

**PASADO'S SAFE HAVEN
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**



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**PASADO'S SAFE HAVEN
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Pasado's Safe Haven
Monroe, Washington

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Pasado's Safe Haven (the Organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows 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 Pasado's Safe Haven as of June 30, 2022, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Pasado's Safe Haven 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

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 the Organization's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' 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 auditors' 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 GAAS 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 GAAS, 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 the Organization'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 the Organization'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.



CliftonLarsonAllen LLP

Bellevue, Washington
November 14, 2022

**PASADO'S SAFE HAVEN
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022**

	<u>2022</u>
ASSETS	
CURRENT ASSETS	
Cash and Cash Equivalents	\$ 596,943
Investments	6,068,855
Contribution and Other Receivables	82,947
Inventory	53,994
Prepaid Expenses	<u>163,444</u>
Total Current Assets	6,966,183
INVESTMENTS - BOARD-DESIGNATED FOR LONG-TERM PURPOSES	3,000,000
CONTRIBUTION RECEIVABLES - CAPITAL CAMPAIGN, NET	552,299
PROPERTY AND EQUIPMENT, NET	<u>7,362,649</u>
Total Assets	<u><u>\$ 17,881,131</u></u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts Payable	\$ 251,684
Accrued Salaries and Benefits	<u>153,272</u>
Total Current Liabilities	404,956
NET ASSETS	
Without Donor Restrictions:	
Undesignated	9,322,093
Board-Designated Reserve	<u>3,000,000</u>
Total Without Donor Restrictions	12,322,093
With Donor Restrictions	<u>5,154,082</u>
Total Net Assets	<u><u>17,476,175</u></u>
Total Liabilities and Net Assets	<u><u>\$ 17,881,131</u></u>

See accompanying Notes to Financial Statements.

**PASADO'S SAFE HAVEN
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022**

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING ACTIVITIES			
Support and Revenue:			
Contributions	\$ 2,519,491	\$ -	\$ 2,519,491
Bequests	441,533	-	441,533
Special Events	329,004	-	329,004
Grants	-	665,674	665,674
Program Fees	93,573	-	93,573
Noncash Contributions	120,297	-	120,297
Other Income, Net	16,196	-	16,196
Net Assets Released from Restrictions	743,218	(743,218)	-
Total Support and Revenue	4,263,312	(77,544)	4,185,768
Expenses:			
Program Services	4,019,350	-	4,019,350
Management and General	332,576	-	332,576
Fundraising	153,966	-	153,966
Total Expenses	4,505,892	-	4,505,892
CHANGE IN NET ASSETS FROM OPERATING ACTIVITIES	(242,580)	(77,544)	(320,124)
CAPITAL CAMPAIGN ACTIVITIES			
Contributions	-	1,770,019	1,770,019
Expenses	(398,198)	-	(398,198)
Net Assets Released from Restriction	408,153	(408,153)	-
CHANGE IN NET ASSETS FROM CAPITAL CAMPAIGN ACTIVITIES	9,955	1,361,866	1,371,821
NET INVESTMENT LOSS	(1,512,877)	-	(1,512,877)
CHANGE IN NET ASSETS	(1,745,502)	1,284,322	(461,180)
Net Assets - Beginning of Year	14,067,595	3,869,760	17,937,355
NET ASSETS - END OF YEAR	<u>\$ 12,322,093</u>	<u>\$ 5,154,082</u>	<u>\$ 17,476,175</u>

See accompanying Notes to Financial Statements.

**PASADO'S SAFE HAVEN
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2022**

	Program Services	Management and General	Fundraising	Total
Salaries, Payroll Taxes, and Benefits	\$ 2,351,305	\$ 220,556	\$ 265,899	\$ 2,837,760
Supplies	385,204	12,565	7,999	405,768
Fundraising and Marketing	48,651	-	150,139	198,790
Depreciation	270,181	11,223	-	281,404
Professional Fees	53,545	44,546	22,184	120,275
In-Kind Animal Food and Supplies	120,297	-	-	120,297
Contract Services	104,264	6,739	75,591	186,594
Repairs and Maintenance	117,559	2,578	1,862	121,999
Taxes, Licenses, and Fees	62,239	6,156	16,765	85,160
Advertising	257,506	-	-	257,506
Utilities	85,170	2,372	1,615	89,157
Other	46,533	2,175	37,428	86,136
Insurance	61,259	16,217	-	77,476
Investment Expense	-	28,297	-	28,297
Travel	38,316	3,400	1,590	43,306
Rent	7,474	2,812	-	10,286
Training and Education	9,420	782	485	10,687
Postage and Shipping	427	455	2,048	2,930
Total Expenses	4,019,350	360,873	583,605	4,963,828
Less: Investment Expenses	-	28,297	-	28,297
Less: Gift Shop & Staff Exp	-	-	31,441	31,441
Less: Capital Campaign Expenses	-	-	398,198	398,198
Total Functional Expenses on the Statement of Activities	<u>\$ 4,019,350</u>	<u>\$ 332,576</u>	<u>\$ 153,966</u>	<u>\$ 4,505,892</u>

See accompanying Notes to Financial Statements.

**PASADO'S SAFE HAVEN
STATEMENTS OF CASH FLOWS
YEAR ENDED JUNE 30, 2022**

	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	\$ (461,180)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities	
Unrealized Gains (Losses) on Investments	1,726,931
Depreciation	281,404
Capital Campaign Contributions	(1,770,019)
(Increase) Decrease in Operating Assets:	
Receivables	(68,023)
Inventory	(2,413)
Prepaid Expenses	(83,718)
Increase (Decrease) in Operating Liabilities:	
Accounts Payable	17,981
Accrued Salaries and Benefits	(36,958)
Net Cash Provided by Operating Activities	<u>(395,995)</u>
CAH FLOWS FROM INVESTING ACTIVITIES	
Purchases of Property and Equipment	(1,692,349)
Purcases of Investments	(2,293,109)
Proceeds from Sale of Investments	1,700,000
Net Cash Used by Investing Activities	<u>(2,285,458)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from Capital Campaign Contributions	2,495,711
Net Cash Provided by Financing Activities	<u>2,495,711</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(185,742)
Cash and Cash Equivalents - Beginning of Year	<u>782,685</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 596,943</u></u>
SUPPLEMENTAL DISCLOSURE OF CASHFLOW INFORMATION	
Purchases of Fixed Assets in Accounts Payable	<u><u>\$ 117,987</u></u>

See accompanying Notes to Financial Statements.

**PASADO'S SAFE HAVEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Founded in 1997, Pasado's Safe Haven (PSH) is a nonprofit animal welfare organization offering comprehensive solutions to the complex problem of animal cruelty. PSH's vision is a world where every animal is recognized as an individual who is free from abuse, abandonment, neglect, and exploitation.

PSH offers an integrated approach to ending suffering for companion and farmed animals. PSH's comprehensive programs include the following:

Sanctuary – The 85-acre sanctuary is home to over 200 animals, including dogs, cats, and farmed animals, most of whom arrived as victims of cruelty and neglect. PSH provides medical care and rehabilitation to allow these animals a second chance at life.

Cruelty Investigations and Rescue – PSH is improving the way the criminal justice system responds to crimes against animals by investigating reports of animal cruelty and neglect, providing rescue for victim animals, and providing trainings for law enforcement, prosecutors, veterinarians, and animal control.

Education and Advocacy – PSH works to strengthen laws that benefit animals and help people connect with animals in new ways through public tours, events and educational programming. Collectively, this programming reduces suffering and grows compassion.

Pet Services – PSH is improving the pet related services available to income qualified families through wellness and spay/neuter clinics as well as pet food banks. This work not only keeps families together, it also reduces shelter overpopulation and unnecessary euthanasia.

PSH strives to make a significant difference in the lives of animals and the people who love them. The following is a summary of PSH's general impact in 2022 (unaudited):

Sanctuary

- 354 animals were provided care and rehabilitation
- 169 animals were adopted into loving homes
- 500+ volunteers logged more than 13,800 hours
- PSH established a comprehensive behavior training program for dogs, cats and pigs to remove behavior-based barriers to adoptions
- PSH maintained its accreditation from GFAS (Global Federal of Animal Sanctuaries)

Cruelty Investigations and Rescue

- 166 cases of animal cruelty and neglect investigated or resourced in counties across Washington state, many of which resulted in large-scale rescues
- PSH provided first of its kind animal cruelty training to over 200 Washington state judges
- PSH provided digital animal cruelty training that is now available to all 10,000+ law enforcement officers in the state of Washington

PASADO'S SAFE HAVEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Education and Advocacy

- PSH reached 6,300+ kids and adults with a message of compassion to animals
- PSH's grassroots advocacy strengthened local ordinances to help stop puppy mills
- PSH continued to advocate for animals as the only local animal protection nonprofit with a presence in Olympia, WA; helping secure grant funding to support more plant-based meals in public schools

Pet Services

- 2,048 spay/neuter surgeries performed for income-qualified clients through 225 clinics in two Washington counties
- 39,000 lbs. of pet food were distributed via local food banks to families with pets in need
- PSH is building new partnerships with Washington state tribal communities to help provide services to these pets

Animal cruelty is a complex issue, and PSH knows that a thoughtful, coordinated response is necessary to work towards ending it. PSH believes its unique combination of programs fight the issue from every angle. PSH works not only to get laws changed, but also provide law enforcement, animal control and prosecuting attorneys with the training they need to enforce these laws effectively. PSH not only investigates animal cruelty and rescues animals from dire situations, but also provides sanctuary and medical treatment for these animals to heal while PSH works to place them in loving homes. PSH continues to work to educate the public about all the many ways they can help end animal cruelty, from reporting suspected abuse/neglect to spaying/neutering their animals, to eating plant-based diets.

PSH is currently involved in a capital campaign with a fundraising goal of \$10 million, with \$9.2M pledged to date. PSH plans to use the campaign funds to build several new structures on the sanctuary property, including a cow barn (completed in the fall of 2018), kitty city (completion expected December 2022), dog town (completed in January 2021), and a new center for compassion which will be the onsite learning center for community outreach. The campaign is expected to run through 2023.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from the estimated amounts.

**PASADO'S SAFE HAVEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Financial Statement Presentation

PSH reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. Contributions are recorded depending on the existence and/or nature of any donor restrictions.

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. There are no net assets to be maintained in perpetuity for the year ended June 30, 2022.

Board-Designated Net Assets

During 2019, PSH's board of directors voted to create an operating reserve representing one year's worth of operating expenses. As of June 30, 2022, the operating reserve was \$3 million and is held in the same investment account as the other investments.

Fair Value Measurements

Fair value is a market-based measurement determined based on assumptions that market participants would use in pricing an asset or liability. There are three levels that prioritize the inputs used in measuring fair value as follows:

Level 1 – Observable market inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Observable market inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and

Level 3 – Unobservable inputs where there is little or no market data, which require the reporting entity to develop its own assumptions.

PSH reports its investments (discussed in Note 3) at fair value using Level 1 inputs (quoted prices on national exchanges).

Cash and Cash Equivalents

PSH considers highly liquid investments with an original maturity of three months or less to be cash equivalents. PSH has amounts deposited with a financial institution in excess of federally insured limits.

**PASADO'S SAFE HAVEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Contribution and Other Receivables

Receivables are stated at the outstanding principal balances and consist primarily of amounts due from bequests and pledges that are expected to be collected within one year. Management reviews the collectability of contributions receivable (and all other receivables) on a periodic basis and determines the appropriate amount of any allowance. PSH charges off receivables to the allowance when management determines that a receivable is not collectible. At June 30, 2022, amount receivable from one donor comprised 81% of total contribution and other receivables.

Contribution Receivables – Capital Campaign

PSH records unconditional contribution receivables – capital campaign that are expected to be collected within one year at net realizable. Unconditional contribution receivables – capital campaign to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities. PSH determines the allowance for doubtful accounts based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Contribution receivables – capital campaign are written off when deemed uncollectible. At June 30, 2022, the allowance was \$11,906.

Inventory

Inventory consists of merchandise to be sold through PSH's gift shop, dog and cat food stored in the food bank, and veterinary supplies used by PSH's in-house veterinarian. Inventory is valued at the lower of average cost or net realizable value. Costs are determined on a first-in, first-out basis.

Property and Equipment

Property and equipment are recorded at cost if purchased, or at fair value at the date of receipt if donated (unless the estimated future undiscounted cash flows expected to result from either the use of an asset or its eventual disposition is less than the carrying amount, in which case an impairment loss is recognized based on the fair value of the asset). PSH's policy is to capitalize assets with a cost greater than \$2,500 and a useful life greater than three years. Depreciation of property and equipment is computed by the straight-line method over the estimated useful lives of the assets as follows:

Buildings and Improvements	7 to 39 Years
Machinery and Equipment	5 to 10 Years
Vehicles	3 to 6 Years
Mobile Clinics	5 Years
Temporary Structures and Improvements	3 to 7 Years
Furniture and Fixtures	5 to 10 Years

**PASADO'S SAFE HAVEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Contribution and Grant Revenue Recognition

Contributions and grants are recorded when cash, securities, or other assets, or an unconditional contribution receivable is received. Conditional contribution receivable, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. During the year ended June 30, 2022, contributions and grants from two donors comprised of 24% of total support and revenue.

Bequest Revenue Recognition

PSH records bequests as revenue after (1) the death of the donor, (2) PSH is notified by the executor as to the amount of the bequest to be received, and (3) the estate has passed through probate. During the year ended June 30, 2022, no bequests from donors exceeded 10% of total support and revenue.

Special Event Revenue Recognition

Revenue from special events includes ticket sales and contributions. Special event revenue is recognized at the time of the event net of direct cost of benefits to attendees.

Program Fee Revenue Recognition

Program fees are earned primarily through adoption fees and spay station services. Program fee revenue is recognized at a point in time when the adoption or service takes place.

Noncash Contributions

Noncash contributions consist of donated legal services as well as food, goods and supplies for animals, fuel, and auction items. Revenue for donated animal food, goods and supplies, fuel, and auction items is recognized at fair value on the donation date.

A substantial number of unpaid volunteers have made significant contributions of their time to develop PSH's programs, principally in assisting operations and fundraising events. The value of this contributed time is not reflected in these statements, as it does not meet accounting requirements for recognition.

Functional Allocation of Expenses

The costs of providing the various program services and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated between the program and supporting services benefited.

PSH allocates salaries and related expenses, professional services, and insurance based on estimates of employees' time and effort by function. PSH allocates marketing expenses based on the benefits received and depreciation based on the functional use of the asset.

**PASADO'S SAFE HAVEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Advertising

PSH expenses advertising costs as incurred. Advertising expenses for the year ended June 30, 2022 were \$257,506.

Income Taxes

PSH is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Change in Accounting Principle

In September 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This standard requires that contributed nonfinancial assets are reported on a separate line item in the statements of activities, apart from contributions of cash and other financial assets. It also requires disclosure of disaggregated amounts of contributed nonfinancial assets by category that depicts the type of contributed nonfinancial assets along with additional qualitative information about the monetization of such assets, donor restrictions and valuation techniques. The adoption of this standard did not have any significant impact on the accompanying financial statements or disclosures.

Subsequent Events

PSH has evaluated subsequent events through November 14, 2022, the date the financial statements were available to be issued.

NOTE 2 LIQUIDITY AND AVAILABILITY OF RESOURCES

PSH regularly monitors liquidity required to meet its operating needs and other contractual commitments while also striving to maximize the investment of its available funds. PSH has various sources of liquidity at its disposal, including cash and cash equivalents and mutual funds.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, PSH considers all expenditures related to its ongoing program activities of investigations and rescue, pet homelessness prevention initiatives, education and advocacy, and sanctuary operations as well as the conduct of services undertaken to support those activities to be general expenditures. In addition to the financial assets available to meet general expenditures over the next 12 months, PSH operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

PASADO'S SAFE HAVEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)

The following table shows the financial assets held by PSH available to meet general expenditures over the next 12 months as of June 30:

	2022
Cash and Cash Equivalents	\$ 596,943
Investments	9,068,855
Contribution and Other Receivables	82,947
Receivables - Capital Campaign, Current Portion	384,901
Total	<u>10,133,646</u>
Less: Financial Assets not Available for General Expenditures:	
Board-Designated Operating Reserve	(3,000,000)
Donor-Restricted Net Assets	<u>(5,154,082)</u>
Financial Assets Available for General Expenditures Within One Year	<u><u>\$ 1,979,564</u></u>

NOTE 3 INVESTMENTS

Investments are reported at fair value in the statements of financial position. Unrealized gains and losses are included in the change in net assets.

Investments consist of the following at June 30:

	2022
Mutual Funds:	
Domestic Stock	\$ 3,261,164
International Stock	2,168,490
Intermediate-Term Bond	1,902,514
International Bond	845,416
Short-Term Bond	719,556
Long-Term Bond	171,715
Total	<u><u>\$ 9,068,855</u></u>

Investments are presented on the statements of financial position as follows at June 30:

	2022
Investments - Current	\$ 6,068,855
Investments - Board-Designated for Long-Term Purposes	3,000,000
Total	<u><u>\$ 9,068,855</u></u>

PASADO'S SAFE HAVEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 INVESTMENTS (CONTINUED)

Investment income consists of the following for the year ended June 30:

	2022
Unrealized Losses	\$ (1,726,931)
Realized Gains	10,765
Interest and Dividends	231,586
Less: Investment Expense	(28,297)
Total	<u>\$ (1,512,877)</u>

NOTE 4 PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30:

	2022
Buildings and Improvements	\$ 3,446,553
Machinery and Equipment	431,717
Mobile Clinics (Spay Stations)	409,728
Vehicles	152,342
Temporary Structures and Improvements	119,213
Furniture and Fixtures	114,532
Total	4,674,085
Less: Accumulated Depreciation	(2,351,799)
	2,322,286
Land	1,307,728
Construction in Progress	3,732,635
Total Property and Equipment, Net	<u>\$ 7,362,649</u>

As of June 30, 2021, construction in progress is for new facilities related to the capital campaign being constructed at PSH's sanctuary as well as additional upgrades to the sanctuary planned to be completed in several phases over the next several years.

NOTE 5 CONTRIBUTION AND OTHER RECEIVABLES

Receivables consist of trade receivables, unconditional promises to give and uncollected bequests and are expected to be received as follows:

	2022	2021
Due Within One Year	\$ 467,848	\$ 689,062
Due in One to Five Years	192,000	654,584
Total	659,848	1,343,646
Less: Discount on Long-Term Receivables (3.00%)	(12,696)	(30,800)
Less: Allowance for Doubtful Pledges	(11,906)	(19,931)
Total, Net	<u>\$ 635,246</u>	<u>\$ 1,292,915</u>

**PASADO'S SAFE HAVEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 CONTRIBUTION AND OTHER RECEIVABLES (CONTINUED)

Receivables are shown on the statement of financial position as follows at June 30:

	<u>2022</u>	<u>2021</u>
Contribution and Other Receivable:		
Receivables (Exchange Transactions)	\$ 3,144	\$ 14,924
Contribution Receivables - General (Non-Exchange Transactions)	<u>79,803</u>	<u>-</u>
Total	82,947	14,924
Contribution Receivables - Capital Campaign (Non-Exchange Transactions), Net of Discount and Allowance for Doubtful Pledges	<u>552,299</u>	<u>1,277,991</u>
Total	<u><u>\$ 635,246</u></u>	<u><u>\$ 1,292,915</u></u>

NOTE 6 RETIREMENT PLAN

PSH provides a 401(k) plan (Plan) for its full-time employees. PSH may make discretionary contributions which a total of \$22,311 was contributed to the Plan for the year ended June 30, 2022.

NOTE 7 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of unexpended contributions restricted for particular purposes or time periods. Net assets with donor restrictions are transferred to net assets without donor restrictions as expenditures are incurred for the restricted purpose or as time restrictions are met unless restrictions relate to capital projects. If the restriction is related to capital projects, the restrictions are released when the asset is placed into service.

Net assets with donor restrictions consist of the following at June 30:

	<u>2022</u>
Capital Campaign	\$ 4,938,284
Spay Station - Pierce County	1,585
Sanctuary	158,715
Spay Station - Snohomish County	18,067
Education and Training	4,185
Animal Cruelty Investigations & Rescue	18,246
Pet Services	15,000
Total	<u><u>\$ 5,154,082</u></u>

**PASADO'S SAFE HAVEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the year ended June 30:

	<u>2022</u>
Capital Campaign	\$ 408,153
Spay Station - Pierce County	376,086
Sanctuary	219,242
Spay Station - Snohomish County	102,623
Education and Training	3,979
Food Bank - Pierce County	3,411
Animal Cruelty Investigations & Rescue	9,214
Pet Services	28,663
Total	<u><u>\$ 1,151,371</u></u>

NOTE 8 NONCASH CONTRIBUTIONS

PSH received the following noncash contributions as of August 31:

	<u>2022</u>
Fuel	\$ 148
Animal Goods and Supplies	16,969
Auction Items	23,287
Animal Food	79,893
	<u><u>\$ 120,297</u></u>

All donated assets were utilized by PSH's programs and supporting services. There were no donor-imposed restrictions associated with the donated assets.

