

**GUARDIAN ANGEL BASSET RESCUE, INC**

INDEPENDENT AUDITORS' REPORT

FINANCIAL STATEMENTS

December 31, 2013

# GUARDIAN ANGEL BASSET RESCUE, INC

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**Brian Zabel & ASSOCIATES P.C.**

**CERTIFIED PUBLIC ACCOUNTANTS**

1040 West Route 6 • Morris, IL 60450

Phone: (815) 941-9833

Fax: (815) 941-9835

Independent Auditors' Report

To the Board of Directors  
Guardian Angel Basset Rescue, Inc  
Dwight, Illinois

We have audited the accompanying statements of financial position of Guardian Angel Basset Rescue, Inc (a nonprofit organization) as of December 31, 2013, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Guardian Angel Basset Rescue, Inc as of December 31, 2013, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

*Brian Zabel & Associates, P.C.*

Brian Zabel & Associates P.C.  
Certified Public Accountants

Morris, Illinois  
October 10, 2014

GUARDIAN ANGEL BASSET RESCUE, INC

STATEMENT A

STATEMENTS OF FINANCIAL POSITION

December 31, 2013

	<u>Assets</u>	<u>2013</u>
Current Assets		
Cash--time and savings deposits		\$ 123,015
Total current assets		<u>123,015</u>
Fixed Assets		
Office Furniture and Equipment		30,879
Vehicles		33,324
Fencing		15,402
Stage		53,844
Building		145,744
Land		202,966
Improvements		38,221
Less: Accumulated Depreciation		<u>(64,813)</u>
Net fixed assets		<u>455,567</u>
Total assets		<u><u>\$ 578,582</u></u>
	<u>Liabilities and Net Assets</u>	
Current Liabilities		
Lot Loan - Bank of Dwight		\$ 96,460
Note Payable - Bank of Dwight		32,206
Note Payable - Copier loan		-
Payroll Tax Liabilities		<u>890</u>
Total current liabilities		<u>129,556</u>
Net Assets		
Unrestricted		449,026
Restricted		<u>-</u>
Total net assets		<u>449,026</u>
Total liabilities and Net Assets		<u><u>\$ 578,582</u></u>

The accompanying notes are an integral part of these statements.

STATEMENTS OF ACTIVITIES  
Years Ended December 31, 2013

	<u>2013</u>
	<u>Unrestricted Net Assets</u>
Support	
Contributions	\$ 292,894
Membership	6,399
Adoptions	32,157
Fundraising (net of expense)	6,351
Investment Income	208
Miscellaneous	-
Total Support	<u>338,009</u>
Expenses	
Accounting Fees	13,225
Advertising	1,217
Automobile expense	717
Credit Card Expenses	5,776
Donations	1,850
Dues, Fees, Licenses	138
Fees	163
Foster Expenses	3,456
Bank Service Charges	222
Insurance	3,858
Interest Expense	10,085
Legal Fees	1,165
Meetings	312
Miscellaneous	1,070
Newsletter	1,092
Office	2,166
Salary	12,000
Payroll Taxes	834
Pet Care	132,685
Postage & Freight	2,850
Repairs	5,493
Supplies	4,402
Telephone	227
Utilities	1,577
Web Expense	19,992
Depreciation	<u>13,397</u>
Total expenses	<u>239,969</u>
Increase (decrease) in unrestricted net assets	<u>98,040</u>

The accompanying notes are an integral part of these statements.

STATEMENTS OF ACTIVITIES  
 Years Ended December 31, 2013

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<u>Temporarily Restricted Net Assets</u>	
Grants	-
Increase (decrease) in temporarily restricted net assets	-
Total change in Net Assets	<u>98,040</u>
Net assets, beginning of the year	<u>350,986</u>
Net assets, end of the year	<u>\$ 449,026</u>

The accompanying notes are an integral part of these statements.

STATEMENTS OF CASH FLOWS

Years Ended December 31, 2013

	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Increase (decrease) in net assets	\$ 98,040
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:	
Depreciation	13,397
(Increase) decrease in investments & prepaids	-
Increase (decrease) in liabilities	(34,491)
 Total adjustments	 <u>(21,094)</u>
 Net cash provided by operating activities	 <u>76,946</u>
 CASH FLOWS USED BY INVESTING ACTIVITIES	
 Change in Unrealized Gain/Loss	 -
Purchases of property and equipment	<u>(66,595)</u>
 Net cash used by investing activities	 <u>(66,595)</u>
 NET INCREASE (DECREASE) IN CASH	 <u>10,351</u>
 Cash, beginning of the year	 <u>112,664</u>
 Cash, end of the year	 <u>\$ 123,015</u>

The accompanying notes are an integral part of these statements.

# GUARDIAN ANGEL BASSET RESCUE, INC

## NOTES TO FINANCIAL STATEMENTS

December 31, 2013

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Organization

Guardian Angel Basset Rescue, Inc is a nonprofit organization that provides the rescue of basset hounds from abusive and unwanted situations. Revenues necessary to fund operations are provided by grants, special events and donations from the general public.

#### Financial Statement Presentation

The Organization's financial statements are presented as required by Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows.

#### Contributions and Grants

All contributions are considered to be available for the unrestricted use of the Organization, unless restricted by the donor. Funds that are received for a restricted purpose are recorded as unrestricted if expenditures are incurred in the same period that satisfies the restriction.

#### Office Equipment, Furniture and Fixtures

Office furniture and equipment are recorded as cost or fair market value at the date of donation. Generally, acquisitions of property and equipment for \$500 or more are capitalized and depreciated. Depreciation is provided using the straight-line method over an estimated useful life of the assets.

Office furniture and fixtures	10 years
Equipment	5-7 years

#### Income Taxes

The Organization is a not-for-profit organization exempt from income tax under Section 501(C)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes is included in the financial statements.

GUARDIAN ANGEL BASSET RESCUE, INC

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

For purposes of the statement of cash flows, all demand accounts are considered to be cash equivalents.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect (1) reported amounts of assets and liabilities, including the disclosure of contingent assets and liabilities at the financial statement date and (2) reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2. DONATED SERVICES AND MATERIALS

The Organization receives donated services from a variety of unpaid professionals and volunteers no amounts were material in nature as to require disclosure.

NOTE 3. FIXED ASSETS

The following is a summary of fixed assets as of December 31, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Land, Fence, Stage, Building	417,956	380,408
Operating Equipment	11,441	11,441
Transportation Equipment	42,674	9,350
Computer Equipment	3,218	3,218
Improvements	38,221	38,221
Video & Communication Equipment	<u>6,870</u>	<u>6,870</u>
Total	520,380	449,508
Less Accumulated Depreciation	<u>(64,813)</u>	<u>(50,416)</u>
Net Fixed Assets	<u>\$455,567</u>	<u>\$398,092</u>

NOTE 4. TEMPORARILY RESTRICTED NET ASSETS

At December 31, 2013, the Organization has \$0 in temporarily restricted net assets.