

**Pawsitivity Service Dogs**  
**Financial Statements**  
**December 2021 and 2020**

## Table of Contents

<i>Independent Auditor's Review Report.....</i>	<i>3</i>
<i>Statement of Financial Position.....</i>	<i>4</i>
<i>Statements of Activity.....</i>	<i>5</i>
<i>Statement of Functional Expenses.....</i>	<i>6</i>

# 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, 2021 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 31, 2022

**Pawsitivity Service Dogs  
Statement of Financial Position  
For the Years Ended December 2021 and 2020**

Pawsitivity Service Dogs Statement of Financial Position as of 12/31/2021	Current Year					End of Prior Year	Note
		Unrestricted					
	Total		Board				
	To Date	Operations	Designated	Restricted			
ASSETS							-
Current Assets	110,228	-	-	-	-	51,489	-
Fixed Assets	-	-	-	-	-	-	-
Long Term Assets	-	-	-	-	-	-	-
TOTAL ASSETS	110,228		-			51,489	-
LIABILITIES							-
Current Liabilities	-	-	-	-	-	-	-
Long Term Liabilities	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-	-
NET ASSETS							-
Unrestricted							
Undesignated	105,228	-	-	-	-	51,489	-
Donor designated	5,000	-	-	-	-	-	A
Board Designated	-	-	-	-	-	-	-
Property, Plant & Equip.	-	-	-	-	-	-	-
Temporarily Restricted	-	-	-	-	-	-	-
Permanently Restricted	-	-	-	-	-	-	-
TOTAL NET ASSETS	-	-	-	-	-	-	-
TOTAL LIABILITIES & NET ASSETS	110,228	-	-	-	-	51,489	-

A - In 2021, Pawsitivity received a recurring donor-designated donation of \$5,000 from the JA Wedum Foundation, designated for training a service dog for a veteran.

Pawsitivity Service Dogs Statement of Financial Position as of 12/31/2020	Current Year				New	End of Prior Year	Note
	Total To Date	Unrestricted		Restricted			
		Operations	Board				
			Designated				
ASSETS							
Current Assets	51,489	51,489	-	-	-	50,357	-
Fixed Assets			-	-	-	-	-
Long Term Assets	-	-	-	-	-	-	-
TOTAL ASSETS	51,489	51,489	-	0		50,357	-
LIABILITIES	-	-	-	-	-	-	-
Current Liabilities	-	-	-	-	-	-	-
Long Term Liabilities	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-	-
NET ASSETS	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Undesignated	51,489	51,489	-	-	-	50,357	-
Donor designated	-	-	-	-	-	-	-
Board Designated	-	-	-	-	-	-	-
Property, Plant & Equip.	-	-	-	-	-	-	-
Temporarily Restricted	-	-	-	-	-	-	-
Permanently Restricted	-	-	-	-	-	-	-
TOTAL NET ASSETS	-	-	-	-	-	-	-
TOTAL LIABILITIES & NET ASSETS	51,489	51,489	-	0	0	50,357	-

A - Pawsitivity received five donor-designated donations in 2020, totaling \$50,987:

A1 - A one-time gift of \$20,750 from the family of a previous Pawsitivity service dog recipient, designated for training a service dog in memory of their son.

A2 - A one-time gift of \$20,000 from the Robert and Helen Renwick Charitable Foundation Trust, designated for training a service dog for a veteran (in memory of their daughter).

A3 - A recurring \$5,000 gift from the JA Wedum Foundation, designated for training a service dog for a veteran.

A4 - At the beginning of the year, we held a special fundraiser dedicated to helping wildlife affected by the Australian wildfires. Pawsitivity raised \$4,737, and Pawsitivity donated 100% of these gifts to AWARE Australia, the World Wildlife Fund, Wildlife Victoria, and the World Wide Fund For Nature - Australia.

A5 - This year, we held two fundraisers to benefit Black veterans with service dogs. Pawsitivity raised \$900, and Pawsitivity donated 100% of these gifts to Ray Nichols, a Black disabled U.S. military veteran who is a Certified Master Dog Trainer from the Catch Canine Dog Training Academy, to head our new Black Veterans service dog program. The program is dedicated to training service dogs for a traditionally underserved population, Black U.S. military veterans who are disabled.

**Pawsitivity Service Dogs  
Statements of Activity  
For the Years Ended December 2021 and 2020**

<b>Pawsitivity Service Dogs Statement of Activities 12/31/21</b>	<b>Prior Year Actual</b>	<b>Current Year to Date</b>	<b>Current Year Budget</b>	<b>% Budget to Date</b>	<b>Year End Forecast</b>	<b>Budget to YE Variance</b>	<b>Notes</b>
Earned Revenue	0	0	0	0%	0	0	-
Contributed Revenue	134,829	156,291	134,829	116%	156,291	21,462	-
<b>Total Revenue</b>	134,829	156,291	134,829	116%	156,291	21,462	-
Program Expenses	57,189	81,159	57,189	142%	81,159	23,970	1
Development Expenses	3,623	7,652	3,623	211%	7,652	4,029	-
Admin Expenses	5,050	8,741	5,050	173%	8,741	3,691	-
<b>Total Operating Expense</b>	65,862	97,552	65,862	148%	97,552	31,690	-
<b>NET INCOME</b>	68,504	58,739	68,967	85%	58,739	9,765	-
NET ALL ACTIVITY	68,504	58,739	68,967	85%	58,739	9,765	-
1 - Because of Daniel Maltz's generous 2020 donation which was given to "support the training of service dogs or to provide financial assistance for individuals who lack the funds to acquire a service dog," Pawsitivity chose to train two service dogs and one classroom therapy dog free of charge in 2021.							

<b>Pawsitivity Service Dogs Statement of Activities 12/31/20</b>	<b>Prior Year Actual</b>	<b>Current Year to Date</b>	<b>Current Year Budget</b>	<b>% Budget to Date</b>	<b>Year End Forecast</b>	<b>Budget to YE Variance</b>	<b>Notes</b>
Earned Revenue	-	-	-	0%	-	-	-
Contributed Revenue	134,829	123,111	151,611	81%	151,611	-28,500	-
<b>Total Revenue</b>	134,829	123,111	151,611	81%	123,111	-28,500	-
Program Expense	57,189	104,107	111,384	93%	104,107	-	A
Development Expense	3,623	7,810	4,251	184%	7,810	-	-
Admin Expense	5,050	10,433	15,785	66%	10,433	-	-
<b>Total Operating Expense</b>	65,862	122,350	131,420	93%	122,350	-9,070	-
<b>NET INCOME</b>	68,504	761	20,191	4%	761	-19,430	-
NET ALL ACTIVITY	68,504	761	20,191	4%	761	-19,430	-
A - Because of Daniel Maltz's generous 2019 donation which was given to "support the training of service dogs or to provide financial assistance for individuals who lack the funds to acquire a service dog," Pawsitivity chose to train three service dogs free of charge in 2020.							

**Pawsitivity Service Dogs**  
**Statement of Functional Expenses**  
**For the Year Ended December 31, 2021 and 2020**

Pawsitivity Service Dogs, Statement of Functional Expenses, 12/31/2021	Training Dogs #1-3 (see note 1)	Continuing the raising and training of Dogs #4-7 (see note 2)	Admin	Fundraising	Set aside for assets	Total	Notes
Salaries and benefits	7,850	23,550	-	-	-	31,400	-
Benefits - health insurance	182	546	-	-	-	728	-
Payroll taxes	601	1,802	-	-	-	2,402	-
Fees for services - Management	-	-	13	-	-	13	-
Fees for services - Other	610	1,831	-	-	-	2,441	-
Advertising and promotion	-	-	1,598	3,730	-	5,328	-
Office Expenses	-	-	-	1,267	-	1,267	-
IT	-	-	2,655	2,655	-	5,310	-
Travel	776	2,329	-	-	-	3,105	-
Conferences (continuing education programs)	935	2,805	-	-	-	3,740	-
Interest	-	-	-	-	-	0	-
Insurance	-	-	740	-	-	740	-
Nonprofit partners who provide services	990	2,969	-	-	-	3,958	-
Commissions and fees	-	-	331	-	-	331	-
Repairs and maintenance	-	-	3,404	-	-	3,404	-
Service Dog Expenses	8,346	25,039	-	-	-	33,385	A
<b>Total</b>	<b>20,290</b>	<b>60,869</b>	<b>8,741</b>	<b>7,652</b>	<b>-</b>	<b>97,552</b>	<b>-</b>
1 - This year, we worked with three adult clients who owned their own dogs; we worked with two of them to train their dogs to become service dogs and one to be a classroom therapy dog. This procedure freed up physical space at Pawsitivity for the four dogs that we are raising and training from puppies.							
2 - We usually work with rescue dogs, but we are currently working on raising and training four Golden Retrievers from puppies, who are now various ages. Due to the Covid epidemic, during which so many people adopted shelter dogs that available rescue dogs were often in short supply, we pivoted in our approach, which is part of the reason we are currently working with puppies.							
A - Includes \$1,000 to support a disabled veteran who needed veterinary care for his service dog.							

Pawsitivity Service Dogs, Statement of Functional Expenses, 12/31/2020	Training Dogs #1, #2, and #3, plus 3 puppies	Admin	Fundraising	Set aside for assets	Total	Notes
Salaries and benefits	31,400	-	-	-	31,400	-
Benefits - health insurance	1,609	-	-	-	1,609	-
Payroll taxes	3,790	-	-	-	3,790	-
Fees for services - Management	-	308	-	-	308	-
Fees for services - Other	4,618	-	-	-	4,618	-
Advertising and promotion	-	2,016	4,703	-	6,719	-
Office Expenses	-	-	3,107	-	3,107	-
IT	-	4,381	-	-	4,381	-
Travel	4,842	-	-	-	4,842	-
Conferences (continuing education programs)	3,390	-	-	-	3,390	A
Interest	-	-	-	-	0	-
Insurance	-	1,126	-	-	1,126	-
Nonprofit partners who provide services	7,277	-	-	-	7,277	-
Commissions and fees	-	716	-	-	716	-
Repairs and maintenance	-	1,886	-	-	1,886	-
Service Dog Expenses	47,181	-	-	-	47,181	-
<b>Total</b>	<b>104,107</b>	<b>10,433</b>	<b>7,810</b>	<b>-</b>	<b>122,350</b>	<b>-</b>
A - Includes conference on Animal Assisted Play Therapy, which has been postponed to 2021 due to the COVID-19 epidemic.						