

ACORN ACRES WILDLIFE REHABILITATION
INTERIM FINANCIAL STATEMENT
FOR THE SIX MONTHS ENDED
JUNE 30, 2021
AND
INDEPENDENT ACCOUNTANT'S REVIEW REPORT

HAMILTON & MUSSER, P.C.
Certified Public Accountants

ACORN ACRES WILDLIFE REHABILITATION

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HAMILTON & MUSSER, PC

Certified Public Accountants • Consultants to Management

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
Acorn Acres Wildlife Rehabilitation
Millersville, Pennsylvania

Report on the Interim Financial Statement

We have reviewed the accompanying interim financial statement of Acorn Acres Wildlife Rehabilitation (a nonprofit organization), which comprises the statement of cash receipts and disbursements as of June 30, 2021, and the related notes to the interim financial statement. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the interim financial statement as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Interim Financial Statement

Management is responsible for the preparation and fair presentation of this interim financial statement in accordance with the cash basis of accounting; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the interim financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the interim financial statement that is free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the interim financial statement for it to be in accordance with the cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying interim financial statement in order for it to be in accordance with the cash basis of accounting.

Emphasis of a Matter

As further explained in Note 7, Acorn Acres Wildlife Rehabilitation is operating in an environment that has been economically impacted by the COVID-19 pandemic. Our conclusion is not modified with respect to this matter.

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Basis of Accounting

We draw attention to Note 1 of the interim financial statement, which describes the basis of accounting. The interim financial statement is prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

October 20, 2021

Mechanicsburg, Pennsylvania

A handwritten signature in black ink that reads "Hamilton & Mason, P.C." in a cursive style.

Certified Public Accountants

ACORN ACRES WILDLIFE REHABILITATION
Statement of Cash Receipts and Disbursements
For the Six Months Ended June 30, 2021

Cash Receipts		
Contributions		\$ <u>8,502</u>
Total Cash Receipts		<u>8,502</u>
Cash Disbursements		
Administrative Services		362
Advertising and Promotion (Note 4)		864
Bank Fees		32
Insurance		603
Medical Expenses		1,262
Professional Fees		215
Repairs and Maintenance		186
Supplies		3,551
Taxes and Licenses		100
Travel		<u>37</u>
Total Cash Disbursements		<u>7,212</u>
Change in Cash and Cash Equivalents		1,290
Cash and Cash Equivalents, Beginning of Period		<u>-</u>
Cash and Cash Equivalents, End of Period		<u>\$ 1,290</u>

See Accompanying Notes and Independent Accountant's Review Report

ACORN ACRES WILDLIFE REHABILITATION

Notes to Interim Financial Statement
For the Six Months Ended June 30, 2021

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities:

Acorn Acres Wildlife Rehabilitation (the Organization) exists for the purpose of providing care for injured wildlife, specifically squirrels, bunnies and woodchucks, through rehabilitation. The Organization's significant activities include providing wildlife rehabilitation and education on Pennsylvania wildlife to the community. The Organization is primarily supported through the contributions of private individuals.

Basis of Accounting:

The Organization prepares its interim financial statement on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Under this basis, the only asset recognized is cash and cash equivalents, and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements. Noncash transactions are not recognized in the interim financial statement.

Basis of Presentation:

Financial statement presentation follows the *Not-for-Profit Entities* topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) which requires the Organization to report information regarding its financial activities according to two classes of cash: cash and cash equivalents without donor restrictions and cash and cash equivalents with donor restrictions. The Organization had no cash and cash equivalents with donor restrictions.

Contributions:

Contributions received are recorded as increases in cash and cash equivalents with donor restrictions or without donor restrictions, depending on the existence and/or nature of any donor restrictions.

All donor-restricted contributions are reported as cash and cash equivalents with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), cash and cash equivalents with donor restrictions is reclassified to cash and cash equivalents without donor restrictions and reported in the Statement of Cash Receipts and Disbursements as cash and cash equivalents released from restrictions. The Organization had no cash and cash equivalents with donor restrictions.

Taxation:

The Organization is exempt from federal income tax as provided by Code Section 501(c)(3) of the Internal Revenue Code. Accordingly, no income tax is incurred unless the Organization earns income considered to be unrelated business income. No income tax was incurred for the interim period ended June 30, 2021.

Management evaluated the tax positions taken and concluded that the Organization had taken no uncertain tax positions that require recognition or disclosure in the interim financial statement. With few exceptions, the Organization is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before December 31, 2020.

Cash and Cash Equivalents:

For the purpose of the Statement of Cash Receipts and Disbursements, cash and cash equivalents include all highly liquid investments with an initial maturity of three months or less.

ACORN ACRES WILDLIFE REHABILITATION

Notes to Interim Financial Statement
For the Six Months Ended June 30, 2021

NOTE 2 AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at June 30:

Financial Assets:	
Cash and Cash Equivalents	<u>\$ 1,290</u>
Total Financial Assets	<u>1,290</u>
Financial Assets Available to Meet Expenses Over the Next Period	<u>\$ 1,290</u>

The Organization's plan is generally to maintain financial assets to meet 90 days of operating expenses.

NOTE 3 OPERATIONS

The continuation of the Organization's operations is usually assumed in financial accounting in the absence of evidence to the contrary. However, an operation which depends primarily on contributions is always subject to the uncertainty as to amounts of future support.

NOTE 4 ADVERTISING

The Organization expenses advertising costs as incurred. Advertising costs were \$864 for the interim period ended June 30, 2021.

NOTE 5 RELATED PARTY

The Organization's Board President paid for \$2,692 of promotional fundraising items used as donor gifts for the interim period ended June 30, 2021. This expenditure has not been recorded in the June 30, 2021 interim financial statement since the Organization uses the cash basis of accounting. However, the Organization will repay this expense in a future period.

NOTE 6 CONCENTRATION OF CREDIT RISK

The Organization maintains its bank deposits in local financial institutions. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each institution. The Organization's bank balances may periodically exceed these limits, which management considers to be a normal business risk. There were no amounts in excess of the FDIC limit as of June 30, 2021.

NOTE 7 SUBSEQUENT EVENTS

Subsequent events have been evaluated through October 20, 2021, which is the date the interim financial statement was available to be issued.

Subsequent to June 30, 2021, the Organization has been operating in an environment that has been economically impacted by the COVID-19 pandemic. The full impact of the pandemic on the Organization is not known as of the release of this interim financial statement. However, management is monitoring the current conditions and their potential impact.