



## **Friends of the Fairfax County Animal Shelter 2014 Annual Report**



**FFCAS Mascot Eddie**

### **Dear Friends:**

The Friends of the Fairfax County Animal Shelter (FFCAS) is pleased to present its 2014 Annual Report. The 2014 financial statements were reviewed by CPA firm Burdette Smith & Bish LLC, and the reviewed financial statements and footnotes are attached as part of this Annual Report.

The year 2014 brought many exciting developments, including the official opening of the beautiful new animal shelter facility and launch of the microchip program for cats. We are funding the microchips for the first year, and we're happy to report that similar to dogs, all cats adopted from the shelter now go to their new homes with a microchip. Additionally, we supported the shelter and community by providing funds for low cost spay and neuter surgeries for the feral cat trap-neuter-return program.

We developed the Shelter Pet Sponsorship program in 2014, which gives businesses and individuals the opportunity to sponsor a portion of adoption fees and/or provide a gift certificate for pet-related services to a specific animal's adopters. Sponsors can also elect to advocate for a particular shelter animal on social media, increasing the number of potential adopters who learn about the featured pet. The Shelter Pet Sponsorship program has proven to be very popular, facilitating adoptions and building new partnerships in the community.

We can't thank you enough for your continued support as we progress in our efforts to ensure homeless animals in Fairfax County receive needed care, and to improve their chances of finding their "forever homes". Countless lives are saved every day because you care.

**Evelyn Grieve, President**  
**Friends of the Fairfax County Animal Shelter**

### **2014 Highlights**

- 92% of expenditures were made to directly support the shelter and homeless animals.
- Allocated 28% of our expenses to provide veterinary care to shelter animals.
- Provided funding for over 400 spay and neuter surgeries, comprising 25% of 2014 expenditures.
- Funded microchips for all adopted cats for the initial year of the program.
- Increased funding for the collar and tag program, through which all adopted dogs and cats leave the shelter with a collar and personalized identification tag.
- Purchased a commercial grade freezer to store frozen stuffed Kong toys for the kennel enrichment program.
- Purchased 4, 9-tier Kuranda cat towers for the shelter's community cat room.
- Sponsored a shelter volunteer recognition event and a shelter staff cookout.
- Provided support for several adoption events.

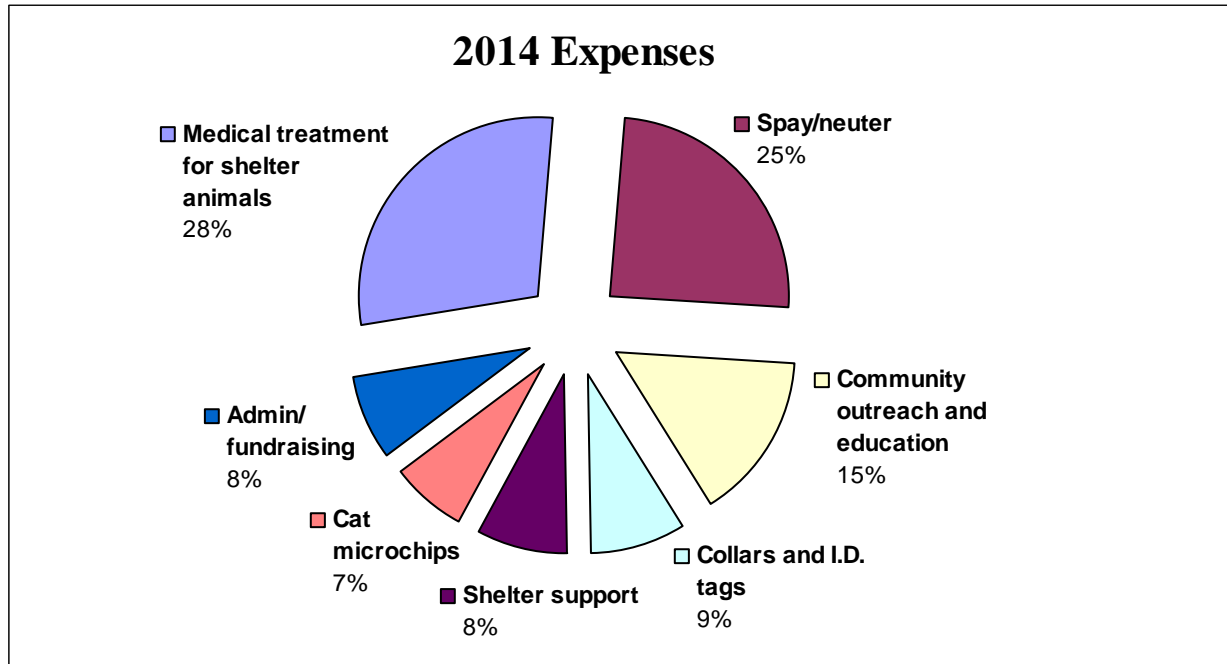
## 2014 Financial Summary

### Revenue:

Absent the large single contribution included in 2013 revenue, 2014 revenue increased significantly over the prior year as the result of broadened fundraising activities and greater utilization of social media tools.

### Expenses:

As an all-volunteer organization, FFCAS' administrative and fundraising expenses are kept to a minimum. In 2014, 92% of expenditures were made to directly support the shelter and homeless animals in Fairfax County, Virginia. This was a decrease from 95% in 2013, due to the purchase of business insurance coverage in 2014. This purchase was necessitated in light of FFCAS' expanding role in supporting the shelter.



### Statements of Revenue and Expense

	<u>2014</u>	<u>2013</u>
Operating revenue	\$ 123,204	\$ 69,966
Revenue from single large contribution	-	143,475
<b>Net revenue</b>	<b>123,204</b>	<b>213,441</b>
Medical treatment for shelter animals	25,058	30,530
Spay/neuter	21,204	-
Community outreach and education	12,638	6,757
Collar and tag program	7,517	3,999
Shelter support	6,792	14,757
Cat microchip program	5,991	-
Administrative and fundraising	6,457	3,113
<b>Total expense</b>	<b>85,657</b>	<b>59,156</b>
<b>Excess of revenue over expense</b>	<b>\$ 37,547</b>	<b>\$ 154,285</b>

## Success Stories

Enjoy these two inspiring examples of the impact our supporters made in the lives of homeless animals in 2014. Thank you again for helping us to help them!

### Lacey's story

This sweet little stray kitten landed at the shelter, where they found she had some old injuries that needed to be addressed. Lacey had a badly broken leg that had to be removed, the bone was exposed on a portion of her tail and her lip needed to be repaired. We funded her surgery, and after recovering in a loving foster home, Lacey was adopted by a family who fell in love with her instantly.



### A happy new beginning for Oreo

Nine-year-old Oreo came to the shelter blind in one eye, and suffering from a retinal detachment in the other eye. We funded the necessary surgery and Oreo recovered in a foster home, where her fosters were smitten with her sweet and affectionate personality. She found a new forever home once she was well, and is very dearly loved by her family.



**Friends of the Fairfax County Animal Shelter**  
P.O. Box 2321 Centreville, VA 20122

[www.ffcas.org](http://www.ffcas.org)

 <https://www.facebook.com/FFCAS>





**FRIENDS OF THE FAIRFAX COUNTY ANIMAL SHELTER**

**INDEPENDENT AUDITORS' REPORT  
AND FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013**

# FRIENDS OF THE FAIRFAX COUNTY ANIMAL SHELTER

## INDEPENDENT AUDITORS' REPORT AND FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
Friends of the Fairfax County Animal Shelter  
Centreville, VA

We have audited the accompanying financial statements of Friends of the Fairfax County Animal Shelter (a non-profit organization) as of December 31, 2014 and 2013, and the related statements of activities and cash flows for the years 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**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 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, we 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Friends of Fairfax County Animal Shelter as of December 31, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Fairfax, Virginia  
June 21, 2016

*Burdette Smith & Bish, LLC*

*Associates*

REBECCA BARTHOLOMAE, CPA  
DEBORAH L. HARRIS, CPA

*Members*

AMERICAN INSTITUTE OF CPAS  
VIRGINIA SOCIETY OF CPAS

# FRIENDS OF THE FAIRFAX COUNTY ANIMAL SHELTER

## STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2014 AND 2013

ASSETS	2014	2013
<b>CURRENT ASSETS</b>		
Cash and cash equivalents .....	\$ 241,351	\$ 212,039
Accounts receivable .....	10,000	-
<b>Total Current Assets</b> .....	<b>251,351</b>	<b>212,039</b>
	<b>\$ 251,351</b>	<b>\$ 212,039</b>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable .....	\$ 2,290	\$ 2,700
<b>Total Current Liabilities</b> .....	<b>2,290</b>	<b>2,700</b>
 <b>NET ASSETS</b>		
Unrestricted .....	246,886	209,339
Temporarily restricted .....	2,175	-
	<b>249,061</b>	<b>209,339</b>
	<b>\$ 251,351</b>	<b>\$ 212,039</b>

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

# FRIENDS OF THE FAIRFAX COUNTY ANIMAL SHELTER

## STATEMENTS OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013

UNRESTRICTED NET ASSETS	2014	2013
Revenue		
Contributions .....	\$ 99,092	\$ 201,252
Fundraising events, net of expenses .....	23,044	12,189
Interest income .....	243	-
Total Unrestricted Revenue .....	122,379	213,441
Net Assets released from restrictions .....	825	-
	123,204	213,441
Expenses		
Program:		
Behavioral modification program .....	475	3,200
Community outreach and education .....	4,517	6,757
Medical treatment for shelter animals .....	25,058	30,530
Shelter support .....	6,317	11,557
Collar and tag program .....	7,517	3,999
New shelter projects .....	5,991	-
Pet haven .....	796	-
Pet sponsorship program expenses .....	825	-
Shelter spay neuter .....	21,204	-
Other .....	6,500	-
Total Program Expenses .....	79,200	56,043
General and administrative .....	6,090	2,631
Fundraising .....	367	482
	85,657	59,156
CHANGE IN UNRESTRICTED NET ASSETS .....	37,547	154,285
<b>TEMPORARILY RESTRICTED NET ASSETS</b>		
Contributions .....	3,000	-
Net assets released from restrictions .....	(825)	-
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS .....	2,175	-
CHANGE IN NET ASSETS .....	39,722	154,285
NET ASSETS, BEGINNING OF YEAR .....	209,339	55,054
NET ASSETS, END OF YEAR .....	\$ 249,061	\$ 209,339

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



# FRIENDS OF THE FAIRFAX COUNTY ANIMAL SHELTER

## STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013

CASH FLOWS FROM OPERATING ACTIVITIES	2014	2013
Cash received from donors .....	\$ 115,136	\$ 213,441
Cash paid to suppliers .....	(86,067)	(56,456)
Interest income .....	243	-
Net Cash Provided By (Used In) Operating Activities .....	29,312	156,985
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS .....	29,312	156,985
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR .....	212,039	55,054
CASH AND CASH EQUIVALENTS, END OF YEAR .....	\$ 241,351	\$ 212,039
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Increase (decrease) in net assets .....	\$ 39,722	\$ 154,285
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
(Increase) decrease in accounts receivable .....	(10,000)	-
Increase (decrease) in accounts payable .....	(410)	2,700
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES .....	\$ 29,312	\$ 156,985

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

# FRIENDS OF THE FAIRFAX COUNTY ANIMAL SHELTER

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014 AND 2013

### NOTE 1 – Summary of Significant Accounting Policies

Friends of the Fairfax County Animal Shelter (the Organization), is a not-for-profit charitable organization formed in 2006 in the Commonwealth of Virginia. The Organization supports the Fairfax County Animal Shelter by financing medical treatment, surgery, grooming and adoption support for shelter animals. It also supports spay and neuter efforts, assists with foster and rescue programs, purchases supplies for the shelter, and conducts outreach and education efforts related to companion animals.

#### Support and Expenses

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Expenses are recorded when incurred in accordance with the accrual basis of accounting.

#### Tax Exempt Status

The Organization has been granted exemption from income taxes under Section 501(c)(3) of the Internal Revenue Code, as amended and is classified as other than a private foundation. Therefore, no provision for income taxes has been made.

Management evaluated the Organization's tax positions and concluded that the Organization had taken no uncertain tax positions that require adjustment to or disclosure in the financial statements. With few exceptions, federal and state information returns for the years prior to 2011 are no longer subject to examination by tax authorities.

#### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all unrestricted bank accounts and short term certificates of deposit to be cash and cash equivalents.

#### Accounts Receivable

Accounts receivable represent unconditional promises to give that are expected to be collected within one year and are reported at their net realizable value. The Organization uses the allowance method for recording bad debt expense. Management periodically reviews the aged receivables and adjusts the allowance to reflect the current estimate of future bad debt expense. Management believes all amounts are fully collectible at December 31, 2014.

# FRIENDS OF THE FAIRFAX COUNTY ANIMAL SHELTER

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014 AND 2013

### NOTE 1 – Summary of Significant Accounting Policies, continued

#### Classes of Assets

To ensure the observance of limitations and restrictions placed on the use of resources available to the Organization, resources for various purposes are classified for accounting purposes into the following classes established according to their nature and purpose.

Unrestricted net assets are the net assets that are neither permanently restricted nor temporarily restricted by donor-imposed stipulations and includes Board designated funds, i.e.: funds that have been segregated by the Board to be spent only on specified purposes.

Temporarily restricted net assets result from contributions whose use is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to these stipulations. Net assets may be temporarily restricted for various purposes, such as use in future periods or use for specified purposes.

Permanently restricted net assets are contributions whose use is limited by donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise removed by the Organization's actions. The donor of these assets permits the Organization to use all of the income earned on related investments for unrestricted purposes. The Organization has no permanently restricted net assets.

#### Subsequent Events

The Organization evaluated its December 31, 2014 financial statements for subsequent events through June 21, 2016, the date the financial statements were available to be issued.

#### Reclassifications

Certain 2013 amounts have been reclassified to conform to the 2014 presentation. These reclassifications have no effect on change in net assets.

### NOTE 2 – Special Events

Special fundraising events are reflected net of costs in the statement of activities. Gross revenues and expenses for the years ended December 31, 2014 and 2013, respectively, are comprised of the following:

	2014	2013
Revenues .....	\$ 33,550	\$ 20,081
Expenses .....	(10,506)	(7,892)
Net .....	<u>\$ 23,044</u>	<u>\$ 12,189</u>

# FRIENDS OF THE FAIRFAX COUNTY ANIMAL SHELTER

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014 AND 2013

### NOTE 3 – Temporarily Restricted Net Assets

Temporarily restricted net asset activity for the years ended December 31, 2014 and 2013 is comprised of the following:

	<u>2013</u>		<u>Additions</u>		<u>Releases</u>		<u>2014</u>
Medical Funding Program .....	\$ -	\$	1,000	\$	-	\$	1,000
Pet Sponsorship Program .....	-		2,000		(825)		1,175
	<u>\$ -</u>	<u>\$</u>	<u>3,000</u>	<u>\$</u>	<u>(825)</u>	<u>\$</u>	<u>2,175</u>