
**OUR COMPANIONS DOMESTIC ANIMAL
SANCTUARY, INC.**

Annual Financial Statements

For the Year Ended December 31, 2019

OUR COMPANIONS DOMESTIC ANIMAL SANCTUARY, INC.

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December 31, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Our Companions Domestic Animal Sanctuary, Inc.
Manchester, CT

We have audited the accompanying financial statements of Our Companions Domestic Animal Sanctuary, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, cash flows, and functional expenses 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 audit. We conducted our audit 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 Our Companions as of December 31, 2019, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

King, King & Associates

King, King & Associates, CPA's
Winsted, CT
September 2, 2020

OUR COMPANIONS DOMESTIC ANIMAL SANCTUARY, INC.

Statement of Financial Position

December 31, 2019

ASSETS

| | |
|-------------------------------|------------|
| Cash and Cash Equivalents | \$ 325,959 |
| Short Term Pledges Receivable | 118,250 |
| Prepaid Insurance | 18,210 |
| Investments at Fair Value | 1,995,335 |
| Long Term Pledges Receivable | 110,000 |
| Property and Equipment, Net | 3,073,284 |

TOTAL ASSETS \$ 5,641,038

LIABILITIES

| | |
|-------------------|----------|
| Sales Tax Payable | \$ 1,066 |
| Accounts Payable | 9,150 |

TOTAL LIABILITIES 10,216

NET ASSETS

| | |
|-----------------------------|-----------|
| Without Donor Restrictions: | |
| Undesignated | 4,529,972 |
| Board Designated: Endowment | 701,998 |
| With Donor Restrictions | 398,852 |

TOTAL NET ASSETS 5,630,822

TOTAL LIABILITIES AND NET ASSETS \$ 5,641,038

The accompanying notes are an integral part of the financial statements.

OUR COMPANIONS DOMESTIC ANIMAL SANCTUARY, INC.

Statement of Activities

For the Year Ended December 31, 2019

| NET ASSETS WITHOUT DONOR RESTRICTIONS | <u>Operating</u> | <u>Capital Campaign</u> | <u>Total</u> |
|--|----------------------------|--------------------------|----------------------------|
| <i>Revenues and Other Support</i> | | | |
| Donations/Contributions | \$ 1,526,755 | \$ - | \$ 1,526,755 |
| Program Fee Income | 28,227 | - | 28,227 |
| Interest Income | 8,986 | - | 8,986 |
| Investment Return | 133,608 | - | 133,608 |
| Total Revenues and Other Support | <u>1,697,576</u> | <u>-</u> | <u>1,697,576</u> |
| Net Assets Released from Restriction | 90,507 | - | 90,507 |
| TOTAL SUPPORT | <u>1,788,083</u> | <u>-</u> | <u>1,788,083</u> |
| <i>Expenses</i> | | | |
| Program Services | 1,268,688 | - | 1,268,688 |
| Management & General | 127,466 | - | 127,466 |
| Fundraising | 72,334 | - | 72,334 |
| Total Expenses | <u>1,468,488</u> | <u>-</u> | <u>1,468,488</u> |
| CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS | <u>319,595</u> | <u>-</u> | <u>319,595</u> |
| NET ASSETS WITH DONOR RESTRICTIONS | | | |
| Donations/Grants | 50,075 | 325,000 | 375,075 |
| Net Assets Released from Restriction | <u>(55,257)</u> | <u>(35,250)</u> | <u>(90,507)</u> |
| CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS | <u>(5,182)</u> | <u>289,750</u> | <u>284,568</u> |
| Total Change in Net Assets | 314,413 | 289,750 | 604,163 |
| Beginning Net Assets | <u>4,938,159</u> | <u>88,500</u> | <u>5,026,659</u> |
| Ending Net Assets | <u>\$ 5,252,572</u> | <u>\$ 378,250</u> | <u>\$ 5,630,822</u> |

The accompanying notes are an integral part of the financial statements.

OUR COMPANIONS DOMESTIC ANIMAL SANCTUARY, INC.

Statement of Cash Flows

For the Year Ended December 31, 2019

| | |
|---|--------------------------|
| Cash Flow Provided by Operating Activities | <u>2019</u> |
| Change in Net Assets | \$ 604,163 |
| Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities: | |
| Depreciation | 139,142 |
| Realized/Unrealized (Gain)/Loss on Investments | (109,394) |
| (Increase)/Decrease in: | |
| Pledges Receivable | (34,750) |
| Prepaid Expenses | (538) |
| Increase/(Decrease) in: | |
| Payroll Taxes Payable | (6,816) |
| Sales Tax Payable | (162) |
| Accounts Payable - Accrued | <u>2,980</u> |
| Net Cash Provided By Operating Activities | <u>594,625</u> |
| Cash Flow Provided by Investing Activities | |
| Purchase of Fixed Assets | (35,314) |
| Purchases of Investments | (816,343) |
| Proceeds from Sale of Investments | <u>29,000</u> |
| Net Cash Used By Investing Activities | <u>(822,657)</u> |
| Cash Flow Provided by Financing Activities | - |
| Net Increase/(Decrease) In Cash and Cash Equivalents | (228,032) |
| Beginning Cash and Cash Equivalents | <u>553,991</u> |
| Ending Cash and Cash Equivalents | <u><u>\$ 325,959</u></u> |
| Supplemental Information | |
| Interest Paid | \$ - |
| Income Taxes Paid | \$ - |

The accompanying notes are an integral part of the financial statements.

OUR COMPANIONS DOMESTIC ANIMAL SANCTUARY, INC.

Statement of Functional Expenses
For the Year Ended December 31, 2019

| | <u>Program Services</u> | <u>Management & General</u> | <u>Fundraising</u> | <u>Total</u> |
|--|-----------------------------|-------------------------------------|-------------------------|----------------------------|
| Salaries and Related Expenses: | | | | |
| Salaries | \$ 628,161 | \$ 64,737 | \$ 38,207 | \$ 731,105 |
| Payroll Taxes | <u>59,967</u> | <u>6,181</u> | <u>3,647</u> | <u>69,795</u> |
| Total Salaries and Related Expenses | <u>688,128</u> | <u>70,918</u> | <u>41,854</u> | <u>800,900</u> |
| Other Expenses: | | | | |
| Advocacy | 22,400 | - | - | 22,400 |
| Bank Fees | - | 1,438 | - | 1,438 |
| Cell and Desk Phones | 8,385 | 1,463 | 1,573 | 11,421 |
| Conference/Seminar Registration | 3,465 | - | - | 3,465 |
| Credit Card Processing Fees | - | 6,842 | - | 6,842 |
| Depreciation Expense | 137,832 | 1,310 | - | 139,142 |
| Educational Materials | - | 101 | - | 101 |
| Event Fees/Trade Shows | 25 | - | 1,526 | 1,551 |
| Facility Supplies | 10,189 | 748 | - | 10,937 |
| Federal & State Filing Fees | 115 | 975 | - | 1,090 |
| Food/Meals/Entertainment | 2,358 | 266 | - | 2,624 |
| Information Technology Service | 39,375 | 5,236 | 5,090 | 49,701 |
| Insurance | 42,719 | 3,406 | 912 | 47,037 |
| Landscaping Expense | 11,371 | - | - | 11,371 |
| Miscellaneous Expense | - | 126 | - | 126 |
| Office Supplies | 3,821 | 8,878 | - | 12,699 |
| Pet Care Expenses | 32,517 | - | - | 32,517 |
| Postage | 7,135 | 3,139 | 6,126 | 16,400 |
| Printing | 18,986 | 755 | 4,435 | 24,176 |
| Professional Fees/Consultants | 10,077 | 9,812 | 10,568 | 30,457 |
| Promotional | 2,377 | - | 250 | 2,627 |
| Rental & Lease Expense | 33,600 | 8,400 | - | 42,000 |
| Repairs/Maintenance | 15,678 | 1,154 | - | 16,832 |
| Stewardship/Cultivation | 4,530 | - | - | 4,530 |
| Training Program | 8,564 | - | - | 8,564 |
| Travel | 700 | 4 | - | 704 |
| Utilities | 41,177 | 2,495 | - | 43,672 |
| Veterinary | 122,062 | - | - | 122,062 |
| Volunteer Expenses | <u>1,102</u> | <u>-</u> | <u>-</u> | <u>1,102</u> |
| Total Other Expenses | <u>580,560</u> | <u>56,548</u> | <u>30,480</u> | <u>667,588</u> |
| Total Functional Expenses | <u>\$ 1,268,688</u> | <u>\$ 127,466</u> | <u>\$ 72,334</u> | <u>\$ 1,468,488</u> |

The accompanying notes are an integral part of the financial statements.

OUR COMPANIONS DOMESTIC ANIMAL SANCTUARY, INC.

Notes to the Financial Statements

NOTE 1 – DESCRIPTION OF ORGANIZATION

Our Companions Domestic Animal Sanctuary, Inc. (“Our Companions”), is a nonprofit organization founded in May 2002, for the purpose of alleviating the plight of healthy domestic animals facing euthanasia. Our Companions is exempt from federal income tax under Section 501(c) (3) of the U.S. Internal Revenue Code. However, income from certain activities not directly related to the Our Companions’ tax-exempt purpose may be subject to taxation as unrelated business income. The main activity of Our Companions is to create a sanctuary that will care for domestic animals facing euthanasia, provide low-cost pet behavioral services, and initiate statewide partnerships with other animal welfare organizations to create programs that address the root causes of pet homelessness. Our Companions is supported by contributions from the public and is the beneficiary of various fundraising activities in the community.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies of Our Companions is presented to assist in understanding the organization’s financial statements. These financial statements and notes are the representations of Our Companions’ management who are responsible for their integrity and objectivity. These accounting policies conform to the accrual basis of accounting.

Basis of Accounting

The financial statements of Our Companions Domestic Animal Sanctuary have been prepared on the accrual-basis of accounting, and accordingly reflect all significant receivables, payables, and other liabilities. Revenue is recognized when earned and expenditures when incurred.

Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires estimates by management. The actual results of operations may differ from management estimates.

Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposit accounts, as well as short-term investments with a maturity date within three months of the date acquired by Our Companions.

Investments

Investments in marketable equity securities with readily determinable fair values are stated at fair market value. Investments in Certificates of Deposit are stated at cost. Short-term investments held inside brokerage accounts are reported as investments.

Fair Value of Financial Instruments

The Organization measures the fair value of its assets and liabilities under a three-level hierarchy, as follows:

Level 1: Quoted market prices for identical assets or liabilities to which an entity has access at the measurement date.

OUR COMPANIONS DOMESTIC ANIMAL SANCTUARY, INC.

Notes to the Financial Statements

Level 2: Inputs and information other than quoted market indices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:

- a. Quoted prices for similar assets or liabilities in active markets.
- b. Quoted prices for identical or similar assets in markets that are not active;
- c. Observable inputs other than quoted prices for the asset or liability;
- d. Inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

Level 3: Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

Observable inputs reflect the assumptions market participants would use in pricing the asset or liability developed from sources independent of the reporting entity; and *unobservable inputs* reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

Investments are carried at fair value based on Level 1 and presented in Note 5. The Organization believes that the carrying amount of its investments is a reasonable fair value as of December 31, 2019.

Endowments

The Financial Accounting Standards Board (FASB) issued staff position No. FAS 117-1: Endowments of Not-For-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for all Endowment Funds (FAS 117-1). FAS 117-1 provides accounting standards on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that are subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). FAS 117-1 also provides for other disclosures concerning an organization's endowment funds and whether or not the organization is subject to UPMIFA. The State of Connecticut adopted its version of UPMIFA, which became effective October 1, 2007 (CTPMIFA). Prior to the issuance of FAS 117-1, accumulated gains and income on donor restricted endowment assets were classified as net assets with donor restrictions. Under FAS No. 117-1, accumulated gains and income on donor-restricted endowment assets of perpetual duration are classified as Net Assets with Donor Restrictions until appropriated for expenditure.

Investment Policy – From time to time, Our Companions Board of Directors may vote to approve a specific amount of funds to be set aside and designated as Board Designated Endowment on the financial statement balance sheet. These funds will be classified as undesignated net assets without donor restrictions because the source of funds are unrestricted general donations. The original principal amount cannot be accessed without an approved board resolution. The board must pursue all available options before accessing the principal funds, including (but not limited to) budget reductions, pursuing insurance reimbursements, enhancing development efforts, delayed new programs, etc.

OUR COMPANIONS DOMESTIC ANIMAL SANCTUARY, INC.

Notes to the Financial Statements

A portion or all of the Board Designated Funds may be placed in investments other than traditional FDIC bank accounts. The amount invested and the specific investments must be approved by the Finance Committee. The Vanguard Balanced Index Fund (VBIAX) shall be the primary fund that the Board Designated Funds are invested in. The investment funds may be changed based on finance committee recommendation and subject to Board of Directors approval.

The investment income earned by the Board Designated Fund is considered unrestricted revenue and may be distributed to the organization as General Operating Revenue for its programs without board approval. However, no distribution of the investment earnings shall decrease the total market value of the Board Designated Fund below 100% of the original principal contribution balance. In addition, the annual distribution of investment income should never exceed 5% of the total market value of the Board Designated Fund.

Each year, based on the fund's total market value as of November 1, the Finance Committee shall recommend to the Board an amount to be transferred from the unrestricted income and/or gain of the Board Designated Fund to the General Operating Fund.

The Finance Committee shall review the Investment Policies at least once a year to determine if modifications are necessary or desirable. Any proposed modifications must be approved by the Board.

Land, Buildings, and Equipment

Our Companions owns land, buildings, and equipment that have been recorded at cost, if purchased, or fair market value, if donated. Purchases over \$2,000 are capitalized as Land, Buildings, and Equipment. Depreciation is computed on a combination of straight-line and accelerated methods over the estimated useful lives of the assets listed below:

| | |
|--------------------------------------|----------|
| Building and Building Improvements | 39 years |
| Furniture and Fixtures | 7 years |
| Computer and Communication Equipment | 5 years |
| Vehicles | 5 years |
| Land Improvements | 10 years |
| Machinery and Equipment | 7 years |

Donated Services

Donated services are recognized as contributions in accordance with FASB ASC 958-605-50-1, *Accounting for Contributions Received and Contributions Made*, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by Our Companions. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific assistance programs, campaign solicitations, and various committee assignments; however, these services are not recognized in the financial statements.

OUR COMPANIONS DOMESTIC ANIMAL SANCTUARY, INC.

Notes to the Financial Statements

Cash and Other Contributions

Our Companions reports gifts of cash and other assets as Net Assets With Donor Restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, amount is reclassified to Net Assets without Donor Restrictions and reported in the statement of activities as fund balance released from restrictions. Contributions with donor restrictions are reported as increases to Net Assets without Donor Restrictions when restrictions expire in the reporting period that the contributions are reported as revenues.

Investment Income

Interest and dividends earned on savings accounts, as well as any other form of investment income is included. Restricted gains and investment income whose restrictions are met in the same reporting period are reported as Net Assets without Donor Restrictions.

Compensated Absences

The organization does not accrue compensated absences as they are not carried over to subsequent periods.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Revenues, Expenses, and Other Changes in Fund Balances. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Review for Subsequent Events

In connection with the preparation of the financial statements of Our Companions as of and for the year ended December 31, 2019, events and transactions subsequent to December 31, 2019 through September 2, 2020, the date the financial statements were available to be issued, have been evaluated by Our Companions' management for possible adjustment and/or disclosure.

NOTE 3 – LIQUIDITY POLICY

It is Our Companions policy to have sufficient liquid assets on hand at all times to cover 60 days of budgeted expenses. Liquid assets include non-restricted funds such as bank checking accounts, business savings accounts and cash & money market funds held within investment accounts. The liquidity level will be monitored on a monthly basis via a notation on the balance sheet indicating the liquidity level. In the event that the liquid assets fall below the 60 day threshold a special meeting of the Finance Committee would be convened to determine a plan to raise the liquidity back to the required minimum level.

OUR COMPANIONS DOMESTIC ANIMAL SANCTUARY, INC.

Notes to the Financial Statements

Our Companions financial assets due within one year of the statement of financial position date for general expenditures are as follows:

| | |
|---|---------------------|
| Cash and Cash & Money Market within Investments | \$ 1,455,845 |
| Pledges Receivable | <u>118,250</u> |
| | 1,574,095 |
| Less: Donor Restrictions for Specific Purposes | <u>20,602</u> |
| Total Financial Assets available | <u>\$ 1,553,493</u> |

NOTE 4 – DETAILED NOTES ON ASSETS, LIABILITIES, AND FUND BALANCES

Cash, Cash Equivalents and Certificates of Deposits

At December 31, 2019, the carrying amount of Our Companions' cash equivalents and deposits including CD's was \$489,410 and the bank balance was \$426,942. In addition, Voya provides up to 2.5 Million FDIC insurance through a multi-bank account. The balance of the account was \$617,602. Of the bank balance, \$450,506 was covered by FDIC insurance. The remaining \$5,938 is not covered under FDIC insurance.

| | |
|---------------------------------------|--------------------|
| Reported as Cash and Cash Equivalents | \$ 325,959 |
| Certificate of Deposit | 163,451 |
| Reported as Investments | <u>617,602</u> |
| | <u>\$1,107,012</u> |

Promises to Give

Unconditional promises to give have been pledged over a span of 1 to 4 years for the annual fund and capital campaign. No allowance has been established as of the date of these financial statements. The pledges are reported at face value as the discounted value was determined to be immaterial.

| | |
|--|-------------------|
| Pledges Receivable | |
| Less than One Year | \$ 118,250 |
| Due in One to Five Years | 110,000 |
| Less: Allowance for Uncollectible Accounts | <u>-</u> |
| Net Unconditional Promises to Give | <u>\$ 228,250</u> |

OUR COMPANIONS DOMESTIC ANIMAL SANCTUARY, INC.
Notes to the Financial Statements

Fixed Assets

Fixed Assets are summarized as follows:

| | Balance as of 12/31/2018 | Additions | Disposals | Balance as of 12/31/2019 |
|--------------------------------|-----------------------------|-----------|-----------|-----------------------------|
| Real Property | \$ 564,584 | - | - | \$ 564,584 |
| Building & Improvements | 2,580,021 | - | - | 2,580,021 |
| Leashold Improvements | 18,877 | - | - | 18,877 |
| Land Improvements | 538,835 | 22,858 | - | 561,693 |
| Furniture & Fixtures | 61,154 | - | - | 61,154 |
| Machinery & Equipment | 36,908 | 9,656 | - | 46,564 |
| Vehicles | 22,895 | - | - | 22,895 |
| Computer & Phone Equipment | 10,876 | - | - | 10,876 |
| Construction in Process | - | 2,800 | - | 2,800 |
| Total | 3,834,150 | 35,314 | - | 3,869,464 |
| Less: Accumulated Depreciation | (657,038) | | | (796,180) |
| Total | <u>\$ 3,177,112</u> | | | <u>\$ 3,073,284</u> |

Depreciation expense for the year ended December 31, 2019 was \$139,142.

Net Assets with Donor Restrictions

At the end of 2019, \$378,250 was restricted for the Capital Campaign, \$5,056 was restricted for the Buddy Project, \$1,412 was restricted for the Sherwin Fund, \$8,041 was restricted by the Mortensen Foundation for the purchase of a laser, and \$6,093 was restricted for landscaping improvements at the sanctuary.

Endowment Fund

Changes in endowment net assets as of December 31, 2019 are as follows:

| | Board Designated |
|-----------------------------------|-----------------------------|
| Endowment Net Assets, at 12/31/18 | \$ 605,898 |
| Investment Return | 125,100 |
| Appropriated for Expenditure | (29,000) |
| Endowment Net Assets, at 12/31/19 | <u>\$ 701,998</u> |

OUR COMPANIONS DOMESTIC ANIMAL SANCTUARY, INC.

Notes to the Financial Statements

NOTE 5 - FAIR VALUE INFORMATION

| | Balance as of 12/31/2019 | <u>Fair Value Measurement Using</u> | | |
|--------------|-----------------------------|--|---|--|
| | | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Money Funds | \$ 649,750 | \$ 649,750 | \$ - | \$ - |
| Mutual Funds | 512,284 | 512,284 | - | - |
| Index Funds | 669,850 | 669,850 | - | - |
| Total | <u>\$ 1,831,884</u> | <u>\$ 1,831,884</u> | <u>\$ -</u> | <u>\$ -</u> |

NOTE 6 – OFFICE SPACE

In October 2017 Our Companions renewed their lease on office space requiring monthly payments of \$3,500 for 5 years. Rent and lease expense for 2019 totaled \$42,000. Total lease payments remaining are as follows:

| | |
|------|---------------|
| 2020 | \$ 42,000 |
| 2021 | 42,000 |
| 2022 | <u>35,000</u> |
| | \$ 119,000 |

NOTE 7 – ALLOCATION OF EXPENSES AMONG PROGRAMS AND SUPPORTING SERVICES

Every expense account on the statement of revenue and expenses is analyzed to determine if it should be categorized as either program, fundraising, or management, and a detailed procedural document has been created which is used to code every invoice with the correct functional category. The functional expenses are tracked and coded at the invoice level, and when the invoices are entered into the Quickbooks program, they are assigned a class code identifying them as either Management, Program, or Fundraising expense. Our Companions' main program is operating the animal sanctuary in Ashford, CT, and as such, most expenses related to the sanctuary are coded as program. Other expenses related to the program center (such as utilities) are allocated based on square footage, with the dog training room accounting for 80% of the facility space. The detailed Functional Expense Policy gives further detail regarding how each general ledger expense account is allocated to a functional expense category.

NOTE 8 – SUBSEQUENT EVENTS

Subsequent to year-end, the financial markets and national economy have been severely impacted by the effects of the COVID-19 epidemic. The assets of the Organization are subject to changes in the financial markets. The overall long-term impact has not yet been determined by management.