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Independent Auditor's Report

To the Board of Directors of
the Humane Association of Wilson County, Inc.

I have audited the accompanying financial statements of the Humane Association of Wilson County, Inc., which comprise the statement of financial position as of June 30, 2014, and the related statements of activity, 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 U.S. generally accepted accounting principles; 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.

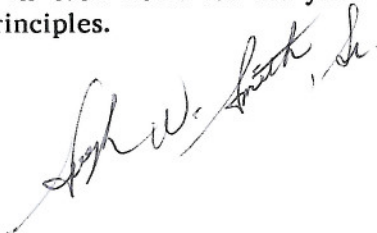
Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with U.S. generally accepted auditing standards. 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 account 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 the Humane Association of Wilson County, Inc. as of June 30, 2014, and the results of its operations and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

December 22, 2014



Humane Association of Wilson County, Inc.
Statement of Financial Position
At June 30, 2014

ASSETS

Current Assets

Cash in bank	\$ 224,841
Prepaid insurance	3,729
Total Current Assets	<u>228,570</u>

Property and Equipment

Land and building	368,307
Mobil equipment	242,126
Equipment and fixtures	115,912
	<u>726,345</u>
Less: Accumulated depreciation	(280,915)
Total Property and Equipment	<u>445,430</u>

Other Assets

Other deposits	10,013
Total Other Assets	<u>10,013</u>

Total Assets

\$ 684,013

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	11,664
Total Liabilities	<u>11,664</u>

Net Assets

Unrestricted	672,349
Total Net Assets	<u>672,349</u>

Total Liabilities and Net Assets

\$ 684,013

See accompanying notes to the financial statements.

Humane Association of Wilson County, Inc.
Statements of Activities and Changes in Net Assets
For the Year Ended June 30, 2014

	<u>Unrestricted</u>
Public Support and Revenues	
Program Services	\$ 215,561
Donations	141,219
Pet Adoptions, net	63,453
Pet Tax Receipts	51,251
Special Events	36,955
Grants	16,988
In-Take	3,592
Interest	826
Other	513
Total Revenue	<u>530,358</u>
Expenses	
Program Services	686,077
Management & General	<u>50,654</u>
Total Expenses	<u>736,731</u>
Excess (Deficiency) of Public Support And Revenue Over Expenses	(206,373)
Net Assets, Beginning	<u>878,722</u>
Net Assets, End	<u><u>\$ 672,349</u></u>

See accompanying notes to the financial statements.

The Humane Association of Wilson County, Inc.
Statement of Functional Expenses
Year Ended June 30, 2014

	Program Services					Supporting Services	
	Shelter Services	Fix for Life	NLOL	Snip & Tip	The Spay Station	Management & General	Total (Memo)
	\$	\$	\$	\$	\$	\$	\$
Advertising	2,253		627				2,880
Angle Fund Expense	135						135
Animal Training	4,069	4,135			5,680		13,884
Automobile Expense	25	142	1				168
Bank Service Charges	2,637	155					2,792
Building & Equipment Repair	1,739	1,946	1,066		984		5,735
Cell Phone	430						430
Conference Workshop Expense	585	1,189	617				2,391
Credit Card Services							0
Employee Expenses			401				401
Dues & Subscriptions	767	2,833	281				3,881
Equipment	50		25,615				25,665
Fund Raising Expense			13,022				13,022
Business & Vehicle Insurance			1,431				1,431
Liability Insurance							0
Salaries	141,909	100,173			1,598	46,570	290,250
Payroll Taxes & Benefits	26,223	12,170			159	4,084	42,636
Meals	436	717	34	153			1,340
Medical Services	11,533	78,006	81	650	6,953		97,223
Medical Supplies	27,293	90,434			1,986		119,713
Miscellaneous Admin Expense	255	243	4,302				4,800
Office Supplies	3,411	2,130	1,885				7,426
Operating Supplies	3,085	238					3,323
Pet Tax Expense		146			24		170
Postage & Shipping	703	35	168				906
Professional Fees	46	139	3,776				3,961
Rent	449	13,418	148				14,015
Supplies	2,206	1,927		305	6		4,444
Supplies-Janitorial	2,891	530					3,421
Taxes & Licenses	698	1,469	786		370		3,323
Travel	675	145					820
Utilities	18,754	15,407	1,679		731		36,571
Total expense before depreciation	253,257	327,727	56,152	1,108	18,491	50,654	707,389
Depreciation	1,955	2,384			25,003		29,342
Total expenses	\$ 255,212	\$ 330,111	\$ 56,152	\$ 1,108	\$ 43,494	\$ 50,654	\$ 736,731

See accompanying notes to the financial statements.

NOTE A- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Humane Association of Wilson County, inc. was organized in 1978 as a Tennessee not-for-profit corporation and is headquartered in Lebanon, Tennessee. The organization promotes educational, ethical and humane treatment of animals in Wilson County, Tennessee

Basis of Accounting

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

Basis of Presentation

Under Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-profit Organizations*, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Contributions

Under SFAS No. 116, *Accounting for Contributions Received and Contributions Made*, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the absence or existence and nature of any donor restrictions. Under SFAS No. 116, time-restricted contributions are required to be reported as temporarily restricted support and are then reclassified to unrestricted net assets upon expiration of the time restriction.

Promise To Give

Contributions are recognized when the donor makes a promise to give the Organization that is, in substance, unconditional. 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.

notes continued

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.

Contributed Services

The Organization receives donated services from a variety of unpaid volunteers assisting the Organization in the preservation of the facilities and education programs. No amounts have been recognized in the accompanying statement of activities because the criteria for recognition of such volunteer efforts under SFAS No. 116 have not been satisfied. During the year ended June 30, 2014, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

Land, Buildings and Equipment

Land, buildings and equipment are stated at cost, less accumulated depreciation. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets.

Income Tax Status

The Organization qualifies as a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code, and therefore, has no provision for federal income taxes presented in the financial statements. At June 30, 2014, the Organization's tax returns related to fiscal years ended June 30, 2010 through June 30, 2013 remain open to examination by tax authorities.

Functional Expenses

Expenses are charged to each program based on direct expenditures incurred and have been summarized on the statement of functional expenses. Any program expenditures not directly chargeable are allocated among the programs and supported services benefited.

Cash and Cash Equivalents

notes continued

For the purposes of the statement of cash flows, cash consists of cash on hand and in banks, including money market funds, and certificates with the original maturities of less than 90 days.

Investment Securities

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

Cash

At various times during the fiscal year, the Organization's cash n bank balances exceeded the federally insured limits. At June 30, 2014, the Organization did not have any uninsured cash balances.

NOTE B- DESCRIPTION OF PROGRAMS

Community Services

The Organization promotes educational activities including an adoption program and other programs to develop ethical and human treatment of animals in the community.

NOTE C- RESTRICTIONS ON NET ASSETS

At June 30, 2014, no funds were temporarily restricted.

NOTE D- SUBSEQUENT EVENTS

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition and disclosure through December 22, 2014, the date the financial statements were available to be issued.