

Got Your Six Support Dogs

Financial Report

October 31, 2017

Got Your Six Support Dogs

Contents October 31, 2017

	Page
Independent Accountant's Review Report	1 - 2
Financial Statements – Modified Cash Basis	
Statement of Assets, Liabilities and Net Assets	3
Statement of Support, Revenue, Expenses and Changes in Net Assets	4
Statement of Functional Expenses	5
Notes to the Financial Statements	6 - 7

Independent Accountant's Review Report

To the Board of Directors of
Got Your Six Support Dogs
Collinsville, Illinois

We have reviewed the accompanying financial statements of Got Your Six Support Dogs (a nonprofit organization), which comprise the statement of assets, liabilities and net assets – modified cash basis as of October 31, 2017, and the related statement of support, revenue, expenses and changes in net assets – modified cash basis and statement of functional expenses – modified cash basis for the year then ended, and the related notes to the financial statements. 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 financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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.

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 financial statements for them to be in accordance with modified 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 financial statements in order for them to be in accordance with the modified cash basis of accounting

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified 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.

Willow CPA Group, Ltd.

Inverness, Illinois
January 9, 2018

Got Your Six Support Dogs
Statement of Assets, Liabilities and Net Assets – Modified Cash Basis
October 31, 2017

Assets

Current assets

Cash	\$ 68,704
	<u>\$ 68,704</u>

Liabilities and Net Assets

Current liabilities

Credit cards payable	\$ 12,018
Payroll tax liabilities	1,314
	<u>13,332</u>

Net assets

Unrestricted	<u>55,372</u>
	<u>\$ 68,704</u>

Got Your Six Support Dogs
Statement of Support, Revenue, Expenses and Changes in
Net Assets – Modified Cash Basis
For the Year Ended October 31, 2017

Unrestricted revenue and support		
Contributions		158,940
In-kind donations		2,600
Fundraising events		
Revenues	58,180	
Direct expenses	<u>(18,155)</u>	<u>40,025</u>
		<u>201,565</u>
 Expenses		
Program services		142,624
General and administrative		13,185
Fundraising		<u>9,556</u>
		<u>165,365</u>
 Change in unrestricted net assets		 36,200
 Unrestricted net assets, beginning		 <u>19,172</u>
 Unrestricted net assets, ending		 <u><u>\$ 55,372</u></u>

Got Your Six Support Dogs
Statement of Functional Expenses – Modified Cash Basis
For the Year Ended October 31, 2017

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Advertising	\$ —	\$ —	\$ 640	\$ 640
Bank and related fees	—	426	—	426
Dog acquisition	7,584	—	—	7,584
Dog supplies, boarding and grooming	7,784	—	—	7,784
Dog trainers	49,209	—	—	49,209
Dues and subscriptions	640	—	—	640
Insurance	938	—	—	938
Insurance-liability	—	168	—	168
Job training	370	—	—	370
Labor costs	3,250	7,812	4,563	15,625
Legal and professional fees	—	1,262	—	1,262
Miscellaneous	474	59	59	592
Office expenses	6,641	830	830	8,301
Payroll tax expense	1,826	228	228	2,282
Printing expense	—	—	836	836
Program promotion and marketing	6,462	—	—	6,462
Rent-temporary locations	1,445	—	—	1,445
Repairs and maintenance	522	—	—	522
Taxes and licenses	738	—	—	738
Therapist fees	3,200	—	—	3,200
Training class scholarship	180	—	—	180
Training supplies	6,776	—	—	6,776
Travel and meetings	1,148	—	—	1,148
Veterans placement costs	15,088	—	—	15,088
Veterinarian expenses	7,633	—	—	7,633
Volunteer expenses	1,516	—	—	1,516
Wages	19,200	2,400	2,400	24,000
	<u>\$ 142,624</u>	<u>\$ 13,185</u>	<u>\$ 9,556</u>	<u>\$ 165,365</u>

Got Your Six Support Dogs
Notes to the Financial Statements – Modified Cash Basis
October 31, 2017

Note 1. Summary of Significant Accounting Policies

Nature of Activities – Got Your Six Support Dogs (Organization), supports veterans and first-responders who have risked their lives to serve their country. To help those who struggle with Post Traumatic Stress Disorder (PTSD) as well as sexual trauma, Got Your Six Support Dogs' goal is to place trained PTSD service dogs with veterans and first-responders at no cost to help them heal from the psychological stress of war and duty through the compassion and healing power of their loyal four legged companions. The Organization's main source of revenue is through public contributions.

Basis of Accounting – The accompanying financial statements have been prepared on the modified cash basis of accounting. The modified cash basis differs from U. S. generally accepted accounting principles primarily because revenues are recognized when received rather than when earned and expenses are recognized when paid rather than when the obligation is incurred. Modifications to the cash basis of accounting include recording depreciation on property and equipment and accruing for payroll taxes, if applicable.

Financial Statement Presentation – The Organization reports information regarding its assets, liabilities, support, revenue and expenses according to three classes of net assets that are based upon the existence or absence of restrictions on use that are placed by their donors: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Organization currently has only unrestricted activities and net assets.

Unrestricted net assets are resources available to support operations. The only limits on the use of unrestricted net assets are the broad limits resulting from the nature of the organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Temporarily restricted net assets are resources that are restricted by a donor for use for a particular purpose or in a particular future period. The Organization's unspent contributions are reported in this class if the donor limited their use.

Permanently restricted net assets are resources whose use is limited by donor-imposed restrictions that neither expire by being used in accordance with a donor's restriction nor by the passage of time.

Property and Equipment –The Organization's policy is to capitalize, at cost, purchases of property and equipment in excess of \$1,000 and depreciate them on the straight-line basis over their estimated useful lives. The Organization has not purchased any property required to be capitalized as of October 31, 2017.

Contributions – Contributions received are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence and/or nature of any donor restrictions. When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from temporarily restricted to unrestricted net assets. Contributions that are restricted by the donor are reported as increases in unrestricted net assets 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.

Got Your Six Support Dogs
Notes to the Financial Statements – Modified Cash Basis
October 31, 2017

Note 1. Summary of Significant Accounting Policies (Continued)

In-kind Contributions – The Organization received approximately \$2,600 of donated dog food, which has been reflected in the financial statements for the year ended October 31, 2017. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization, such as participating on the Board of Directors or other committees, which have not been reflected in the financial statements since they neither require specialized skills nor would have been typically purchased had they not been donated. The value of these services is not readily determinable.

Functional Allocation of Expenses – The costs of providing various programs and other activities have been summarized on a functional basis in the statement of support, revenue, expenses and change in net assets – modified cash basis. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

Income Tax Status – The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable state law, except on net income derived from unrelated business activities, if any. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2). The Organization believes it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization's federal and state exempt organization tax returns are subject to examination by the Internal Revenue Service and state authorities, generally for three years after they were filed.

Use of Estimates – In preparing financial statements in conformity with the modified cash basis of accounting, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events – The Organization has evaluated subsequent events for potential recognition or disclosure through January 9, 2018, the date the financial statements were available to be issued.