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MINNESOTA HUMANE SOCIETY

FINANCIAL STATEMENTS

For the Years Ended
June 30, 1985 and 1984

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BOECKERMANN HEINEN & MAYER

C E R T I F I E D P U B L I C A C C O U N T A N T S

MINNESOTA HUMANE SOCIETY

FINANCIAL STATEMENTS

For the Years Ended
June 30, 1985 and 1984

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BOECKERMANN HEINEN & MAYER

C E R T I F I E D P U B L I C A C C O U N T A N T S

Board of Directors
Minnesota Humane Society
St. Paul, Minnesota

We have examined the balance sheets of the Minnesota Humane Society as of June 30, 1985 and 1984 and the related statements of revenues and expenses, changes in fund balances and changes in financial position for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of the Minnesota Humane Society, as of June 30, 1985 and 1984 and the results of its operations and the changes in its financial position for the years then ended in conformity with generally accepted accounting principles applied on a consistent basis.

Our examination was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Schedule of Functional Expenses on Page 8 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the examination of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



BOECKERMANN, HEINEN & MAYER
Certified Public Accountants

Minneapolis, Minnesota
August 22, 1985

MINNESOTA HUMANE SOCIETY
BALANCE SHEETS

June 30, 1985 and 1984

<u>ASSETS</u>	<u>1985</u>	<u>1984</u>
CURRENT		
Petty Cash	\$ 25	\$ 25
Cash in Bank (Exhibit C)	6,658	-
Restricted Cash (Note 2)	1,133	7,915
Money Market Fund	170	14,737
Bequest Receivable	-	23,070
Grant Receivable	16,252	15,636
Prepaid Expenses	440	-
	<u>24,678</u>	<u>61,383</u>
TOTAL CURRENT ASSETS	\$ 24,678	\$ 61,383
EQUIPMENT		
Net of Accumulated Depreciation (1985, \$9,730; 1984, \$5,772)	\$ 18,506	\$ 12,940
OTHER		
Donated Artwork	2,925	2,925
Investments (Note 3)	1,067	2,067
	<u>22,498</u>	<u>17,932</u>
TOTAL EQUIPMENT AND OTHER	\$ 22,498	\$ 17,932
TOTAL ASSETS	<u>\$ 47,176</u>	<u>\$ 79,315</u>

LIABILITIES AND FUND BALANCE

CURRENT		
Checks Written in Excess of Cash in Bank (Exhibit C)	\$ -	\$ 4,274
Accounts Payable	14,540	6,255
Payroll Taxes Payable	2,443	2,091
Accrued Payroll	-	328
Loan Payable	86	932
Deferred Revenues (Note 4)	-	21,900
	<u>17,069</u>	<u>35,780</u>
TOTAL CURRENT LIABILITIES	\$ 17,069	\$ 35,780
FUND BALANCE (Exhibit B)	<u>30,107</u>	<u>43,535</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 47,176</u>	<u>\$ 79,315</u>

See Accompanying Notes to the Financial Statements

MINNESOTA HUMANE SOCIETY
STATEMENTS OF REVENUES AND EXPENSES AND
CHANGES IN FUND BALANCES

For the Years Ended June 30, 1985 and 1984

	<u>1985</u>	<u>1984</u>
REVENUES		
State Appropriation	\$ 21,900	\$ 21,900
Contributions and Bequests	132,152	78,722
Memberships	-	12,321
Special Events	6,181	6,176
Interest and Dividends	2,386	4,438
Workshops	1,919	1,582
Foundation Grant	1,700	3,000
Grant - Share the Care	34,350	35,000
Miscellaneous	1,692	-
	<u>202,280</u>	<u>163,139</u>
TOTAL REVENUES	\$ 202,280	\$ 163,139
EXPENSES		
Salaries	\$ 93,623	\$ 79,475
Payroll Taxes	7,525	7,604
Special Events	5,546	9,205
Printing and Publications	10,005	11,213
Auto and Travel	5,701	4,652
Postage	4,656	5,886
Telephone and Utilities	5,889	5,507
Audit and Accounting	1,747	2,298
Supplies	6,647	5,285
Rent	6,900	6,900
County and Association Dues	472	155
Insurance	7,904	7,274
Investigation and Animal Care	1,075	20
Workshops	1,032	1,191
Convention	2,482	1,721
Repairs	2,468	1,353
Depreciation	3,958	2,104
Miscellaneous	1,671	340
Education	104	726
Legal and Consultant Fees	14,908	925
Curriculum Development	-	1,995
In-Service	-	6,015
Typist	-	1,785
Interest	703	326
Retirement Expenses	4,194	4,101
Development Fundraising	21,272	1,024
Library Books and Materials/Films	1,338	1,057
Board Meeting and Per Diem	2,862	2,870
Loss on Investments	1,026	-
	<u>215,708</u>	<u>173,007</u>
TOTAL EXPENSES	\$ 215,708	\$ 173,007

See Accompanying Notes to the Financial Statements

MINNESOTA HUMANE SOCIETY
STATEMENTS OF REVENUES AND EXPENSES AND
CHANGES IN FUND BALANCES

For the Years Ended June 30, 1985 and 1984

	<u>1985</u>	<u>1984</u>
EXCESS OF REVENUES OVER (UNDER) EXPENSES (Exhibit C)	\$ (13,428)	\$ (9,868)
FUND BALANCE, Beginning	43,535	54,061
PRIOR PERIOD ADJUSTMENT	<u>-</u>	<u>(658)</u>
FUND BALANCE, End (Exhibit A)	<u>\$ 30,107</u>	<u>\$ 43,535</u>

See Accompanying Notes to the Financial Statements

MINNESOTA HUMANE SOCIETY
STATEMENTS OF CHANGES IN FINANCIAL POSITION

For the Years Ended June 30, 1985 and 1984

	<u>1985</u>	<u>1984</u>
FUNDS PROVIDED BY:		
Items Not Requiring Cash Outlay:		
Depreciation	\$ 3,958	\$ 2,104
Decrease in Restricted Fund	6,782	-
Decrease in Money Market Fund	14,567	18,880
Decrease in Receivables	22,014	-
Decrease in Prepaid Expenses and Miscellaneous Receivables	-	136
Decrease in Investments	1,000	-
Increase in Current Liabilities	<u>-</u>	<u>30,049</u>
TOTAL FUNDS PROVIDED	<u>\$ 48,321</u>	<u>\$ 51,169</u>
FUNDS APPLIED TO		
Excess of Expenses Over Revenues (Exhibit B)	\$ 13,428	\$ 9,868
Purchase of Office Equipment	9,524	12,335
Decrease in Current Liabilities	14,437	28,433
Increase in Restricted Cash	-	826
Decrease Due to Prior Period Adjustments	<u>-</u>	<u>658</u>
TOTAL FUNDS APPLIED	<u>\$ 37,389</u>	<u>\$ 52,120</u>
INCREASE (DECREASE) IN CASH	\$ 10,932	\$ (951)
BEGINNING Cash or Checks Written in Excess of Cash in the Bank	<u>(4,274)</u>	<u>(3,323)</u>
ENDING Cash of Checks Written in Excess of Cash in the Bank (Exhibit A)	<u>\$ 6,658</u>	<u>\$ (4,274)</u>

See Accompanying Notes to the Financial Statements

MINNESOTA HUMANE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS

June 30, 1985 and 1984

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Minnesota Humane Society have been prepared on the accrual basis of accounting.

Office equipment purchased and owned by the Society is depreciated using the straight-line method over periods from four to eight years. Office furniture and equipment provided to the Society by the State of Minnesota are not carried in the Society's financial statements.

The Society records income from unrestricted grants in the period designated by the grantor. Grants restricted by grantor are deemed to be earned and are reported as revenues when expenditures are incurred in compliance with specific restrictions of the grant.

The Society has qualified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and accordingly, income taxes have not been recorded in the accompanying financial statements.

NOTE 2 RESTRICTED CASH

The Minnesota Humane Society has the following dedicated funds:

Lewis Fund - This fund is dedicated to be used exclusively for costs incurred for direct care of abused animals discovered during investigations conducted by the Society.

Harris Fund - This fund is dedicated to be used exclusively for the development and/or purchase of educational materials for children.

The balances in the funds were as follows:

	<u>June 30,</u> <u>1985</u>	<u>June 30,</u> <u>1984</u>
Lewis Fund	\$ 1,124	\$ 4,602
Harris Fund	<u>9</u>	<u>3,313</u>
TOTAL	<u>\$ 1,133</u>	<u>\$ 7,915</u>

MINNESOTA HUMANE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS

June 30, 1985 and 1984

NOTE 3 INVESTMENTS

Investments are presented in the financial statements at the lower of cost or market value. Investments contributed to the Society are recorded at their fair market value on the date of contribution.

NOTE 4 DEFERRED REVENUE

The Minnesota Humane Society receives appropriations from the State of Minnesota biannually. The appropriation is funding for two fiscal years. The funding received during the fiscal year ended June 30, 1984 for the fiscal year ended June 30, 1985 was deferred and recognized as revenue during the fiscal year ended June 30, 1985.

NOTE 5 CONTINGENCIES

The Society is a defendant in a lawsuit in which the plaintiff is seeking actual and punitive damages for deprivation of civil rights, trespass, conversion, destruction of business opportunity, malicious prosecution and slander. The plaintiff is seeking actual damages in excess of \$500,000 and punitive damages of \$500,000. The outcome of this lawsuit cannot be predicted.

MINNESOTA HUMANE SOCIETY
SCHEDULE OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 1985

EXPENSES	Adminis- tration	Investi- gations/ Legislation	Education	Members/ County Societies	Share the Care	Total Expenses
Salaries	\$ 24,578	\$ 22,654	\$ 10,150	\$ 15,900	\$ 20,341	\$ 93,623
Payroll Taxes	2,347	1,763	826	1,241	1,348	7,525
Special Events	186	-	545	4,815	-	5,546
Printing and Publications	3,847	928	21	2,675	2,534	10,005
Auto and Travel	1,090	3,448	197	825	141	5,701
Postage	848	1,388	174	1,438	808	4,656
Telephone and Utilities	1,062	2,039	509	1,589	690	5,889
Audit and Accounting	1,727	-	-	-	20	1,747
Supplies	2,925	49	499	1,282	1,892	6,647
Rent	2,967	1,080	874	783	1,196	6,900
County and Association Dues	336	45	-	91	-	472
Insurance	2,650	2,479	191	1,183	1,401	7,904
Investigation and Animal Care	152	281	2	573	67	1,075
Workshops	683	312	37	-	-	1,032
Convention	1,777	625	80	-	-	2,482
Repairs	1,813	27	40	15	573	2,468
Depreciation	3,958	-	-	-	-	3,958
Miscellaneous	1,666	-	-	5	-	1,671
Education	-	-	-	-	104	104
Legal and Consultant Fees	4,051	2,510	53	554	7,740	14,908
Interest	703	-	-	-	-	703
Retirement Expenses	1,383	1,013	414	709	675	4,194
Development Fundraising	17,600	-	521	3,151	-	21,272
Library Books & Materials/Films	-	184	613	300	241	1,338
Board Meeting and Per Diem	2,491	-	-	20	351	2,862
Loss on Investments	1,026	-	-	-	-	1,026
TOTAL EXPENSES	\$ 81,866	\$ 40,825	\$ 15,746	\$ 37,149	\$ 40,122	\$ 215,708

MINNESOTA HUMANE SOCIETY
SOCIETY COMMENTARY

June 30, 1985

BUSINESS ADDRESS

529 Jackson Street
St. Paul, Minnesota 55101

SOCIETY PURPOSE

Prevention of Cruelty to
Animals through Education,
Legislation, Investigation and
Enforcement

BOARD OF DIRECTORS AND OFFICERS

Barbara Raye, Executive Director
Ron Evans, Chair
Sharon Christison, Vice-Chair
Corey Gordon, Secretary/Treasurer
Norman Larson
Esther Udenberg
Susan Vaughan
Ex Officio
Loni Kawamure, Governor's Office
Neil Scott, Attorney General's
Office
Pat St. Martin, Department of
Education

AUTHORIZED DEPOSITORY

Northwestern National Bank of
St. Paul, Minnesota

LEGAL COUNSEL

Attorney General's Office
St. Paul, Minnesota

AUDITOR

Boeckermann, Heinen & Mayer
Certified Public Accountants
Minneapolis, Minnesota

