

**PETS ARE WONDERFUL
SUPPORT, INC.**

**Financial Statements
Year ended June 30, 2022**

PETS ARE WONDERFUL SUPPORT, INC.

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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, 2022 and 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, 2022 and 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
November 6, 2022

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

PETS ARE WONDERFUL SUPPORT, INC.

STATEMENT OF NET POSITION

For The Years Ended

ASSETS	6/30/2022	6/30/2021
Cash	\$ 729,884	\$ 614,236
Furniture and equipment	6,598	6,598
Less: accumulated depreciation	(4,618)	(3,299)
Net furniture and equipment	1,980	3,299
Security deposits	15,300	15,300
Total Assets	\$ 747,164	\$ 632,835
LIABILITIES AND UNRESTRICTED NET POSITION		
Liabilities:		
Payroll Protection Program Loan	\$ -	\$ 49,032
Total Liabilities	0	49,032
Net position		
Restricted	167,800	151,518
Unrestricted	579,364	432,285
Total Net Position	\$ 747,164	\$ 583,803

See Notes to Financial Statements

PETS ARE WONDERFUL SUPPORT, INC.

STATEMENT OF REVENUE, EXPENSES AND CHANGE IN FUND NET POSITION

	For The Years Ended	
	6/30/2022	6/30/2021
Support and revenue:		
Contributions:		
Restricted	\$ 376,242	\$ 117,500
Unrestricted	535,024	351,459
Total operating revenue	911,266	468,959
Expenses:		
Program services	526,086	351,248
Management and general	64,719	57,584
Fund-raising	206,364	126,293
Total expenses	797,169	535,125
Operating income (loss)	114,097	(66,166)
Nonoperating revenue:		
Payroll Protection Program	49,032	49,031
Economic Injury Disaster Loan grant	-	5,000
Investment income	232	215
Total nonoperating revenue	49,264	54,246
Change in net position	163,361	(11,920)
Net position at beginning of year	583,803	595,723
Net position at end of year	\$ 747,164	\$ 583,803

See Notes to Financial Statements

PETS ARE WONDERFUL SUPPORT, INC.

STATEMENT OF CASH FLOWS

	For The Years Ended	
	6/30/2022	6/30/2021
Cash flows from operating activities:		
Receipts from contributions	\$ 910,071	\$ 462,770
Payments for program services	(524,891)	(345,208)
Payments for management and general expenses	(63,400)	(56,265)
Payments for fund-raising expenses	(206,364)	(126,293)
Net cash provided by operating activities	115,416	(64,996)
Cashflows from investing activities:		
Interest income	232	215
Net cash used by investing activities	232	215
Cashflows from financing activities:		
Payroll Protection Program	-	49,032
Net cash provided by financing activities	-	49,032
Net increase (decrease) in cash	115,648	(15,749)
Cash at beginning of year	614,236	629,985
Cash at end of year	\$ 729,884	\$ 614,236

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

Operating income (loss)	\$ 114,097	\$ (66,166)
Adjustments to reconcile change in unrestricted net assets to net cash provided by operating expenses:		
Depreciation	1,319	1,319
Decrease in payroll taxes payable		(149)
Net cash (used) provided by operating activities	\$ 115,416	\$ (64,996)

See Notes to Financial Statements

PETS ARE WONDERFUL SUPPORT, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

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 69% of its funding from institutions, 11% from events, 15% from individuals and 5% from government agencies.

Note 3. 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, 2022, \$167,800 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.

PETS ARE WONDERFUL SUPPORT, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 4. Operating Expenses

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

	2022			
	Program Services	Management and General	Fund- raising	Total
Personnel costs:				
Salaries	\$ 207,158	\$ 35,034	\$ 126,879	369,070
Payroll taxes and benefits	22,572	3,817	13,825	40,214
Total personnel costs	229,730	38,850	140,704	409,284
Other expenses:				
Program expenses	237,275	-	-	237,275
Communications	12,448	2,334	778	15,560
Professional fees	-	3,100	-	3,100
Fund-raising expenses	-	-	60,393	60,393
Rent and occupancy	29,821	13,763	2,294	45,878
Insurance	3,121	1,441	240	4,802
Telephone	2,893	827	413	4,133
Office expenses	1,719	491	245	2,455
Other expenses	9,079	2,594	1,297	12,970
Depreciation	-	1,319	-	1,319
Total expenses	\$ 526,086	\$ 64,719	\$ 206,364	\$ 797,169

	2021			
	Program Services	Management and General	Fund- raising	Total
Personnel costs:				
Salaries	\$ 203,523	\$ 30,177	\$ 91,042	\$ 324,742
Payroll taxes and benefits	25,649	3,803	11,473	40,925
Total personnel costs	229,172	33,980	102,515	365,667
Other expenses:				
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
Total expenses	\$ 351,248	\$ 57,584	\$ 126,293	\$ 535,125