



AUDITED FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
DECEMBER 31, 2023**

ATLANTA WILD ANIMAL RESCUE EFFORT, INC.
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DECEMBER 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Atlanta Wild Animal Rescue Effort, Inc.
Stonecrest, Georgia

Opinion

We have audited the accompanying financial statements of Atlanta Wild Animal Rescue Effort, Inc., a nonprofit charitable organization, (the Organization), which comprise the statement of financial position as of December 31, 2023, 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 the Organization as of December 31, 2023, and the results of its operations 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 within one year after the date that the financial statements are available to be issued.

Auditor's 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 auditor's 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 audits.

Loblolly Solutions

October 30, 2024

ATLANTA WILD ANIMAL RESCUE EFFORT, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023

ASSETS

ASSETS

Cash and cash equivalents	\$ 1,573,645
Investments	<u>994</u>
Total assets	<u><u>\$ 1,574,639</u></u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued liabilities	<u>\$ 15,698</u>
Total liabilities	<u>15,698</u>

NET ASSETS

Without donor restrictions	808,941
With donor restrictions	<u>750,000</u>
Total net assets	<u>1,558,941</u>
Total liabilities and net assets	<u><u>\$ 1,574,639</u></u>

The accompanying notes to financial statements
are an integral part of this statement.

ATLANTA WILD ANIMAL RESCUE EFFORT, INC.
STATEMENT OF ACTIVITIES
DECEMBER 31, 2023

NET ASSETS WITHOUT DONOR RESTRICTIONS

REVENUES AND SUPPORT

Grants and contributions	\$ 329,537
Program revenues	16,954
Special events, net of \$11,485 of expenses	32,113
Investment income	<u>42,739</u>
 Total revenues and support	 <u>421,343</u>

EXPENSES

Program services	461,279
Supporting services	
Management and general	35,469
Membership development	<u>21,506</u>
 Total expenses	 <u>518,254</u>

CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(96,911)
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NET ASSETS WITH DONOR RESTRICTIONS

Grants and contributions	<u>750,000</u>
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CHANGE IN NET ASSETS	653,089
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NET ASSETS

Beginning of year	<u>905,852</u>
 End of year	 <u><u>\$ 1,558,941</u></u>

The accompanying notes to financial statements
are an integral part of this statement.

ATLANTA WILD ANIMAL RESCUE EFFORT, INC.
STATEMENT OF FUNCTIONAL EXPENSES
DECEMBER 31, 2023

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 291,451	\$ 21,700	\$ 9,300	\$ 322,451
Animal food, medicine and labs	73,930	-	-	73,930
Project expenses	41,876	-	-	41,876
Payroll taxes	22,775	1,696	727	25,198
Occupancy	18,737	-	-	18,737
Office expenses	-	-	10,276	10,276
Information technology	5,501	-	1,203	6,704
Insurance	-	6,320	-	6,320
Staff expenses	5,310	-	-	5,310
Accounting	-	5,000	-	5,000
Organizational expenses	517	753	-	1,270
Volunteer expenses	1,182	-	-	1,182
Total	<u>\$ 461,279</u>	<u>\$ 35,469</u>	<u>\$ 21,506</u>	<u>\$ 518,254</u>

The accompanying notes to financial statements
are an integral part of this statement.

ATLANTA WILD ANIMAL RESCUE EFFORT, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	<u>\$ 653,089</u>
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ADJUSTMENTS TO RECONCILE CHANGE IN NET
ASSETS TO NET CASH AND CASH EQUIVALENTS
USED IN OPERATING ACTIVITIES:

Net realized and unrealized gain on investments	(419)
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Capital campaign contributions	(750,000)
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Changes in:

Accounts payable and accrued liabilities	<u>4,252</u>
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Total adjustments	<u>(746,167)</u>
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Net cash and cash equivalents used in operating activities	<u>(93,078)</u>
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CASH FLOWS FROM FINANCING ACTIVITIES

Capital campaign contributions	<u>750,000</u>
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Net cash and cash equivalents provided by financing activities	<u>750,000</u>
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NET DECREASE IN CASH AND CASH EQUIVALENTS	656,922
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CASH AND CASH EQUIVALENTS, Beginning of year	<u>916,723</u>
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CASH AND CASH EQUIVALENTS, End of year	<u><u>\$ 1,573,645</u></u>
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The accompanying notes to financial statements
are an integral part of this statement.

ATLANTA WILD ANIMAL RESCUE EFFORT, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

1. ORGANIZATION

Atlanta Wild Animal Rescue Effort, Inc. (the "Organization") was organized to rehabilitate injured and orphaned native Georgia wild animals and educate the public about habitat peaceful coexistence with wildlife.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The accompanying financial statements have been prepared on the accrual basis in conformity with accounting principles generally accepted in the United States of America.

B. The Organization classifies net assets and revenues, expenses, gains and losses based on the existence or absence of donor-imposed restrictions. The Organization records contributions of cash and other assets as net assets without donor restrictions unless specifically restricted by the donor. All other restricted contributions are recorded as an increase in net assets with donor restrictions. When restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities and Net Assets as "net assets released from restrictions." Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations and are, therefore, available for the general operation of the Organization.

Net assets with donor restrictions - Net assets that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature; for example, restrictions that may or will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions may be perpetual in nature; for example, stipulating those resources be maintained in perpetuity. The donors of these assets generally permit the Organization to use all of the income earned on related investments for general or specific purposes. More specifically, items included in net assets with donor restrictions are contributions for which restrictions have not been met. At December 31, 2022 and for the year then ended, the Organization did not have any net assets with donor restrictions. At December 31, 2023, the Organization had \$750,000 of net assets with donor restrictions.

C. The Organization considers temporary cash investments with original maturities of less than one year to be cash equivalents. Cash equivalents include \$685,047 of certificates of deposits at December 31, 2023.

ATLANTA WILD ANIMAL RESCUE EFFORT, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

D. The Organization maintains its cash in financial institutions insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000 per financial institution. At times, the Organization's cash balances may be in excess of the federally insured limits. However, given the strength of the financial institution, management believes such excess deposits do not create significant loss exposure.

E. 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. Accordingly, actual results could differ from those estimates.

F. Investments in equity securities with readily determinable fair values are stated at fair value. The cost assigned to investments received by gift is the fair value at the date the gift is received. The realized and unrealized gains or losses on investments are reflected in the Statement of Activities.

G. Contributions, including unconditional promises to give, are recorded as revenue when the unconditional pledge is made. All contributions are available for unrestricted use unless specifically restricted by the donor.

H. The Organization records non-cash contributions at their estimated fair market value at the date of the contribution. During the year ended December 31, 2023, the Organization received \$12,000 of in-kind rent. Contributed services are recognized if the services received (a) create or enhance nonfinancial assets and (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. No amounts have been reflected for these types of donated services, as they do not meet the criteria for recognition.

I. The accompanying financial statements report certain categories of expenses that are attributable to one or more functions of the Organization, which are defined as program services, management and general and fundraising. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Salaries are allocated on the basis of estimates of time and effort. The remainder of the expenses are primarily allocated through a specific identification to the functional expense category due to the nature of the expense.

J. The Organization is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code. Any income that is unrelated to the Organization's exempt purpose is subject to taxation.

K. Subsequent events have been evaluated by management through October 30, 2024, the date these financial statements were available to be issued.

ATLANTA WILD ANIMAL RESCUE EFFORT, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

3. INVESTMENTS

U.S. generally accepted accounting principles establish a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Level 1 within the hierarchy states that valuations are based on unadjusted quoted market prices for identical assets or liabilities in active markets. Level 2 within the hierarchy states that valuations are based on quoted prices for similar assets in active markets, quoted prices for identical assets in inactive markets or other observable inputs other than quoted market prices. Level 3 within the hierarchy states that valuations are based on significant unobservable inputs. At December 31, 2023, the only assets measured at fair value on a recurring basis in periods subsequent to initial recognition are stocks, which are included in investments. Stocks are classified within Level 1 of the valuation hierarchy.

4. CONCENTRATIONS

The Organization does not have a history of significant concentrations of revenues and support prior to the year ended December 31, 2022. Since then, the Organization began a capital campaign for construction of a new center, and to that end received two gifts of unusual magnitude from two different donors. The first was in 2022 comprising approximately 60% of total revenue and support; the second was in 2023 comprising approximately 64% of total revenue and support. The Organization does not anticipate significant concentrations of revenue and support to persist after the capital campaign concludes.

5. LIQUIDITY

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Organization's financial assets for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of December 31, 2023, are as follows:

Cash	\$ 823,645
Investments	<u>994</u>
Financial assets available for general expenditure	<u>\$ 824,639</u>