



**ANDERSON ANIMAL SHELTER**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Anderson Animal Shelter  
Saint Charles, Illinois

### **Opinion**

We have audited the accompanying financial statements of Anderson Animal Shelter (a nonprofit organization), which comprise the statements of Assets, Liabilities, and Net Assets – modified cash basis as of December 31, 2024 and 2023, and the related statements of Revenues, Expenses and Changes in Net Asset – modified cash basis, statements of Cash Flows – modified cash basis and Statements of Functional Expenses – modified cash basis for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Anderson Animal Shelter as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with the modified cash basis of accounting.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Anderson Animal Shelter and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Anderson Animal Shelter's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

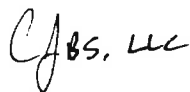
In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Anderson Animal Shelter's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Anderson Animal Shelter's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

#### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Consolidated Year-End Financial Report– Modified Cash Basis is presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with modified cash basis of accounting. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



CJBS, LLC  
Northbrook, Illinois

July 22, 2025

**ANDERSON ANIMAL SHELTER**

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**ANDERSON ANIMAL SHELTER**  
**STATEMENTS OF ASSETS, LIABILITIES, AND NET ASSETS -**  
**MODIFIED CASH BASIS**  
**DECEMBER 31, 2024 AND 2023**

	<b>2024</b>	<b>2023</b>
<b><u>ASSETS</u></b>		
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 299,099	\$ 196,932
Restricted Cash for Construction and Equipment	932,529	806,852
Property and Equipment, net	2,799,394	2,570,969
<b>TOTAL ASSETS</b>	<b>\$ 4,031,022</b>	<b>\$ 3,574,753</b>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>LIABILITIES</b>		
Other Current Liabilities	\$ 985	\$ 8,401
<b>TOTAL LIABILITIES</b>	985	8,401
<b>NET ASSETS</b>		
Without Donor Restrictions	3,022,508	2,679,500
With Donor Restrictions	1,007,529	886,852
<b>TOTAL NET ASSETS</b>	4,030,037	3,566,352
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 4,031,022</b>	<b>\$ 3,574,753</b>

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

**ANDERSON ANIMAL SHELTER**

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS -**

**MODIFIED CASH BASIS**

**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUE AND PUBLIC SUPPORT:</b>						
Adoption and Program Service	\$ 1,669,582	\$ -	\$ 1,669,582	\$ 1,520,786	\$ -	\$ 1,520,786
Bequests and Memorials	171,259	-	171,259	421,384	-	421,384
Contributions	2,018,832	105,000	2,123,832	2,378,329	134,152	2,512,481
Special Events Revenue	355,427	-	355,427	271,813	-	271,813
Less Cost of Direct Benefits to Donors	( 121,825)	-	( 121,825)	( 69,504)	-	( 69,504)
Net Special Event Revenue	233,602	-	233,602	202,309	-	202,309
Fundraising	555,804	-	555,804	341,221	-	341,221
Investment Income, net	44,486	-	44,486	3,137	-	3,137
Rental Income	68,769	-	68,769	21,000	-	21,000
Capital Campaign Income	-	200,000	200,000	-	210,417	210,417
Employee Retention Credit	-	-	-	445,150	-	445,150
Other Income	1,661	-	1,661	6,322	-	6,322
Net Assets Released from Restrictions	184,323	( 184,323)	-	117,530	( 117,530)	-
Total Support and Revenues	4,948,318	120,677	5,068,995	5,457,168	227,039	5,684,207
<b>EXPENSES:</b>						
Program Services	3,445,222	-	3,445,222	3,642,168	-	3,642,168
Management and General	617,883	-	617,883	633,487	-	633,487
Fundraising	542,205	-	542,205	562,212	-	562,212
Total Expenses	4,605,310	-	4,605,310	4,837,867	-	4,837,867
<b>CHANGE IN NET ASSETS</b>	343,008	120,677	463,685	619,301	227,039	846,340
<b>NET ASSETS, BEGINNING OF YEAR</b>	2,679,500	886,852	3,566,352	2,060,199	659,813	2,720,012
<b>NET ASSETS - END OF YEAR</b>	\$ 3,022,508	\$ 1,007,529	\$ 4,030,037	\$ 2,679,500	\$ 886,852	\$ 3,566,352

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

**ANDERSON ANIMAL SHELTER**  
**STATEMENTS OF CASH FLOWS -**  
**MODIFIED CASH BASIS**

**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in Net Assets	\$ 463,685	\$ 846,340
Adjustments To Reconcile Change In Net Assets To Net Cash		
Provided By (Used In) Operating Activities:		
Depreciation	82,711	86,417
Realized (Gain) Loss on Investments	( 18,785)	( 2,060)
Unrealized Loss (Gain) on Investments	-	1,708
Contributions Restricted to Building Project	( 200,000)	( 210,417)
Noncash Contributions of Securities	( 1,014,111)	( 799,079)
Proceeds from Sale of Contributed Securities	1,031,082	796,652
Increase (Decrease) In:		
Other Current Liabilities	( 7,416)	5,208
Net Cash Flows Provided by Operating Activities	337,166	724,769
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of Property and Equipment	( 311,136)	( 39,734)
Purchase of Investments	( 19,229)	( 10,299)
Proceeds from Sale of Investments	21,043	27,602
Net Cash Flows Used by Investing Activities	( 309,322)	( 22,431)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Contributions Restricted to Building Project	200,000	210,417
Net Cash Flows Provided by Financing Activities	200,000	210,417
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	227,844	912,755
<b>CASH AND CASH EQUIVALENTS - Beginning of Year, Including Restricted Cash</b>	1,003,784	91,029
<b>CASH AND CASH EQUIVALENTS - End of Year, Including Restricted Cash</b>	\$ 1,231,628	\$ 1,003,784
<b>SUPPLEMENTAL DISCLSURES OF NONCASH INVESTING ACTIVITIES:</b>		
Noncash Contributions of Securities	\$ 1,014,111	\$ 799,079
<b>SUPPLEMENTAL DISCLSURES OF CASH FLOW INFORMATION:</b>		
Cash Paid for Interest	\$ -	\$ 2,126
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS, AND RESTRICTED CASH:</b>		
Cash and Cash Equivalents - End of Year	\$ 299,099	\$ 196,932
Restricted Cash - End of Year	932,529	806,852
Total	\$ 1,231,628	\$ 1,003,784

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

**ANDERSON ANIMAL SHELTER**  
**STATEMENT OF FUNCTIONAL EXPENSES -**  
**MODIFIED CASH BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total 2024</u>	<u>Total 2023</u>
<b>EXPENSES</b>					
Salaries and Wages	\$ 2,153,199	\$ 442,438	\$ 353,951	\$ 2,949,588	\$ 3,124,002
Benefits and Taxes	337,772	69,405	55,525	462,702	419,285
Animal Rescue, Adoption and Medical	493,215	-	-	493,215	567,884
Insurance	49,967	6,246	6,246	62,459	124,369
Supplies	4,895	612	612	6,119	11,031
Printing	4,163	1,129	30,820	36,112	58,722
Professional and Management Fees	21,524	36,788	16,918	75,230	70,689
Postage	12,979	-	1,442	14,421	12,403
Credit Card Processing Fees	62,462	-	15,615	78,077	56,185
Interest Expense	-	205	-	205	3,017
Advertising	3,902	-	975	4,877	14,173
Travel	8,568	1,071	1,071	10,710	11,048
Dues and Subscriptions	4,062	508	507	5,077	5,067
Staff Training and Recognition	5,051	631	631	6,313	4,249
Rent	47,268	37,058	37,058	121,384	107,388
Utilities	63,524	7,941	7,941	79,406	73,781
Repairs and Maintenance	69,504	-	-	69,504	53,891
Software	36,997	4,624	4,623	46,244	34,266
Depreciation	66,170	8,271	8,270	82,711	86,417
Other Expenses	-	956	-	956	-
<b>TOTAL EXPENSES</b>	<b>\$ 3,445,222</b>	<b>\$ 617,883</b>	<b>\$ 542,205</b>	<b>\$ 4,605,310</b>	<b>\$ 4,837,867</b>

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

**ANDERSON ANIMAL SHELTER**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**The Organization**

Anderson Animal Shelter (the "Organization") (doing business as Anderson Humane) is a not-for-profit organization incorporated in 1966, under the laws of the State of Illinois. The Organization provides a variety of services designed to create and foster lifelong, positive relationships between pets and their owners. The Organization offers pet adoption services and educational programs to pet owners in the Fox Valley area. The Organization also offers low cost veterinary care services in South Elgin. The operations of the Organization are primarily supported by donor contributions, grants, and program fees.

This summary of significant accounting policies of the Organization is presented to assist in understanding these financial statements. The financial statements and notes are representations of the Organization's management, who is responsible for their integrity and objectivity. These accounting policies conform to the modified cash basis of accounting and have been consistently applied in preparation of these financial statements.

**Basis of Accounting**

The financial statements of the Organization have been prepared on the modified cash basis of accounting, which recognizes certain revenue and related assets when received, rather than when earned, and certain expenses when paid, rather than when incurred. This also includes the recording of property and equipment as assets, and the subsequent depreciation of such assets.

**Basis of Presentation**

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net assets without donor restrictions* are resources available to support operations and are not subject to grantor or donor-imposed restrictions. Net assets without donor restrictions may be designated for specific purposes by the board of directors.

*Net assets with donor restrictions* are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

The Organization reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of revenues, expenses, and changes in net assets – modified cash basis as net assets released from restrictions.

As of December 31, 2024 and 2023, the Organization had net assets with donor restrictions totaling \$1,007,529 and \$886,852, respectively.

**ANDERSON ANIMAL SHELTER**  
**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2024 AND 2023**

**NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(Continued)**

**Cash and Cash Equivalents**

The Organization considers highly liquid investments with an initial maturity of three months or less to be cash equivalents, except those held for long-term investment.

**Concentration of Credit Risk**

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents. The standard insurance amount is \$250,000 per depositor, per insured bank, for each account ownership category. The Federal Deposit Insurance Corporation (FDIC) provides separate coverage for deposits held in different account ownership categories. All deposits that an accountholder has at the same ownership category at the same bank are added together and insured up to the standard insurance amount. At times, cash and cash equivalent balances may be in excess of the FDIC insurance limit; that excess is uninsured.

**Investments**

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statements of assets, liabilities, and net assets – modified cash basis. Investment income or loss (including gains and losses on investments and interest) is included in the statements of revenues, expenses, and changes in net assets – modified cash basis as increases or decreases in net assets without donor restrictions unless the income or loss is restricted by donor or law. Investment securities, in general, are exposed to various risks such as interest rate, credit, and overall market volatility. Due to the level of market risk associated with certain investment securities, it is possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of assets, liabilities, and net assets – modified cash basis.

**Property and Equipment**

Purchased property and equipment is stated at cost. Maintenance and repairs that do not substantially improve or extend the lives of fixed assets are charged to expense as incurred. When assets are sold or retired, their cost and related accumulated depreciation are removed from the accounts, and any gain or loss is reported in the statements of revenues, expenses, and changes in net assets – modified cash basis. Depreciation is computed over the estimated useful lives on the straight-line method, and the useful lives of each category of fixed assets are as follows:

Building and Building Improvements	10-40 Years
Land and Land Improvements	10-20 Years
Shelter Equipment	5-22 Years
Vehicles	5 Years
Office Equipment	5-10 Years
Clinic Equipment	5-10 Years

**ANDERSON ANIMAL SHELTER**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(Continued)**

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

**Income Taxes**

The Organization has been determined by the Internal Revenue Service to be exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income tax has been established.

The Organization follows the guidance of Accounting Standards Codification (ASC) 740, *Accounting for Income Taxes*, related to uncertainties in income taxes, which prescribes a threshold of more likely than not for recognition and derecognition of tax positions taken or expected to be taken in a tax return. There are no such uncertain tax positions for the Organization for the year ended December 31, 2024 and 2023. The Organization's federal and state information returns are subject to examination, generally for three years after the filing date.

**Advertising Expenses**

Advertising costs are expensed as incurred. Total advertising expenses for the year December 31, 2024 and 2023 were \$4,877 and \$14,173, respectively.

**Revenue Recognition**

**Adoption and Program Service Revenue**

The Organization provides homes to sheltered animals through adoption and receives a fee in connection with the adoption of each animal. Each person adopting an animal enters into a signed adoption agreement which specifically states the terms for adoption. The agreement consists of one performance obligation, which is providing the specific animal to the person entering the adoption agreement. The adoption price is specifically stated in the agreement. Payment is made when the adopter signs the agreement, and the animal is delivered simultaneously. Adoption revenue is recognized the day of the animal's adoption.

The Organization receives revenue from individuals who bring in their animal for preventive care and spay/neuter services. Customers pay the Organization after completion of the procedure which completes the transaction. Fees vary depending on the procedure and type of animal.

**Contributions and Grants**

Contributions and grants received are recorded as without donor restrictions or with donor restrictions, depending on the existence and nature of any donor restrictions. Contributions with donor restrictions where restrictions are met in the same year as received are reported as without donor restrictions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is when a stipulated time restrictions expires, or the purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as

**ANDERSON ANIMAL SHELTER**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(Continued)**

increases in net assets with donor restrictions, depending on the nature of restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of revenues, expenses, and changes in net assets – modified cash basis as net assets released from restrictions.

**Special Events Revenue**

The Organization records special events revenue equal to the fair value of the direct benefits provided to donors for the exchange portion and contribution income for the excess received. The Organization typically receives payment for the event in advance based on a set ticket price. Special event revenue received in advance is recorded as deferred revenue and is recognized at the point in time when the event occurs.

**Donated Services and In-Kind Contributions**

The Organization receives a substantial number of services donated by volunteers for programs and fundraising campaigns during a given year. These donated services are not reflected in the financial statements. The Organization also receives substantial contributions of materials and supplies and occasional donations of property and equipment.

**Functional Allocation of Expenses**

The costs of program and supporting services activities have been summarized on a functional basis in the statements of revenues, expenses, and changes in net assets – modified cash basis. The statement of functional expenses – modified cash basis presents the natural classification detail of expenses by function. Natural expenses directly attributable to a specific functional area of the Organization are reported as expenses of those functional areas, while indirect costs that benefit multiple functional areas have been allocated among various functional areas using a variety of cost allocation techniques such as time and effort.

**NOTE B – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The Organization monitors its liquidity to be able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. Financial assets available for general expenditure that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 299,099	\$ 196,932
Less: Donor imposed restrictions	<u>75,000</u>	<u>80,000</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 224,099</u>	<u>\$ 116,932</u>

**ANDERSON ANIMAL SHELTER**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE C – PROPERTY AND EQUIPMENT, NET**

Property and equipment consists of the following at December 31, 2024 and 2023:

	<b>2024</b>	<b>2023</b>
Building and Building Improvements	\$ 1,693,569	\$ 1,606,583
Land and Land Improvements	1,695,496	1,695,496
Shelter Equipment	154,105	140,220
Vehicles	96,901	96,901
Office Equipment	41,791	41,791
Clinic Equipment	65,967	50,405
Construction in Progress	499,447	304,744
	<u>4,247,276</u>	<u>3,936,140</u>
Less: Accumulated Depreciation	<u>( 1,447,882)</u>	<u>( 1,365,171)</u>
Property and Equipment, Net:	<u>\$ 2,799,394</u>	<u>\$ 2,570,969</u>

Depreciation expense totaled \$82,711 and \$86,417 for the years ended December 31, 2024 and 2023, respectively.

**NOTE D – RETIREMENT PLAN**

The Organization provides a simple IRA plan which is available to substantially all employees. The Organization did not make matching contributions for the years ended December 31, 2024 and 2023.

**NOTE E – FUTURE MINIMUM LEASE PAYMENTS**

The Organization is obligated under two operating leases for administrative office space and space for the veterinary clinic, which expire on various dates through March 31, 2027. Rent expense for the years ended December 31, 2024 and 2023 was \$121,384 and 107,388, respectively.

The Organization is also obligated under operating equipment leases for laundry equipment and copiers which expire at various dates through December 2029. Total expense for leased equipment for December 31, 2024 and 2023 was \$23,736 and \$26,152, respectively.

Future minimum lease payments required under the above operating leases are as follows:

2025	\$ 136,667
2026	63,879
2027	19,930
2028	4,500
Thereafter	<u>4,125</u>
Total	<u>\$ 229,101</u>

**ANDERSON ANIMAL SHELTER**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE F – CONCENTRATIONS**

For the fiscal years ended December 31, 2024 and 2023, approximately 48% and 46%, respectively, of contributions revenue was received from one donor.

The Organization had approximately 8% of its total revenue and public support from the federal Employee Retention Credit program established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act for the year ended December 31, 2023.

**NOTE G – RELATED PARTY**

Contributions from board members during the years ended December 31, 2024 and 2023 totaled \$1,061,437 and \$1,166,035, respectively.

In January 2023, the Organization received a \$50,000 loan from an executive officer of the Organization with an interest rate of 6% per annum and repayable within five years. The Organization repaid the full loan amount and interest expense of \$2,126 in August 2023.

**NOTE H – CONTINGENCIES**

During fiscal year 2023, the Organization received \$445,150 from the Employee Retention Credit (ERC) program established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The Organization accounts for ERC's under FASB ASC 450, Contingencies, recognizing the gain contingency when it is received. The amount is presented as Employee Retention Credit in the Statement of Activities and the credits related to payroll costs from the quarters ending June 30, 2020 and September 30, 2021. Claims made under the CARES Act may be subject to retroactive audit and review. In the opinion of management, any potential liabilities resulting from these contingencies would not have a material effect on the Organization's financial position or changes in net assets.

**NOTE I – NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions as of December 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Veterinary Clinic Supplies	\$ 75,000	\$ 80,000
Kennel Habitats	-	51,500
Construction for New Shelter	<u>932,529</u>	<u>755,352</u>
Total with Donor Restrictions	<u>\$ 1,007,529</u>	<u>\$ 886,852</u>

**ANDERSON ANIMAL SHELTER**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE J – RENTAL INCOME**

The Organization leases farmland to an unrelated third party that will expire on July 31, 2025. Rental income for the years ended December 31, 2024 and 2023 was \$42,000 and \$21,000, respectively.

The Organization subleased office space to an unrelated third party that will expire on December 31, 2025. Rental income for the years ended December 31, 2024 and 2023 was \$26,769 and \$0, respectively.

The future minimum rental income are as follows:

2025		\$	59,940
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**NOTE K – LINE OF CREDIT**

On July 3, 2024, the Organization entered into an agreement with a bank for a \$200,000 revolving line of credit bearing interest at the greater of the prime rate or 3.49%. Interest payments are due monthly and the principal on the line of credit is due July 3, 2025. The line is secured by the assets of the Organization. The outstanding balance as of December 31, 2024 was \$0.

**NOTE L – PRIOR PERIOD ADJUSTMENT**

During the fiscal year ended December 31, 2023, the Organization received a corrected payroll tax return for September 30, 2022 from the Internal Revenue Service that was previously amended by the Organization's third party payroll processor. Based on this information, the Organization determined that a receivable recorded during December 31, 2022, from the Internal Revenue Service was misstated. To better align with US Generally Accepted Accounting Principles, the beginning net assets are restated by (\$154,592) and is summarized as the following:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Net assets, beginning of year as previously reported	\$ 2,214,791	\$ 659,813	\$ 2,874,604
Payroll taxes	( 154,592)	-	( 154,592)
Net Assets, beginning of year as restated	<u>\$ 2,060,199</u>	<u>\$ 659,813</u>	<u>\$ 2,720,012</u>

**NOTE M – SUBSEQUENT EVENTS**

The management of the Organization has evaluated events subsequent to the statement of assets, liabilities, and net assets - modified cash basis date of December 31, 2024, through July 22, 2025, the date the financial statements were available to be issued. It has concluded that there are no effects that provide additional evidence about conditions that existed at the statement of assets, liabilities, and net assets - modified cash basis date that require recognition in the 2024 financial statements or related note disclosures in accordance with FASB ASC 855, *Subsequent Events*.

ANDERSON ANIMAL SHELTER

CONSOLIDATED YEAR-END FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2024

	Illinois Department of Commerce and Economic 482-00-1864			Other	Costs not allocated	Total costs
Program Expenses	\$					
Salaries and wages				\$ 2,949,588		\$ 2,949,588
Fringe benefits and payroll tax				462,702		462,702
Travel				10,710		10,710
Equipment				-		-
Supplies				6,119		6,119
Contractual services				-		-
Consultant				-		-
Construction		202,753		-		202,753
Occupancy				200,790		200,790
Research and development				-		-
Telecommunications				-		-
Training and education				-		-
Direct administrative costs				-		-
Miscellaneous costs				975,401		975,401
Total Direct Expenses		202,753		4,605,310		4,808,063
Indirect costs				-		-
Total Expenses		202,753		4,605,310		4,808,063
Capitalized Equipment Purchases				-		-
Total	\$	202,753		\$ 4,605,310		\$ 4,808,063
CSFA #	Program Name	State	Other	Total		
482-00-1864	Illinois Department of Commerce and Economic Opportunity	\$ 202,753	\$ -	\$ 202,753		
	Other grant programs and activities	-	-	-		
	All other costs not allocated	-	4,605,310	4,605,310		
	Total Expenses	\$ 202,753	\$ 4,605,310	\$ 4,808,063		

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