

Pawsitivity Service Dogs
Financial Statements
December 2017 and 2016

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MHA Tax Group

Independent Accountant's Review Report

Board of Directors
Pawsitivity Service Dogs
197 Griggs St. N.
St. Paul, MN 55104

I have reviewed the accompanying financial statements of Pawsitivity Service Dogs, which comprise the Statement of Financial Position as of December 31, 2017 and the related Statements of Activity, Functional Expenses, and Cash Flows 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 company 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, I 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 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.

Accountant's Responsibility

My 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 me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with U.S. generally accepted accounting principles. I believe that the results of my procedures provide a reasonable basis for my conclusion.

Accountant's Conclusion

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with U.S. generally accepted accounting principles.

Stewart R. Custis, CPA

Stewart R. Custis, CPA
Goochland, VA
January 16, 2019

**Pawsitivity Service Dogs
Statement of Financial Position
For the Years Ended December 2017 and 2016**

Pawsitivity Service Dogs Statement of Financial Position as of 12/31/2017	Current Year				New	Prior Year	Note
	Total To Date	<i>Unrestricted</i>		<i>Restricted</i>			
		<i>Operations</i>	<i>Board Designated</i>				
ASSETS							
Current Assets	36,074	36,074	-	-		30,166	-
Fixed Assets	-	-	-	-		-	-
Long Term Assets	-	-	-	-			
TOTAL ASSETS	36,074	36,074	-	-		30,166	-
LIABILITIES							
Current Liabilities	-	-	-	-		-	-
Long Term Liabilities	-	-	-	-		-	-
TOTAL LIABILITIES	-	-	-	-		-	-
NET ASSETS							
Unrestricted							
Undesignated	36,074	36,074	-	-		30,166	-
Board Designated	-	-	-	-		-	-
Property, Plant & Equip.	-	-	-	-		-	-
Temporarily Restricted	-	-	-	-		-	-
Permanently Restricted	-	-	-	-		-	-
TOTAL NET ASSETS	-	-	-	-		-	-
TOTAL LIABILITIES & NET ASSETS	36,074	36,074	-	-		30,166	-

**Pawsitivity Service Dogs
Statements of Activity
For the Years Ended December 2017 and 2016**

Pawsitivity Service Dogs Statement of Activities 12/31/17	Prior Year Actual	Current Year to Date	Current Year Budget	% Budget to Date	Year End Forecast	Budget to YE Variance	Notes
Earned Revenue	0	0	0	0%	0	0	-
Contributed Revenue	101,349	126,601	100,000	127%	126,601	26,601	-
Released from Restriction	101,349	126,601	100,000	127%	126,601	26,601	-
Total Unrestricted Revenue	101,349	126,601	100,000	127%	126,601	26,601	-
Program Expense	85,449	98,823	80,000	124%	98,823	18,823	-
Development Expense	4,074	4,441	5,000	89%	4,441	-559	-
Admin Expense	11,716	18,553	15,000	124%	18,553	3,553	-
Total Operating Expense	101,239	121,817	100,000	122%	121,817	21,817	-
NET UNRESTRICTED INCOME	110	4,784	0		4,784	4,784	-
Restricted Contributions	-	-	-	-	-	-	-
Released to Unrestricted	-	-	-	-	-	-	-
NET RESTRICTED INCOME	-	-	-	-	-	-	-
NET ALL ACTIVITY	25,426	4,784	0		4,784	4,784	-
Contributions received		\$ 126,601					
Program Expenses - 81.12%	81.12%	\$ 98,823					
Management and General Expenses - 16.17%	15.23%	\$ 18,553					
Fundraising Expenses - 2.71%	3.65%	\$ 4,441					
Total Expenses		\$ 121,817					
Excess or Deficit		\$ 4,784					

**Pawsitivity Service Dogs
Statement of Functional Expenses
For the Year Ended December 31, 2017**

Pawsitivity Service Dogs, Statement of Fuctional Expenses, 12/31/17	Second half of training Dogs #1 & #2	Dog #3	First half of training Dogs #4 and #5	Admin	Fundraising	Set aside for assets	Total	Notes
Salaries and benefits	10,467	10,467	10,467	-	-	-	31,400	-
Benefits - health insurance	413	413	413		-	-	1,238	-
Payroll taxes	1,975	1,975	1,975		-	-	5,926	-
Fees for services - Management	-	-	-	757	-	-	757	-
Fees for services - Other	6,005	6,005	6,005		-	-	18,016	A
Advertising and promotion	-	-	-	5,767	1,140	-	6,907	-
Office Expenses	-	-	-	-	3,301	-	3,301	-
IT	-	-	-	5,855	-	-	5,855	-
Travel	850	850	850	-	-	-	2,551	-
Conferences (continuing education programs)	1,184	1,184	1,184				3,553	
Interest	-	-	-	0	-	-	0	-
Insurance	-	-	-	606	-	-	606	-
Nonprofit partners who provide services	1,110	1,110	1,110	-	-	-	3,331	B
Commissions and fees	-	-	-	962	-	-	962	-
Repairs and maintenance	-	-	-	4,606	-	-	4,606	-
Service Dog Expenses	10,936	10,936	10,936	-	-	-	32,808	-
Total	32,941	32,941	32,941	18,553	4,441	?	121,817	-
A - Includes hiring trainers to do board-and-train instruction of dogs.								
B - Includes rescuing dogs and transporting them to our organization.								

**Pawsitivity Service Dogs
Statement of Functional Expenses
For the Year Ended December 31, 2016**

Pawsitivity Service Dogs, Statement of Functional Expenses, 12/31/16	Second half of training Dogs #1 & #2	Dog #3	First half of training Dogs #3 and #4	Admin	Fundraising	Set aside for assets	Total	Notes
Salaries and benefits	10,467	10,467	10,467	-	-	-	31,400	-
Benefits - health insurance	400	400	400	-	-	-	1,200	-
Payroll taxes	3,736	3,736	3,736	-	-	-	11,209	-
Fees for services - Management	-	-	-	1,552	-	-	1,552	-
Fees for services - Other	1,236	1,236	1,236	-	-	-	3,709	A
Advertising and promotion	-	-	-	3,433	-	-	3,433	-
Office Expenses	-	-	-	-	4,074	-	4,074	-
IT	-	-	-	3,709	-	-	3,709	-
Travel	2,181	2,181	2,181	-	-	-	6,543	B
Conferences (continuing education programs)	553	553	553	-	-	-	1,659	-
Interest	-	-	-	159	-	-	159	-
Insurance	-	-	-	1,260	-	-	1,260	-
Nonprofit partners who provide services	1,241	1,241	1,241	-	-	-	3,723	C
Commissions and fees	-	-	-	1,303	-	-	1,303	-
Repairs and maintenance	-	-	-	300	-	-	300	-
Service Dog Expenses	8,669	8,669	8,669	-	-	-	26,006	-
Total	28,483	28,483	28,483	11,716	4,074	111	101,239	-
A - Includes boarding and training/boarding costs								
B - Includes travel to a training workshop where Pawsitivity staff trained rescue dogs.								
C - Includes rescuing dogs and transporting them to Minnesota.								

**Pawsitivity Service Dogs
Statement of Cash Flows
For the Year Ended December 2017 and 2016**

Pawsitivity Service Dogs, Statement of Cash Flows, 12/31/17 and 12/31/16	2017	2016
Cash flows from operating activities:		
Change in Net Assets	5,908	111
Adjustments to reconcile net income to net cash provided by operating activities	-	-
Depreciation	-	-
Total adjustments	-	-
Net cash provided (used) by operating activities	5,908	111
Cash flows from investing activities:		
Cash payments for the purchase of property	-	-
Net cash provided (used) by operating activities	-	-
Cash flows from financial activities:		
Net cash provided (used) by operating activities	-	-
	-	-
Net increase (decrease) in cash and equivalents	5,908	111
Cash and equivalents, beginning of year	30,166	30,055
Cash and equivalents, end of year	36,074	30,166