2020
(continued)

| | <u>2021</u> | <u>2020</u> |
|-------------------------------|---------------------|---------------------|
| Functional expenses | | |
| Program expenses: | | |
| Personnel costs | \$ 352,973 | \$ 331,364 |
| Facility support | 50,694 | 36,425 |
| Promotional events | 38,545 | 1,967 |
| Direct shelter costs | 122,660 | 114,248 |
| Total program expenses | <u>564,872</u> | <u>484,004</u> |
| Supporting services: | | |
| Personnel costs | 70,595 | 66,273 |
| Facility support | 1,601 | 1,150 |
| General management | 58,691 | 55,280 |
| Total supporting services | <u>130,887</u> | <u>122,703</u> |
| Fundraising: | | |
| Personnel costs | 47,063 | 44,182 |
| Facility support | 1,067 | 767 |
| Fundraising expenses | 77,945 | 16,937 |
| Total fundraising | <u>126,075</u> | <u>61,886</u> |
| Depreciation | <u>33,489</u> | <u>34,283</u> |
| Total functional expenses | <u>855,323</u> | <u>702,876</u> |
| Changes in net assets | 1,247,629 | 323,549 |
| Net assets, beginning of year | <u>2,129,685</u> | <u>1,806,136</u> |
| Net assets, end of year | <u>\$ 3,377,314</u> | <u>\$ 2,129,685</u> |

See accompanying notes and Independent Accountants' Review Report

MICHIANA HUMANE SOCIETY, INC.

STATEMENTS OF CASH FLOWS
for the years ended December 31, 2021 and 2020

INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS

| | <u>2021</u> | <u>2020</u> |
|---|----------------------------|--------------------------|
| Cash flows from operating activities: | | |
| Changes in net assets | \$ 1,247,629 | \$ 323,549 |
| Adjustments to reconcile changes in net assets to net cash provided by operating activities: | | |
| Depreciation | 33,489 | 34,283 |
| (Increase) Decrease in: | | |
| Accounts receivable | (12,286) | - |
| Pledges receivable | - | 3,900 |
| Prepaid expenses | (1,125) | 2,342 |
| Increase (decrease) in: | | |
| Accounts payable | 5,357 | (14,443) |
| Payroll and sales taxes payable | 438 | 441 |
| Accrued salaries and wages | (4,556) | 3,667 |
| Deferred revenues | 120,075 | (101,700) |
| Net cash provided by operating activities | <u>1,389,021</u> | <u>252,039</u> |
| Cash flows from investing activities: | | |
| Purchase of property and equipment | (6,813) | (7,900) |
| (Increase) decrease in investments | <u>(125,868)</u> | <u>(82,626)</u> |
| Net cash provided by (used in) investing activities | <u>(132,681)</u> | <u>(90,526)</u> |
| Net increase in cash and cash equivalents | 1,256,340 | 161,513 |
| Cash and cash equivalents, beginning of year | <u>919,931</u> | <u>758,418</u> |
| Cash and cash equivalents, end of year | <u><u>\$ 2,176,271</u></u> | <u><u>\$ 919,931</u></u> |

See accompanying notes and Independent Accountants' Review Report

MICHIANA HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

NATURE OF ORGANIZATION

The Michiana Humane Society, Inc. (Humane Society) of Michigan City, Indiana is an Indiana not-for-profit entity incorporated on March 29, 1948. The Humane Society's mission is to enhance the community by giving animals, and the people who love them, a second chance. The Humane Society provides a safe harbor to an average of 1,000 animals yearly, of which a large number are surrendered by their owners who can no longer continue to provide care.

METHOD OF ACCOUNTING:

The financial statements of the Humane Society have been prepared utilizing the accrual basis of accounting.

FINANCIAL STATEMENT PRESENTATION:

The Humane Society prepares its financial statements in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958-205, which set standards for reporting on financial statements of nonprofit organizations. ASC 958-205 requires the classification and presentation of net assets in two categories: net assets with donor restrictions, and net assets without donor restrictions.

Net assets without donor restrictions are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Humane Society. These net assets may be used at the discretion of the Humane Society's management and Board of Directors. The Board of Directors has designated \$1,294,194 for future building expansion plans as of December 31, 2021.

Net assets with donor restrictions are subject to stipulations by donor and/or grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Humane Society or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

All net assets as of December 31, 2021 were without donor restrictions.

FAIR VALUE MEASUREMENTS:

Management accounts for all assets and liabilities that are measured and reported on a fair value basis under the Fair Value Measurements and Disclosures Topic of FASB ASC 820. ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The framework for measuring fair value establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

Level 1 – Unadjusted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2- Quoted prices for similar assets or liabilities in active markets or identical assets or liabilities in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3 – Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

MICHIANA HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. As required by ASC 820, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Humane Society utilizes quoted market prices to measure fair value.

All assets and liabilities reported were level 1 measurements.

CASH AND CASH EQUIVALENTS:

The Humane Society considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

INVESTMENTS:

Investments in marketable securities with a readily determinable fair value are valued at their fair market value in the statement of financial position. The income from the investments, including realized and unrealized gains and losses, is record in statement of activities and changes in net assets.

LAND, BUILDINGS, EQUIPMENT, AND IMPROVEMENTS:

Land, buildings, equipment, and improvements are carried at cost. It is the Humane Society's policy to capitalize expenditures for major repairs and additions. Depreciation is calculated on the straight-line basis over the estimated useful lives of assets as follows:

| | |
|----------------------------|-------------|
| Buildings and improvements | 15-40 years |
| Equipment | 5-10 years |
| Vehicles | 5 years |
| Land improvements | 5-15 years |

USE OF ESTIMATES:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

MICHIANA HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INCOME TAX STATUS:

The Humane Society has been granted tax exempt status by the Internal Revenue Service under Internal Revenue Code Section 501(c)(3). Accordingly, no provision for federal or state income tax has been recorded in the accompanying financial statements.

The Humane Society regularly reviews and evaluates its tax positions taken in previously filed information returns and as reflected in its financial statements, with regard to issues affecting its tax-exempt status, unrelated business income and related matters. It believes that in the event of an examination by taxing authorities, its positions would prevail based upon the merits of such positions. Therefore, the Humane Society has concluded that no benefits or liabilities are required to be recognized. The Humane Society's income tax filings are subject to audit by various taxing authorities and the open audit periods are 2018-2021.

PROMISES TO GIVE:

Contributions, including promises to give, are recognized when the donor makes a promise to give to the organization that is unconditional. Contributions are reflected in the financial statements at the earlier of the transfer of the assets or at the time an unconditional promise to give is made.

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as restricted support that increase those net asset classes. The Humane Society does not currently have any restricted net assets as of December 31, 2021. Contributions and grants designated for specific purposes are utilized each year according to their designations. The Humane Society adjusts promises to give in the year in which they are deemed uncollectible. All promises to give are currently either short-term or deemed collectible based on the small amount of donors and do not reflect a discount.

PAYCHECK PROTECTION PROGRAM

The Humane Society received a Paycheck Protection Program ("PPP") loan in the amount of \$83,960 in conjunction with the 2020 CARES Act. The PPP loan proceeds were to assist entities with payroll, benefits, and other specific costs during 2020 as a result of the COVID-19 pandemic. The Humane Society met the requirements for the full forgiveness of this loan during 2020. The proceeds from the loan have been recorded as other income and classified within operating activities. The Humane Society does not anticipate receipt of any additional PPP funds.

DEFERRED REVENUES:

The Humane Society occasionally receives grants that are designated for future periods. These are shown in the statements of financial position as deferred revenues. These grants will be recognized as revenue upon satisfaction of the grant conditions.

MICHIANA HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

FUNCTIONAL EXPENSES:

Functional expenses have been allocated between program services, supporting services and fundraising based upon actual costs incurred within each area. Certain overhead costs have been allocated based upon analysis of aggregate charges within each functional area.

ADVERTISING:

It is the policy of the Humane Society to expense advertising as incurred.

COMPENSATED ABSENCES:

The policy of the Humane Society is not to accrue a liability for compensated absences. The amount of paid absences that ultimately would be paid is not determinable at the date of the statements of financial position and, accordingly, no provision is included in the financial statements.

NEW ACCOUNTING PRONOUNCEMENTS:

On May 28, 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers and, later, various amendments (collectively, "ASC 606"). This standard outlines a single comprehensive model for companies to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. ASC 606 requires that revenue be recognized when a customer obtains control of a good or service, which is when a customer has the ability to direct the use of and obtain benefits from the good or service. On January 1, 2020 the Humane Society adopted Topic 606 on a modified retrospective basis. This adoption did not have material impact on the historically presented financial statements.

In September 2020, the FASB issued ASU 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets, and is effective for nonprofits with annual periods beginning after June 15, 2021. Contributed nonfinancial assets (gifts-in-kind) will be required to be presented separately from other cash contributions on the statement of activities in addition to additional disclosures. The Humane Society is assessing the impact of this pronouncement on the financial statements.

MICHIANA HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 2. LIQUIDITY AND AVAILABILITY

As of December 31, 2021 and 2020, the Humane Society has working capital of \$2,888,689 and \$1,494,195, respectively and average days cash on hand of 967 and 504, respectively. The following represents financial assets available for general expenditures within one year at December 31:

| | <u>2021</u> | <u>2020</u> |
|-------------------------------------|---------------------|---------------------|
| Cash and cash equivalents | \$ 2,176,271 | \$ 919,931 |
| Accounts receivable | 100 | 100 |
| Pledges receivable, current portion | 12,286 | - |
| Investments, at fair market value | 700,032 | 574,164 |
| Total | <u>\$ 2,888,689</u> | <u>\$ 1,494,195</u> |

NOTE 3. INVESTMENTS

Investments of the Humane Society are held in trust by financial institutions and consist of the following at December 31, 2021:

| | <u>Cost</u> | <u>Fair Value</u> | <u>Unrealized Gains/Losses</u> |
|---|-------------------|-------------------|------------------------------------|
| Unrestricted investments for endowment purposes: | | | |
| Cash equivalents | \$ 9,664 | \$ 9,664 | \$ - |
| Equities/Equity Funds | 80,536 | 212,422 | 131,886 |
| Fixed Income | 90,937 | 92,682 | 1,745 |
| | <u>181,137</u> | <u>314,768</u> | <u>133,631</u> |
| Other unrestricted investments: | | | |
| Cash equivalents | \$ 26,671 | \$ 26,671 | \$ - |
| Equities/Equity Funds | 179,091 | 302,768 | 123,677 |
| Fixed income | 55,926 | 55,825 | (101) |
| | <u>261,688</u> | <u>385,264</u> | <u>123,576</u> |
| Total unrestricted investments | <u>\$ 442,825</u> | <u>\$ 700,032</u> | <u>257,207</u> |

Unrestricted investments for endowment purposes represent amounts designated by the Board of Directors to use at their discretion to further the Humane Society's mission.

MICHIANA HUMANE SOCIETY, INC.
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 3. INVESTMENTS (CONTINUED)

The following schedule summarizes the return on investments in the statements of activities for the years ended December 31, 2021 and 2020:

| | <u>2021</u> | <u>2020</u> |
|--|-----------------------|----------------------|
| Interest, dividend, and capital gain income | \$ 12,375 | \$ 12,433 |
| Net realized gains | 18,859 | 24,517 |
| Net unrealized gains (losses) | <u>101,263</u> | <u>51,043</u> |
| Total return on investments | <u>\$ 132,497</u> | <u>\$ 87,993</u> |

Investment expenses and management fees for the years ended December 31, 2021 and 2020 were \$6,624 and \$5,366, respectively.

NOTE 4. LEASE COMMITMENTS

In August 2016, the Humane Society entered into an operating lease for a Crossover washer and Primus dryer calling for sixty monthly payments of \$155. The Humane Society continues this lease on a month to month basis. Total rental expense for the year ended December 31, 2021 was \$1,860.

In January 2020, the Humane Society entered into an operating lease for a new Konica Minolta copier calling for sixty monthly payments of \$248. The total copier lease rental expense for the year ended December 31, 2021 was \$2,976.

The future minimum rentals for leased equipment are as follows:

| | <u>Year ended December 31,</u> |
|--|--------------------------------|
| | 2022 \$ 2,976 |
| | 2023 2,976 |
| | 2024 <u>2,976</u> |
| | Total <u>\$ 8,928</u> |

NOTE 5. DONATED SERVICES

No amounts have been reflected in the financial statements for donated services. The Humane Society pays for most services requiring specific expertise; however, many individuals volunteer their time and perform a variety of tasks that assist the Humane Society with specific programs and various committee assignments.

MICHIANA HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 6. CONCENTRATION OF CREDIT RISK

The Humane Society maintains several cash accounts at various banks. Accounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of December 31, 2021, the Humane Society had \$1,555,107 in excess of FDIC limits.

NOTE 7. SUBSEQUENT EVENTS

In preparing these financial statements, the Humane Society has evaluated events and transactions for potential recognition or disclosure through October 31, 2022, the date the financial statements were available to be issued except as noted below.

In March 2020, the World Health Organization (“WHO”) classified the coronavirus-19 (“COVID-19”) outbreak as a pandemic. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. It is uncertain as to the full magnitude that the pandemic may have on the Humane Society’s financial condition, liquidity, and future results of operations. The Humane Society is actively monitoring the impact of the COVID-19 outbreak. Although the Humane Society cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time, if the pandemic continues, it may have an adverse effect on the Humane Society’s future operations, financial position, and liquidity in the year ended December 31, 2022.

SUPPLEMENTARY INFORMATION

MICHIANA HUMANE SOCIETY, INC.

SCHEDULES OF PUBLIC SUPPORT AND REVENUES
for the years ended December 31, 2021 and 2020

| | <u>2021</u> | <u>2020</u> |
|-----------------------------------|---------------------|-------------------|
| Contributions: | | |
| Mail and online solicitations | \$ 70,494 | \$ 154,029 |
| Memorials | 44,971 | 35,496 |
| Bequests | 13,193 | 55,445 |
| Remember Me Thursday | 6,048 | 3,360 |
| Paw it Forward/Building Expansion | 1,113,505 | 81,920 |
| Fromm Promotion | 15,580 | 14,021 |
| General contributions | 151,157 | 150,508 |
| | <u>\$ 1,414,948</u> | <u>\$ 494,779</u> |
| Promotional events: | | |
| Spring Fling | \$ 38,324 | \$ 9,750 |
| Music in the Pines | 170,024 | 52,051 |
| Fall Art Studio Tour | 28,107 | - |
| Pawction online auction | 22,856 | - |
| Miscellaneous events | 3,531 | 1,161 |
| | <u>\$ 262,842</u> | <u>\$ 62,962</u> |
| Program services: | | |
| Adoption fees/Adoption sponsor | \$ 72,793 | \$ 50,406 |
| Surrender/reclaim fees | 9,831 | 5,770 |
| Emergency assistance fund | 500 | 300 |
| Euthanasia fees | 2,438 | 1,335 |
| | <u>\$ 85,562</u> | <u>\$ 57,811</u> |

See Independent Accountants' Review Report

MICHIANA HUMANE SOCIETY, INC.

SCHEDULES OF EXPENSES
for the years ended December 31, 2021 and 2020

| | <u>2021</u> | <u>2020</u> |
|--------------------------|-------------------|-------------------|
| Personnel costs: | | |
| Salaries and wages | \$ 418,663 | \$ 391,523 |
| Payroll taxes | 36,678 | 32,210 |
| Training and conferences | 69 | 785 |
| Mileage and travel costs | 1,736 | 1,230 |
| Medical expenses | 3,164 | 7,465 |
| Workers' compensation | 6,883 | 2,851 |
| Payroll service fee | 3,438 | 5,754 |
| | <u>\$ 470,631</u> | <u>\$ 441,818</u> |
| Facility support: | | |
| Building insurance | \$ 6,163 | \$ 5,096 |
| Telephone | 2,344 | 2,024 |
| Cable and internet | 1,230 | 1,085 |
| Utilities | 19,544 | 19,985 |
| Refuse | 1,655 | 1,644 |
| Repairs and maintenance | 22,426 | 8,508 |
| | <u>\$ 53,362</u> | <u>\$ 38,342</u> |
| Promotional events: | | |
| Spring Fling | \$ 1,571 | \$ 718 |
| Music in the Pines | 33,067 | 771 |
| Fall event | 3,100 | - |
| Miscellaneous events | 807 | 478 |
| | <u>\$ 38,545</u> | <u>\$ 1,967</u> |

See Independent Accountants' Review Report

MICHIANA HUMANE SOCIETY, INC.

SCHEDULES OF EXPENSES
for the years ended December 31, 2021 and 2020
(continued)

| | <u>2021</u> | <u>2020</u> |
|------------------------------|-------------------|-------------------|
| Direct shelter costs: | | |
| General supplies | \$ 17,752 | \$ 17,563 |
| Pet food | 23,846 | 17,613 |
| Medications | 18,585 | 15,816 |
| Clinical supplies | 11,211 | 12,145 |
| Vet services | 40,365 | 41,616 |
| Cleaning supplies | 8,470 | 8,375 |
| Scavenger services | 2,431 | 1,119 |
| | <u>\$ 122,660</u> | <u>\$ 114,247</u> |
| General Management: | | |
| Office supplies and expenses | 6,060 | 8,548 |
| Technology expenses | 15,426 | 16,248 |
| Advertising | 1,290 | 1,805 |
| Postage | 1,543 | 2,225 |
| Dues and subscriptions | 1,446 | 857 |
| Outside services | 3,875 | 6,285 |
| Accounting review services | 4,800 | 4,700 |
| Legal Fees | 4,275 | - |
| Insurance | 2,375 | 2,375 |
| Bank charges | 104 | 97 |
| Investment expenses | 6,624 | 5,366 |
| Point of sale fees | 4,325 | 3,482 |
| Miscellaneous | 6,548 | 3,292 |
| | <u>\$ 58,691</u> | <u>\$ 55,280</u> |

See Independent Accountants' Review Report