

**NOAH'S ARK ANIMAL
REHABILITATION CENTER
AND SANCTUARY, INC.**

FINANCIAL REPORT

APRIL 30, 2022

NOAH'S ARK ANIMAL REHABILITATION CENTER AND SANCTUARY, INC.

**FINANCIAL REPORT
APRIL 30, 2022**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Noah's Ark Animal Rehabilitation Center and Sanctuary, Inc.
Atlanta, Georgia

Opinion

We have audited the accompanying financial statements of **Noah's Ark Animal Rehabilitation Center and Sanctuary, Inc.** (a nonprofit organization), which comprise the statements of financial position as of April 30, 2022 and 2021, and the related statements of activities, functional expenses and cash flows for the years 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 **Noah's Ark Animal Rehabilitation Center and Sanctuary, Inc.** as of April 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United State of America.

Basis for Opinion

We conducted our audits 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 **Noah's Ark Animal Rehabilitation Center and Sanctuary, Inc.** and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 these 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 **Noah's Ark Animal Rehabilitation Center and Sanctuary, Inc.**'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 of 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 **Noah's Ark Animal Rehabilitation Center and Sanctuary, Inc.**'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 **Noah's Ark Animal Rehabilitation Center and Sanctuary, Inc.**'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.

Mauldin & Jenkins, LLC

Atlanta, Georgia
March 21, 2023

**NOAH'S ARK ANIMAL REHABILITATION
CENTER AND SANCTUARY, INC.
STATEMENTS OF FINANCIAL POSITION
APRIL 30, 2022 AND 2021**

ASSETS	2022	2021
Assets:		
Cash	\$ 361,930	\$ 302,883
Accounts receivable	17,123	20,821
Investments	151,508	151,435
Other assets	4,081	624
Property and equipment, net	1,884,897	2,025,202
Total assets	\$ 2,419,539	\$ 2,500,965
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	\$ 49,890	\$ 55,139
Accrued expenses	9,822	13,092
Notes payable	-	1,240
Total liabilities	59,712	69,471
Net assets:		
Without donor restrictions		
Undesignated	2,312,246	2,389,798
With donor restrictions		
Purpose restricted	47,581	41,696
Total net assets	2,359,827	2,431,494
Total liabilities and net assets	\$ 2,419,539	\$ 2,500,965

See Notes to Financial Statements.

**NOAH'S ARK ANIMAL REHABILITATION
CENTER AND SANCTUARY, INC.**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2022**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues, gains, and support:			
Contribution and grant revenue	\$ 1,555,124	\$ 15,026	\$ 1,570,150
Pet adoptions	2,775	-	2,775
Fundraising events revenue	12,858	-	12,858
In-kind donations	213,942	-	213,942
Rescue vet services	229,212	-	229,212
Gift shop sales	36,248	-	36,248
Other revenue	13,456	-	13,456
Net assets released from restrictions	9,141	(9,141)	-
Total revenues, gains and support	<u>2,072,756</u>	<u>5,885</u>	<u>2,078,641</u>
Loss on sale of fixed assets	<u>(8,777)</u>	<u>-</u>	<u>(8,777)</u>
Expenses:			
Program activities	1,697,228	-	1,697,228
Support activities			
General and administrative	337,986	-	337,986
Fundraising	106,317	-	106,317
Total expenses	<u>2,141,531</u>	<u>-</u>	<u>2,141,531</u>
Change in net assets	<u>(77,552)</u>	<u>5,885</u>	<u>(71,667)</u>
Net assets at beginning of year	<u>2,389,798</u>	<u>41,696</u>	<u>2,431,494</u>
Net assets at end of year	<u>\$ 2,312,246</u>	<u>\$ 47,581</u>	<u>\$ 2,359,827</u>

See Notes to Financial Statements.

**NOAH'S ARK ANIMAL REHABILITATION
CENTER AND SANCTUARY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2021**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues, gains, and support:			
Contribution and grant revenue	\$ 1,254,589	\$ 48,732	\$ 1,303,321
Forgiveness of PPP debt income	130,800	-	130,800
Pet adoptions	52,600	-	52,600
Fundraising events revenue	14,127	-	14,127
In-kind donations	363,168	-	363,168
Rescue vet services	267,977	-	267,977
Gift shop sales	21,689	-	21,689
Other revenue	26,281	-	26,281
Net assets released from restrictions	61,718	(61,718)	-
Total revenues, gains and support	<u>2,192,949</u>	<u>(12,986)</u>	<u>2,179,963</u>
Loss on sale of fixed assets	<u>(830)</u>	<u>-</u>	<u>(830)</u>
Expenses:			
Program activities	1,796,380	-	1,796,380
Support activities			
General and administrative	369,254	-	369,254
Fundraising	107,994	-	107,994
Total expenses	<u>2,273,628</u>	<u>-</u>	<u>2,273,628</u>
Change in net assets	<u>(81,509)</u>	<u>(12,986)</u>	<u>(94,495)</u>
Net assets at beginning of year	<u>2,471,307</u>	<u>54,682</u>	<u>2,525,989</u>
Net assets at end of year	<u>\$ 2,389,798</u>	<u>\$ 41,696</u>	<u>\$ 2,431,494</u>

See Notes to Financial Statements.

**NOAH'S ARK ANIMAL REHABILITATION
CENTER AND SANCTUARY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED APRIL 30, 2022**

	<u>Program Expenses</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 552,205	\$ 157,773	\$ 78,886	\$ 788,864
Employee benefits	66,340	18,954	9,477	94,771
Payroll taxes	39,026	11,150	5,575	55,751
Professional fees	-	88,749	-	88,749
Advertising and promotion	84,392	-	-	84,392
Office expenses	6,848	2,283	2,283	11,414
Technology expenses	8,761	2,920	2,920	14,601
Repairs and maintenance	118,943	-	-	118,943
Utilities	74,620	13,168	-	87,788
Property taxes	3,532	623	-	4,155
Travel	372	-	-	372
Conferences and meetings	1,121	140	140	1,401
Interest expense	-	126	-	126
Depreciation expense	163,980	28,938	-	192,918
Insurance	53,372	9,419	-	62,791
Fundraising event expenses	-	-	797	797
Automobile expenses	47,475	-	-	47,475
Animal feed	195,224	-	-	195,224
Vet care	169,337	-	-	169,337
Supplies	83,708	-	-	83,708
Visitor center expense	10,317	-	-	10,317
Rehabilitation expense	2,680	-	-	2,680
Other expenses	14,975	3,743	6,239	24,957
Total expenses	<u>\$ 1,697,228</u>	<u>\$ 337,986</u>	<u>\$ 106,317</u>	<u>\$ 2,141,531</u>

See Notes to Financial Statements.

**NOAH'S ARK ANIMAL REHABILITATION
CENTER AND SANCTUARY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED APRIL 30, 2021**

	<u>Program Expenses</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 513,630	\$ 148,180	\$ 74,090	\$ 735,900
Employee benefits	82,459	23,560	11,780	117,799
Payroll taxes	33,405	9,544	4,772	47,721
Professional fees	-	115,419	-	115,419
Advertising and promotion	84,684	-	-	84,684
Office expenses	18,192	6,064	6,064	30,320
Technology expenses	10,921	3,641	3,641	18,203
Repairs and maintenance	155,085	-	-	155,085
Utilities	85,061	15,011	-	100,072
Property taxes	2,692	475	-	3,167
Conferences and meetings	2,111	264	264	2,639
Depreciation expense	174,067	30,718	-	204,785
Insurance	67,706	11,948	-	79,654
Automobile expenses	42,299	-	-	42,299
Animal feed	190,196	-	-	190,196
Vet care	171,222	-	-	171,222
Supplies	132,579	-	-	132,579
Visitor Center expense	2,390	-	-	2,390
Rehabilitation expense	9,961	-	-	9,961
Other expenses	17,720	4,430	7,383	29,533
Total expenses	<u>\$ 1,796,380</u>	<u>\$ 369,254</u>	<u>\$ 107,994</u>	<u>\$ 2,273,628</u>

See Notes to Financial Statements.

**NOAH'S ARK ANIMAL REHABILITATION
CENTER AND SANCTUARY, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED APRIL 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Decrease in net assets	\$ (71,667)	\$ (94,495)
Adjustments to reconcile (decrease) in net assets to net cash provided by operating activities:		
Depreciation	192,918	204,785
Loss on disposal of fixed assets	8,777	830
Changes in assets and liabilities		
Decrease in accounts receivable	3,698	6,055
Increase in other assets	(3,457)	(584)
(Decrease) increase in accounts payable	(5,249)	22,532
(Decrease) increase in accrued expenses	(3,270)	3,725
Net cash provided by operating activities	<u>121,750</u>	<u>142,848</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(73)	(83)
Acquisition of property and equipment	<u>(61,390)</u>	<u>(126,549)</u>
Net cash used in investing activities	<u>(61,463)</u>	<u>(126,632)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on long-term debt	<u>(1,240)</u>	<u>(14,010)</u>
Net cash used in financing activities	<u>(1,240)</u>	<u>(14,010)</u>
Net increase in cash	59,047	2,206
Cash, beginning of year	<u>302,883</u>	<u>300,677</u>
Cash, end of year	<u>\$ 361,930</u>	<u>\$ 302,883</u>
SUPPLEMENTAL DISCLOSURE OF ADDITIONAL CASH FLOW INFORMATION		
Cash paid for interest	<u>\$ 126</u>	<u>\$ 275</u>

See Notes to Financial Statements.

NOAH'S ARK ANIMAL REHABILITATION CENTER AND SANCTUARY, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION

History

Founded in 1979, the original Noah's Ark planted roots in Ellenwood, Georgia. In 1990 with an increase in the number of animals in need of help, Noah's Ark outgrew its small Ellenwood farm, received its official nonprofit status with the IRS, and relocated to the current location in Locust Grove.

Noah's Ark Animal Sanctuary and Wildlife Rehabilitation Center (the "Organization") is a 501(c)(3) non-profit educational sanctuary for abused, unwanted and orphaned exotic animals, livestock, companion animals and Native Georgia wildlife. Noah's Ark provides treatment, care, safety, and a forever home for abused, neglected and unwanted exotic and domestic animals. Housed on 250 acres of land, these animals are provided with compassionate care, medical treatment, nutrition, and custom habitats to meet each and every animal's specific need. To date, Noah's Ark has over 1,100 exotic and domestic animals and over 100 different species.

Noah's Ark includes a veterinary hospital, animal rehabilitation center for native wildlife, training and administration buildings, free flight aviaries, paved walking trails, and countless natural habitats. Our large naturalized habitat enclosures provide ample room for our largest animals to roam, play, and live in peace. A playground and picnic area provide a beautiful setting for families and other groups to enjoy the Sanctuary and surroundings.

Mission

Noah's Ark is an educational animal sanctuary and rehabilitation center dedicated to bringing children and animals together with the purpose of providing unconditional love, unconditional service, and a future full of hope. Noah's Ark has roughly 1,500 animals from over 100 different species, including exotic animals, domestic animals and native Georgia wildlife.

The Organization's mission is threefold:

- To provide a home for injured, abused, and orphaned animals.
- To provide awareness through rehab/education programs that emphasize all living things have value no matter how small or seemingly insignificant. When we as a society can recognize this fact, we will begin to win the battles for conservation and preservation.
- To provide unconditional love and care for animals who have special needs in their lives whether mental, physical, or emotional.

The care of wildlife can be a lengthy and complex process depending on the species and the extent of injuries. If injuries are so debilitating that the animal cannot be released, it will stay at Noah's Ark for the remainder of its life in as natural of a habitat as possible.

Services/Programs include:

Animal Care Program:

The majority of exotic animals surrendered to the sanctuary were either confiscated by law enforcement from individuals illegally owning them, rescued from deplorable conditions, living as stray animals, or were unwanted zoo or private breeder "surplus" animals.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION (Continued)

Mission (Continued)

Animal Care Program (Continued):

Most domestic livestock (including but not limited to horses, cow, llama, pig, bison, goat and sheep) and companion animals, including dogs and cats, were brought to Noah's Ark by Animal Control agencies or surrendered by owners who could no longer care for them. After receiving necessary veterinary care and behavioral training and evaluations, most dogs and cats can be adopted to forever homes by way of the Organization's Pet Adoption Program. Animals that would not make suitable pets live out their lives as members of the Noah's Ark family.

Numerous species of native Georgia wildlife (including but not limited to white tailed deer, opossum, rabbit, songbirds, squirrel and armadillo) are brought to Noah's Ark as abandoned babies or injured adults. Every effort is made to rehabilitate the animal in hopes for eventual release, however those who cannot return to the wild are housed permanently at Noah's Ark.

Noah's Ark works with numerous credible animal rescue facilities and in the event an animal is unable to be accepted to the sanctuary, resources are provided in hopes of assisting that animal to find a forever home.

Education and Advocacy Program:

Free of charge, each month thousands of children on field trips spend the day at Noah's Ark, learning about responsible animal ownership as well as the story of each rescued wild animal and why that particular animal is in need of a sanctuary. Children are encouraged to get involved in the community service program and find ways to volunteer their time which provides an opportunity to apply academic learning to real life needs.

More than 100,000 people visit Noah's Ark annually to experience beautiful rescued animals thriving in habitats that mimic their natural environments, as well as learn what threatens each species both in the wild and in captivity, and what they can do to help.

Noah's Ark also develops, publishes and distributes materials concerning the rescue, care and treatment of exotic, domestic/companion, and native wild animals for the prevention of animal cruelty.

Basis of presentation

The Organization prepares its financial statements in accordance with accounting principles generally accepted in the United States of America. This basis of accounting involves the application of accrual accounting; consequently, revenues are recognized when earned, and expenses are recognized when incurred.

Cash and cash equivalents

For financial statement purposes, the Organization considers all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents. At April 30, 2022 and 2021, there were no cash equivalents.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Property and equipment

Property and equipment are carried at cost, or if donated, at the fair market value on the date the asset is donated. Depreciation is computed over the estimated useful lives of the assets (5 to 40 years) using the straight-line method. Repairs and maintenance are charged to operations when incurred. Betterments and renewals in excess of \$1,000 are capitalized. When property and equipment is sold or otherwise disposed of, the asset account and related accumulated depreciation are removed, and any gain or loss is included in operations.

Investments

Investments consist of equity securities and are carried at fair value. Donated investments are recorded at fair value on the date received. Realized and unrealized gains and losses on the portfolio are recognized as income or loss.

Investment securities are exposed to various risks, such as interest rate risk, market risk, and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect the amounts reported in the accompanying financial statements.

Net assets

The Organization presents its financial statements in accordance with the Financial Accounting Standards Board (FASB)'s *Financial Statements for Not-For-Profit Organizations*. Under this guidance, the Organization is required to report information regarding its financial position and activities according to two categories of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions are not subject to donor-imposed restrictions which are used to account for resources available to carry out the purposes of the Organization in accordance with the limitations of its bylaws. Net assets with donor restrictions are subject to donor-imposed restrictions that may be perpetual in nature or met with by the actions of the Organization or the passage of time. As of April 30, 2022 and 2021, the Organization had no net assets with donor restrictions that are perpetual in nature.

Revenue Recognition

A majority of all revenues are derived from contributions and grants. Contributions received are recognized as revenues in the period pledged at their estimated fair value.

The Organization recognizes rescue vet services and gift shop sales in accordance with FASB ASC Topic 606. Both types of sales revenue are recognized at a point in time, which is at the point of sale at the Organization location. The adoption of ASU 2014-09 did not have an impact on the timing of the revenue recognition of rescue vet services and gift shop sales.

Donated goods and services

Contributed goods and services are recognized if they create or enhance nonfinancial assets or if they require specialized skills and would typically be purchased if not provided by donation. Contributed goods and services are reflected as contributions at fair value at the date of donation and are reported as unrestricted support unless specific donor stipulations specify how donated assets must be used.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

The Organization prepares its financial statements in accordance with accounting principles generally accepted in the United States of America which require management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements, as well as the amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Functional allocation of expenses

The cost of providing various programs and other activities has been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include occupancy and depreciation, which are allocated on a square footage basis, as well as personnel costs, professional services, office expenses, information technology, insurance, and other, which are allocated on the basis of estimates of time and effort.

Fair value presentation

As defined by FASB, fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. In determining fair value, Noah's Ark uses various methods including market, income, and cost approaches. Based on these approaches, Noah's Ark often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and/or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. Noah's Ark utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques, Noah's Ark is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values.

Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1 - Valuations for assets and liabilities traded in active markets, such as the New York Stock Exchange. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 - Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 - Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

For the fiscal years ended April 30, 2022 and 2021, the application of valuation techniques applied to similar assets and liabilities has been consistent. The fair value of investment securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers. If listed prices or quotes are not available, fair value is based upon externally developed models that use unobservable inputs due to the limited market activity of the instrument.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income taxes

Noah's Ark is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, the Organization is not required to pay federal taxes on income, and contributions to the Organization qualify for the charitable contributions deduction to the extent provided by Section 170 of the Internal Revenue Code.

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires the Organization to report information regarding its exposure to various tax positions taken by the Organization. Management believes that the Organization has adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities. Management is not aware of any circumstances or transactions that would jeopardize its tax exempt status.

All tax exempt entities are subject to review and audit by federal, state and other applicable agencies. Such agencies may review the taxability of unrelated business income, or the qualification of the tax-exempt entity under the Internal Revenue Code and applicable state statutes.

Recent accounting pronouncements

In September 2020, FASB issued Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, to improve transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure. The new standard requires that contributed nonfinancial assets are presented separately in the statement of activities. New disclosures are also required to disaggregate contributed nonfinancial assets by category type and other qualitative information about utilization, policies, and valuation techniques. For the year ending April 30, 2022, the Organization adopted ASU 2020-07 and has adjusted the presentation in these financial statements accordingly. This adjustment did not have an effect on total net assets or the change in total net assets for 2022 or 2021.

NOTE 3. CONCENTRATIONS OF RISK

For the years ended April 30, 2022 and 2021, contributions from a major contributor accounted for approximately 29% of the total contributions to the Organization.

NOTE 4. LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position as of April 30, 2022 and 2021, comprise the following:

	2022	2021
Cash and cash equivalents (without donor restrictions)	\$ 314,349	\$ 261,187
Accounts receivable	17,123	20,821
Investments	151,508	151,435
	<u>\$ 482,980</u>	<u>\$ 433,443</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. OTHER ASSETS

Other assets consists of materials and supplies, either purchased or donated, and are valued at the lower of cost or market. Cost is determined using the first-in, first-out method. Therefore, ending other assets at April 30, 2022 and 2021 is valued at the most recent price.

The other asset balances are as follows at April 30:

	2022	2021
Gift shop merchandise	\$ 4,081	\$ 624

NOTE 6. INVESTMENTS

The following table sets forth by level, within the fair value hierarchy described in Note 2, the Organization's assets at fair value as of April 30, 2022:

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Institutional Government	\$ 151,508	\$ -	\$ -	\$ 151,508
Total investments at fair value	\$ 151,508	\$ -	\$ -	\$ 151,508

The following table sets forth by level, within the fair value hierarchy described in Note 2, the Organization's assets at fair value as of April 30, 2021:

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Institutional Government	\$ 151,435	\$ -	\$ -	\$ 151,435
Total investments at fair value	\$ 151,435	\$ -	\$ -	\$ 151,435

NOTE 7. PROPERTY AND EQUIPMENT

Property and equipment, net, is comprised of the following as of April 30, 2022 and 2021:

	2022	2021
Land	\$ 468,601	\$ 468,601
Building, improvements and habitats	5,103,150	5,081,597
Furniture and fixtures	130,979	136,951
Machinery and equipment	350,155	382,178
Automotive equipment	240,820	245,795
	6,293,705	6,315,122
Less: accumulated depreciation	(4,408,808)	(4,289,920)
Property and equipment, net	\$ 1,884,897	\$ 2,025,202

Depreciation expense was \$192,918 and \$204,785 for the years ended April 30, 2022 and 2021, respectively.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. ANIMAL COLLECTIONS

The Financial Accounting Standards Board codification defines collections as works of art, historical treasures, or similar assets that meet all of the following criteria:

- They are held for public exhibition, education, or research in furtherance of public service rather than financial gain.
- They are protected, kept unencumbered, cared for, and preserved.
- They are subject to an organizational policy that requires the proceeds of items that are sold to be used to acquire other items for collections.

Animals held by the Animal Sanctuary meet this definition. The Animal Sanctuary's animal collection is not capitalized. In accordance with industry practice, there is no objective basis for establishing value. Additionally, the animal collection has numerous attributes, including species, age, sex, relationship and value to other animals and endangered status, whereby it is impractical to assign value.

NOTE 9. NOTE PAYABLE

In April 2016, Noah's Ark incurred a note payable in the amount of \$66,436 at an interest rate of 2.9% for the purchase of a new Holland skid steer loader. Principal and interest are payable by the Organization in monthly installments of \$1,107 for a term of 60 months ending June 2021. The note payable was paid off during the year ending April 30, 2022.

NOTE 10. NET ASSETS WITH DONOR RESTRICTIONS

At April 30, 2022 and 2021, net assets with donor restrictions were available for the following donor restricted purposes:

	2022	2021
Help Horses	\$ 577	\$ -
Track software	11,375	11,375
The Golden Years fund	35,629	30,321
	<u>\$ 47,581</u>	<u>\$ 41,696</u>

Net assets with donor restrictions as of April 30, 2022 and 2021 consisted of cash.

NOTE 11. RELEASES FROM NET ASSETS WITH DONOR RESTRICTIONS

Net assets released from donor restrictions (by incurring expenses satisfying the restricted purpose specified by donors) for the years ended April 30, 2022 and 2021 were as follows:

	2022	2021
Macaw Aviary	\$ -	\$ 22,902
Dog Rescue	-	35,966
The Golden Years fund	9,141	2,850
	<u>\$ 9,141</u>	<u>\$ 61,718</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 12. IN-KIND CONTRIBUTIONS

For the years ended April 30, 2022 and 2021, contributed nonfinancial assets recognized within the statement of activities included:

Type	2022	2021	Usage
Salaries	\$ 60,000	\$ 120,000	General operations
Animal feed	111,730	234,209	General operations
Vet care	35,315	8,359	General operations
Automobile expenses	1,222	-	General operations
Rehabilitation expense	229	-	General operations
Visitor center expense	250	600	General operations
Advertising and promotion	105	-	General operations
Repairs	5,071	-	General operations
	<u>\$ 213,842</u>	<u>\$ 363,168</u>	

The Organization recognized contributed nonfinancial assets within revenue, including contributed salaries, animal feed, vet care, automobile expenses, rehabilitation expense, visitor center expense, advertising and promotion, and repairs.

Contributed salaries, animal feed, vet care, automobile expenses, rehabilitation expense, visitor center expense, advertising and promotion, and repairs items were valued using estimated average prices of identical or similar products or services using pricing data of similar products or services under a 'like-kind' methodology, considering the utility of the services and goods at the time of the contribution.

NOTE 13. EFFECTS OF COVID-19

On March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act commonly referred to as the CARES Act. One component of the CARES Act was the paycheck protection program ("PPP") which provides small businesses with the resources needed to maintain their payroll and cover applicable overhead. The PPP is implemented by the Small Business Administration ("SBA") with support from the Department of Treasury. The PPP provides funds to pay up to 24 weeks of payroll costs including benefits. Funds can also be used to pay interest on mortgages, rent, and utilities. Noah's Ark applied for and was accepted to participate in this program. On May 14, 2020, Noah's Ark received funding for \$130,800.

The loan was a 2 year loan with a maturity date of May 11, 2022. The loan bore an annual interest rate of 1%. Monthly payments of \$7,361 were made with the first six monthly payments deferred. The entire loan proceeds of \$130,800 was forgiven on January 31, 2021. Since Noah's Ark spent all of the funds on eligible expenses during the period May 2020 to July 2020, the PPP loan has been recognized as grant revenue.

NOTE 14. SUBSEQUENT EVENTS

Management has evaluated events through March 21, 2023, the date on which the financial statements were available to be issued.