

**PETS ARE WONDERFUL  
SUPPORT, INC.**

**Financial Statements  
Year ended June 30, 2021**

# PETS ARE WONDERFUL SUPPORT, INC.

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June 30, 2021

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**Peter J. Bertuglia**

**Certified Public Accountant, P.C.**

## **Independent Auditor's Report**

Board of Directors  
Pets Are Wonderful Support Inc.  
New York, NY

We have audited the accompanying financial statements of Pets Are Wonderful Support, Inc, which comprise the statements of net position as of June 30, 2021, and the related statements of revenue, expenses and changes in net position, and cash flows for the year 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 accounting principles generally accepted in the United States of America; 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.

### ***Auditor's 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 auditor's 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 Pets Are Wonderful Support, Inc., as of June 30, 2021, and the change in its net position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Peter J. Bertuglia, CPA, P.C.

Huntington Station, NY  
September 24, 2021

A handwritten signature in black ink, appearing to read "Peter J. Bertuglia", written over a thin horizontal line.

PETS ARE WONDERFUL SUPPORT, INC.

STATEMENT OF NET POSITION

June 30, 2021

**ASSETS**

Cash	\$ 614,236
Furniture and equipment	6,598
Less: accumulated depreciation	(3,299)
Net furniture and equipment	3,299
Security deposits	15,300
<b>Total Assets</b>	<b>\$ 632,835</b>

**LIABILITIES AND UNRESTRICTED NET POSITION**

Liabilities:	
Payroll Protection Program Loan	\$ 49,032
<b>Total Liabilities</b>	<b>49,032</b>
<b>Net position</b>	
Restricted	151,518
Unrestricted	432,285
<b>Total Net Position</b>	<b>\$ 583,803</b>

See Notes to Financial Statements

# PETS ARE WONDERFUL SUPPORT, INC.

## STATEMENT OF REVENUE, EXPENSES AND CHANGE IN FUND NET POSITION

Year Ended June 30, 2021

Support and revenue:	
Contributions:	
Restricted	\$ 117,500
Unrestricted	351,459
Total operating revenue	468,959
Nonoperating revenue:	
Payroll Protection Program	49,031
Economic Injury Disaster Loan grant	5,000
Investment income	215
Total nonoperating revenue	54,246
Total revenue	523,205
Expenses:	
Program services	351,248
Management and general	57,584
Fund-raising	126,293
Total expenses	535,125
Change in net position	(11,920)
Net position at beginning of year	595,723
Net position at end of year	\$ 583,803

See Notes to Financial Statements

# PETS ARE WONDERFUL SUPPORT, INC.

## STATEMENT OF CASH FLOWS

Year Ended June 30, 2021

Cash flows from operating activities:	
Receipts from contributions	\$ 462,770
Payments for program services	(345,208)
Payments for management and general expenses	(56,265)
Payments for fund-raising expenses	(126,293)
<b>Net cash provided by operating activities</b>	<b>(64,996)</b>
Cashflows from investing activities:	
Interest income	215
<b>Net cash used by investing activities</b>	<b>215</b>
Cashflows from financing activities:	
Payroll Protection Program	49,032
<b>Net cash provided by financing activities</b>	<b>49,032</b>
Net decrease in cash	(15,749)
Cash at beginning of year	629,985
Cash at end of year	\$ 614,236

### Reconciliation of Change in Unrestricted Net Assets to net cash used by operating activities:

Change in unrestricted net position	\$ (11,920)
Adjustments to reconcile change in unrestricted net assets to net cash provided by operating expenses:	
Depreciation	1,319
Increase in furniture and equipment	
Decrease SBA Economic Injury Disaster Loan	(5,000)
Decrease in payroll taxes payable	(148)
<b>Net cash provided by operating activities</b>	<b>\$ (15,749)</b>

See Notes to Financial Statements

# PETS ARE WONDERFUL SUPPORT, INC.

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

### Note 1. Principle Business Activity and Summary of Significant Accounting Policies

Pets Are Wonderful Support, Inc. (PAWS) is a not-for-profit corporation incorporated in August 2008 and is exempt from federal income taxes under Section 501(c)(3) of the United States Internal Revenue Code (the "Code"). PAWS is classified as a public charity under Section 509(a)(1) of the Code. PAWS purpose is to preserve, support, and nurture the human-animal bond for New York City's most vulnerable residents.

### Note 2. Sources of Funding

PAWS NY received 67% of its funding from institutions, 11% from events, and 22% from individuals.

### Note 3. Operating Expenses

Expenses as shown in the accompanying statement of revenue, expenses, and change in net position are as follows:

	Program Services	Management and General	Fund- raising	Total
<b>Personnel costs:</b>				
Salaries	\$ 203,523	\$ 30,177	\$ 91,042	\$ 324,742
Payroll taxes and benefits	25,649	3,803	11,473	40,925
<b>Total personnel costs</b>	<b>229,172</b>	<b>33,980</b>	<b>102,515</b>	<b>365,667</b>
<b>Other expenses:</b>				
Program expenses	70,228	-	-	70,228
Communications	7,471	1,401	467	9,339
Professional fees	-	3,000	-	3,000
Fund-raising expenses	-	-	19,492	19,492
Rent and occupancy	29,578	13,651	2,275	45,504
Insurance	3,938	1,818	303	6,059
Telephone	3,333	626	206	4,165
Office expenses	3,305	944	472	4,721
Other expenses	4,224	845	563	5,632
Depreciation	-	1,319	-	1,319
<b>Total expenses</b>	<b>\$ 351,248</b>	<b>\$ 57,584</b>	<b>\$ 126,293</b>	<b>\$ 535,125</b>



# PETS ARE WONDERFUL SUPPORT, INC.

## NOTES TO FINANCIAL STATEMENTS

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June 30, 2021

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### Note 4. Financial Statement Presentation

The classification of a not-for-profit organization's net assets and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of three classes of net assets, permanently restricted, temporarily restricted, and unrestricted, be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

These classes are defined as follows:

- (i) **Unrestricted** - The part of the net assets that is neither permanently nor temporarily restricted.
- (ii) **Temporarily Restricted** - Net assets resulting from contributions and other inflows of assets whose use by PAWS is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of PAWS pursuant to those stipulations. When such stipulations end or are fulfilled, such temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities. As of June 30, 2021, \$75,000 of net assets are temporarily restricted for specific components of PAWS programs.
- (iii) **Permanently Restricted** - Net assets resulting from contributions and other inflows whose use by PAWS is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of PAWS. As of June 30, 2021, there are no permanently restricted net assets.