

Jo Ellen Vasquez, CPA

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Audited Financial Statements

Dedication and Everlasting Love to Animals

As of and for the Year ended December 31, 2019

with Report of Independent Auditors

JO ELLEN VASQUEZ, C.P.A.

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Report of Independent Auditors

To the Board of Directors

Dedication and Everlasting Love to Animals

Report on the Financial Statements

I have audited the accompanying financial statements of Dedication and Everlasting Love to Animals (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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.

Auditor's Responsibility

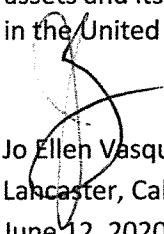
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Dedication and Everlasting Love to Animals as of December 31, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Jo Ellen Vasquez, CPA
Lancaster, California
June 12, 2020

DEDICATION AND EVERLASTING LOVE TO ANIMALS
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2019

ASSETS

CURRENTS ASSETS

Cash and cash equivalents	\$ 2,340,835
Short-term investments	<u>6,447,847</u>
TOTAL CURRENT ASSETS	8,788,682

PROPERTY AND EQUIPMENT

3,481,826

TOTAL ASSETS

\$ 12,270,508

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable	\$ <u>123,225</u>
TOTAL CURRENT LIABILITIES/TOTAL LIABILITIES	123,225

NET ASSETS

Unrestricted	<u>12,147,283</u>
TOTAL NET ASSETS	<u>12,147,283</u>

TOTAL LIABILITIES AND NET ASSETS

\$ 12,270,508

See accompanying notes to financial statements.

DEDICATION AND EVERLASTING LOVE TO ANIMALS
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019

SUPPORT AND REVENUE	
Contributions	\$ 8,590,012
Investment return	<u>226,542</u>
TOTAL REVENUES AND OTHER SUPPORT	8,816,554
EXPENSES	
Program services	9,431,881
Supporting services	
Management and general	90,267
Fund-raising	<u>323,910</u>
TOTAL EXPENSES	<u>9,846,058</u>
CHANGE IN NET ASSETS	(1,029,504)
NET ASSETS, beginning of year	<u>13,176,787</u>
NET ASSETS, end of year	<u>\$ 12,147,283</u>

See accompanying notes to financial statements.

DEDICATION AND EVERLASTING LOVE TO ANIMALS
STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES	
Increase in net assets	\$ (1,029,504)
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	153,228
Decrease in operating liabilities	
Accounts payable	<u>102,573</u>
 CASH PROVIDED BY OPERATING ACTIVITIES	 (773,703)
 CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of fixed assets	<u>(294,888)</u>
 CASH USED for INVESTING ACTIVITIES	 <u>(294,888)</u>
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	 (1,068,591)
 CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	 <u>9,857,273</u>
 CASH AND CASH EQUIVALENTS AT END OF YEAR	 <u><u>8,788,682</u></u>

See accompanying notes to financial statements.

DEDICATION AND EVERLASTING LOVE TO ANIMALS
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2019

	<u>PROGRAM SERVICES</u>		<u>SUPPORTING SERVICES</u>		
	<u>Shelters</u>	<u>Educational</u>	<u>Management and General</u>	<u>Fund-raising</u>	<u>Total</u>
Accounting			\$ 24,550		\$ 24,550
Advertising	\$ 61,011			\$ 46,195	\$ 107,206
Auto expense	96,202		2,066	7,448	\$ 105,716
Bank charges			456		\$ 456
Casual labor	1,485,885				\$ 1,485,885
Courier	7,625				\$ 7,625
Depreciation	153,228				\$ 153,228
Donations	233,785				\$ 233,785
Dues & Subscriptions			740		\$ 740
Educational		<u>\$ 3,788,552</u>			\$ 3,788,552
Equipment rental	19,203				\$ 19,203
Food	979,787				\$ 979,787
Grooming	38,320				\$ 38,320
Insurance	20,627		5,790		\$ 26,417
Legal	20,722			1,935	\$ 22,657
Lettershop	19,505			13,004	\$ 32,509
Licenses	3,036		783		\$ 3,819
Postage	39,341			26,227	\$ 65,568
Linen cleaning	125,890				\$ 125,890
Miscellaneous			42,865		\$ 42,865
Office	42,332		3,386	25,716	\$ 71,434
Postage	1,950			4,550	\$ 6,500
Printing	82,413			54,942	\$ 137,355
Repairs	74,305		3,911		\$ 78,216
RX	294,608				\$ 294,608
Salaries	511,803			23,077	\$ 534,880
Security	838				\$ 838
Staff Leasing				78,587	\$ 78,587
Supplies	603,680		2,985	15,180	\$ 621,845
Supplies - animals	160,252				\$ 160,252
Taxes	43,174		<u>2,735</u>	1,106	\$ 47,015
Telephone	29,277			9,378	\$ 38,655
Trash	42,822			1,244	\$ 44,066
Travel	23,236			9,958	\$ 33,194
Utilities	62,184			<u>5,363</u>	\$ 67,547
Veterinarians	<u>366,288</u>				<u>\$ 366,288</u>
Total expense	<u>\$ 5,643,329</u>	<u>\$ 3,788,552</u>	<u>\$ 90,267</u>	<u>\$ 323,910</u>	<u>\$ 9,846,058</u>

See accompanying notes to financial statements.

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DEDICATION AND EVERLASTING LOVE TO ANIMALS

NOTES TO FINANCIAL STATEMENTS

NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Dedication and Everlasting to Animals was incorporated under the laws of the State of California on July 7, 1982. The organization currently operates sanctuaries in Saugus, and Acton, California. Expansion plans include enlarging the existing facility for dogs and cats and taking a more active role in national education programs. Dedication and Everlasting Love to Animals is involved in the following:

- A. Searching for and rescuing animals that have been abandoned in the wilderness by their owners. Dedication and Everlasting to Animals is a no kill sanctuary and all the animals have a permanent home at one of the organizations facilities unless they are adopted by a Dedication and Everlasting Love to Animals member.
- B. Education of the public with regard to the plight of abandoned animals, responsibilities of pet ownership, as well as how to find homes for lost animals. This goal is met by both written material as well as television, film, dvds, and published material produced by Living Earth Productions, Inc. and funded by Dedication and Everlasting Love to Animals.

Basis of Accounting

The financial statements of the Organization have been prepared using the accrual basis of accounting.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Property and Equipment

The Organization capitalizes property and equipment over \$1,000. Lesser amounts are expensed. Purchased property and equipment are capitalized at cost. Property and equipment are depreciated using the straight-line method over estimated useful lives ranging from five to thirty years.

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Contributions and Support – Dedication and Everlasting Love to Animals is primarily supported by a large number of small donations and some larger bequests.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation and California Revenue and Taxation Code Section 23701(d).

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

Allocation of Joint Costs

Dedication and Everlasting Love to Animals has allocated joint costs incurred for multipurpose activities as follows:

	<u>Program Services</u>	<u>Fundraising</u>	<u>Total Joint Costs</u>
Lettershop	\$ 19,505	\$ 13,004	\$ 32,509
Postage	39,341	26,227	65,568
Printing	<u>82,413</u>	<u>54,942</u>	<u>137,355</u>
Total	<u>\$ 141,259</u>	<u>\$ 94,173</u>	<u>\$ 235,432</u>