Central Texas Society for the Prevention of Cruelty to Animals

Financial Statements with Independent Auditor's Report

For the Year Ended December 31, 2014

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Demitra Alexander
Certified Public Accountant, P.C.

Independent Auditor's Report

Board of Directors
The Central Texas Society for the Prevention
Of Cruelty to Animals
909 Bagdad Street
Leander, Texas 78641

We have audited the accompanying balance sheet of The Central Texas Society for the Prevention of Cruelty to Animals (the "Organization") as of December 31, 2014, and the related statements of income, and cash flows for the period then ended. These financial statements are the responsibility of the Company's management. 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 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 audit provides 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 The Central Texas Society for the Prevention of Cruelty to Animals as of December 31, 2014, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Demitra Alexander

Austin, Texas
October 23, 2015

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FINANCIAL STATEMENTS

Central Texas SPCA
Statement of Activities
For the Year Ended December 31, 2014

	Unrestricted Net Assets	Temporarily Restricted Net Assets	Total
Revenues, Gains & Support			
Contributions	$ 262,687		$ 262,687
Program Services	127,727		127,727
Investment Income	1,963		1,963
Net Assets Released from Restrictions			
Total Revenues, Gains & Other Support	392,377	-	392,377
Expenses			
Program Services	185,614		185,614
General and Administrative	2,130		2,130
Fundraising	35,684		35,684
Total Expenses	223,428		223,428
Total Change in Net Assets	168,949	-	168,949
Net Assets at the Beginning of Year	236,632		236,632
Net Assets at the End of Year	$ 405,581	$ -	$ 405,581

The accompanying notes are an integral part of this financial statement presentation.

Central Texas SPCA
Statement of Financial Position
December 31, 2014

ASSETS	
Cash	$ 306,553
Unrestricted Donations Receivable	-
Restricted Donations Receivable	-
Investments	-
Prepaid Expenses	1,015
Fixed Assets (net)	100,488
TOTAL ASSETS	408,057
LIABILITIES AND NET ASSETS	
Liabilities	
Accounts Payable	369
Payroll Liabilities	2,107
Total Liabilities	2,476
Net Assets	
Unrestricted	405,581
Temporarily Restricted	-
Permanently Restricted	-
Total Net Assets	405,581
TOTAL LIABILITIES & NET ASSETS	$ 408,057

The accompanying notes are an integral part of this financial statement presentation.

Central Texas SPCA
Statement of Cash Flows
For the Year Ended December 31, 2014

Cash Flows from Operating Activities	
Change in Net Assets	$ 168,949
Adjustments to reconcile change in net assets to cash provided by operating activities:	
Depreciation Expense	2,653
Prepaid Expenses	(519)
Liabilities	613
Net Cash Provided by Operating Activities	171,696
Cash Flows from Investing Activities	
Fixed Assets	(31,721)
Net Cash Provided by Investing Activities	(31,721)
Cash Flows from Financing Activities	-
Net Cash Increase for Period	139,975
Cash at Beginning of Period	166,578
Cash at End of Period	$ 306,553

The accompanying notes are an integral part of this financial statement presentation.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

NOTE A- ACTIVITES AND SIGNIFICANT ACCOUNTING POLICIES

Purposes of the Organization

The mission of the Central Texas Society for the Prevention of Cruelty to Animals (CTSPCA) is to rescue neglected, unwanted, and homeless dogs and cats; nurture them and provide them shelter until united with a forever family through our adoption program; strive to reduce animal over population; prevent cruelty to animals; and teach responsible pet ownership through an outreach of humane education and a network of resources.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Financial Statement Presentation

The financial statement presentation follows the recommendations of the Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements for 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. The statement of cash flows is also required.

Contributions

The Organization follows the Statement of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made*, whereby contributions received are recorded as unrestricted, temporarily restricted or permanently restricted depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in temporarily restricted or permanently restricted net assets in the reporting period in which the support is recognized. However, if the donor restriction is met in the same period the support is received, such is recorded as unrestricted. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Cash and Cash Equivalents

The organization considers all highly liquid debt securities purchased with initial maturities of three months of less to be cash equivalents, including money market accounts.

Fixed Assets

Property and equipment are recorded at cost and depreciated on a straight-line basis over the estimated useful lives. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, CTSPCA reports expirations of donor restrictions when the donated or acquired assets are placed into service as instructed by the donor. CTSPCA reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Fixed Assets are depreciated over their useful lives of 5 – 40 years. Upon sale, retirement or disposition, the acquisition cost and related accumulated depreciation are removed from the balance sheet and any gain or loss is included in the statement of activities.

Estimates

The preparation of financial statements in conformity with accounting principles accepted in the United States 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. Significant estimates relate primarily to the determination of useful lives in asset depreciation. Actual results could differ from those estimates.

Investments

Investments in securities are presented in the financial statements at market value, with the resulting realized and unrealized gains and losses included in the statement of activities.

NOTE B – TAX EXEMPT STATUS

The Central Texas Society for the Prevention of Cruelty to Animals is exempt from federal income tax under Internal Revenue Code Section 501(a) as an organization described in Section 501 (c) (3). Therefore, no provision for income taxes has been included in these financial statements.

NOTE C – FIXED ASSETS

Fixed Assets held by CTSPCA on December, 31, 2014 consist of the following:

Land	$ 68,278
Automobiles	23,936
Building	24,150
Building Improvements	17,856
Equipment	5,657
Fence	15,604
Total Fixed Assets	$155,480
Accumulated Depreciation	-54,992
Net Fixed Assets	$100,488

Depreciation expense as of December 31, 2014 is $ 2,653.