



FINANCIAL STATEMENTS

April 30, 2022 and 2021

CONTENTS

Independent Auditor's Report	1
Statements of Financial Position.....	3
Statements of Activities.....	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Guardian Angels Medical Service Dogs, Inc.
Williston, Florida

Opinion

We have audited the financial statements of Guardian Angels Medical Service Dogs, Inc., 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 accompanying financial statements present fairly, in all material respects, the financial position of Guardian Angels Medical Service Dogs, 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 States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Guardian Angels Medical Service Dogs, 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 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 Guardian Angels Medical Service Dogs, 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 GAAS 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 GAAS, 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 Guardian Angels Medical Service Dogs, 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 Guardian Angels Medical Service Dogs, 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.



Wegner CPAs, LLP
Madison, Wisconsin
August 23, 2022

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
STATEMENTS OF FINANCIAL POSITION
April 30, 2022 and 2021

	2022	2021
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,894,915	\$ 954,986
Promises to give	1,099,000	1,226,000
Prepaid expenses	30,792	22,857
Total current assets	3,024,707	2,203,843
PROPERTY AND EQUIPMENT, NET	2,196,449	2,170,782
OTHER ASSETS		
Beneficial interest in assets held by CFOMC	68,337	72,740
Total assets	\$ 5,289,493	\$ 4,447,365
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	\$ 82,932	\$ 77,683
Accrued payroll	67,257	54,935
Paycheck Protection Program loan	-	259,062
Current portion of long-term debt		
Mortgages payable	145,906	126,889
Economic Injury Disaster Loan Program loan	5,049	-
Total current liabilities	301,144	518,569
LONG-TERM LIABILITIES		
Long-term debt, net of current portion		
Mortgages payable	680,545	817,109
Economic Injury Disaster Loan Program loan	1,994,951	500,000
Total long-term liabilities	2,675,496	1,317,109
Total liabilities	2,976,640	1,835,678
NET ASSETS		
Without donor restrictions		
Undesignated	921,835	1,312,947
Board designated	68,337	72,740
Total without donor restrictions	990,172	1,385,687
With donor restrictions	1,322,681	1,226,000
Total net assets	2,312,853	2,611,687
Total liabilities and net assets	\$ 5,289,493	\$ 4,447,365

See accompanying notes.

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
STATEMENTS OF ACTIVITIES
Years Ended April 30, 2022 and 2021

	2022	2021
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
REVENUES AND GAIN		
Contributions	\$ 2,299,044	\$ 2,338,595
Gain on forgiveness of Paycheck Protection Program loan	259,062	246,000
Contract income	-	75,000
Medical savings plan	67,322	48,750
Program services	18,309	19,960
In-kind materials	13,918	4,845
Change in value of beneficial interest in assets held by CFOMC	(6,905)	10,292
Other income	5,102	5,037
Total revenues and gain without donor restrictions	2,655,852	2,748,479
EXPENSES		
Training service dogs	2,206,825	1,725,970
Management and general	338,130	320,512
Fundraising	508,412	486,396
Total expenses	3,053,367	2,532,878
NET ASSETS RELEASED FROM RESTRICTIONS		
Satisfaction of program restrictions	2,000	-
Change in net assets without donor restrictions	(395,515)	215,601
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Contributions	98,681	677,000
Net assets released from restrictions	(2,000)	-
Change in net assets with donor restrictions	96,681	677,000
Change in net assets	(298,834)	892,601
Net assets at beginning of year	2,611,687	1,719,086
Net assets at end of year	<u>\$ 2,312,853</u>	<u>\$ 2,611,687</u>

See accompanying notes.

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended April 30, 2022 and 2021

	2022			
	Training Service Dogs	Management and General	Fundraising	Total Expenses
Personnel	\$ 1,031,544	\$ 199,624	\$ 229,825	\$ 1,460,993
Professional fees	190,868	76,873	124,959	392,700
Direct mail activities	607,362	10,353	106,281	723,996
Dog food and supplies	94,773	-	-	94,773
Interest expense	54,245	2,167	1,733	58,145
Office expense	36,687	27,209	2,497	66,393
Travel	56,475	-	-	56,475
Depreciation and amortization	15,304	12,782	-	28,086
Occupancy	34,666	1,425	1,335	37,426
Advertising and promotion	41,516	5,419	39,180	86,115
Information technology	12,297	598	1,781	14,676
Insurance	20,780	1,232	821	22,833
Store supplies	10,308	-	-	10,308
Conferences and meetings	-	448	-	448
Total expenses	\$ 2,206,825	\$ 338,130	\$ 508,412	\$ 3,053,367

	2021			
	Training Service Dogs	Management and General	Fundraising	Total Expenses
Personnel	\$ 1,034,290	\$ 203,471	\$ 263,931	\$ 1,501,692
Professional fees	154,982	77,050	139,939	371,971
Direct mail activities	175,635	2,949	62,171	240,755
Dog food and supplies	102,614	-	-	102,614
Interest expense	58,650	2,057	1,755	62,462
Office expense	28,974	18,764	2,377	50,115
Travel	54,812	-	-	54,812
Depreciation	14,842	13,162	-	28,004
Occupancy	21,090	1,084	309	22,483
Advertising and promotion	14,006	-	4,146	18,152
Information technology	49,823	622	10,369	60,814
Insurance	15,003	1,170	819	16,992
Store supplies	1,249	-	-	1,249
Conferences and meetings	-	183	580	763
Total expenses	\$ 1,725,970	\$ 320,512	\$ 486,396	\$ 2,532,878

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
STATEMENTS OF CASH FLOWS
Years Ended April 30, 2022 and 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (298,834)	\$ 892,601
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation and amortization	28,086	28,004
Change in value of beneficial interest in assets held by CFOMC	6,905	(10,292)
Donated stock	(2,502)	(26,827)
Paycheck Protection Program loan forgiveness	(259,062)	(246,000)
(Increase) decrease in assets		
Accounts receivable	-	381
Promises to give	127,000	(677,000)
Prepaid expenses	(7,935)	(22,857)
Increase (decrease) in liabilities		
Accounts payable	5,249	(21,567)
Accrued payroll	12,322	8,758
Deferred revenue	-	(75,000)
Net cash flows from operating activities	(388,771)	(149,799)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(53,753)	(10,210)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	1,500,000	-
Proceeds from Paycheck Protection Program loan	-	259,062
Principal payments on long-term debt	(117,547)	(85,611)
Net cash flows from financing activities	1,382,453	173,451
Net change in cash	939,929	13,442
Cash at beginning of year	954,986	941,544
Cash at end of year	<u>\$ 1,894,915</u>	<u>\$ 954,986</u>
SUPPLEMENTAL DISCLOSURES		
Cash paid for interest	\$ 58,145	\$ 62,462
NON-CASH INVESTING AND FINANCING TRANSACTIONS		
Donated stock	\$ 2,502	\$ 26,827

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
NOTES TO FINANCIAL STATEMENTS
April 30, 2022 and 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Guardian Angels Medical Service Dogs, Inc. (GAMSD) was established in 2010 for the charitable purpose of: rescuing, raising, and training the highest caliber medical service/assistance dogs. GAMSD pairs highly trained dogs with individuals afflicted by disabilities, including a focus on veterans with combat wounds. GAMSD builds, restores, and improves lives for both the recipient and the dog, while minimizing reliance on government, communities, caregivers, and families. GAMSD advances successful service dog training practices by promoting appropriate trainer education and contributes to related research studies. GAMSD pursues increased public awareness and education regarding current disability laws and contributes to new/enhanced laws regarding service dogs. GAMSD's primary source of revenue is from contributions.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Promises to Give

Unconditional promises to give are recognized as support or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Uncollectible promises are written off after management has used reasonable collection efforts and determines the promises will not be collected. All promises to give are receivable in less than one year.

Property and Equipment

Acquisitions of property and equipment in excess of \$2,500 are capitalized. Purchases of property and equipment are recorded at cost. Donations of property equipment are recorded as support at their estimated fair value on the date of donation. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

Beneficial Interest in Assets held by The Community Foundation of Ocala Marion County

GAMSD's beneficial interest in assets held by The Community Foundation of Ocala Marion County, Inc. (CFOMC) represents an agreement between GAMSD and CFOMC in which GAMSD transfers assets to OFOMC in exchange for future distributions. The beneficial interest is not actively traded and significant other observable inputs are not available. The fair value of the beneficial interest is based on the fair value of the underlying assets as reported to GAMSD by CFOMC. Little information about those assets is released publicly. The estimated fair value does not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined.

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
NOTES TO FINANCIAL STATEMENTS
April 30, 2022 and 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributions

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from donor restrictions.

Revenue Recognition

Contract income consists of amounts paid by a client for running a service dog trainer apprentice program. Revenue is recognized when obligations under the terms of the contract are satisfied over time. Revenue is measured as the amount of consideration expected to be received in exchange for providing services according to contract terms.

Medical savings plan income consists of amounts paid by recipients for veterinary care for working GAMSD service dogs. Recipients voluntarily enroll in the plan and pay a monthly fee. GAMSD pays for all pre-approved veterinary expenses after an annual payout. Revenue is recognized when fees are received.

Program services income consists of adoption and training fees. Revenue is recognized when the adoption or training takes place.

Donated Services

Donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their estimated fair values in the period received.

Many individuals volunteer their time and perform a variety of tasks including exercise and socialization of service dogs and assistance in the office, GAMSD events, and other activities. GAMSD receives more than 7,000 volunteer hours annually that are not recorded in the statements of activities because they do not meet the criteria for recognition.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expense for the years ended April 30, 2022 and 2021 were \$86,115 and \$18,152.

Income Tax Status

GAMSD is an exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, GAMSD qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
NOTES TO FINANCIAL STATEMENTS
April 30, 2022 and 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Expense Allocation

The financial statements report certain categories of expenses that are attributable to more than one program service or supporting activity. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Personnel, interest expense, office expense, occupancy, information technology, and insurance are allocated on the basis of estimates of time and effort.

The following program services and supporting activities are included in the accompanying financial statements:

Training Service Dogs – Rescues, raises, trains, and donates highly skilled service dogs that are trained to mitigate the needs of individual veterans and others struggling with disabilities. Educates public and donors regarding service dogs and laws regarding service animals.

Management and general – The expenses necessary to manage the financial reporting and budgetary responsibilities of GAMSD as well as manage employees.

Fundraising – Includes staff time, consultants, and related expenses to communicate with prospective funding sources.

Date of Management's Review

Management has evaluated subsequent events through August 23, 2022, the date which the financial statements were available to be issued.

NOTE 2 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	<u>2022</u>	<u>2021</u>
Land	\$ 1,611,170	\$ 1,611,170
Buildings	548,956	548,956
Vehicles and equipment	110,321	110,321
Leasehold improvements	65,613	19,671
Loan origination fees	7,811	-
Accumulated amortization	(260)	-
Accumulated depreciation	<u>(147,162)</u>	<u>(119,336)</u>
Property and equipment, net	<u>\$ 2,196,449</u>	<u>\$ 2,170,782</u>

NOTE 3 – RETIREMENT PLAN

GAMSD sponsors a defined contribution 401(k) plan covering all employees who meet the eligibility requirements. Employer contributions to the plan were \$25,810 and \$15,795 for the years ended April 30, 2022 and 2021.

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
NOTES TO FINANCIAL STATEMENTS
April 30, 2022 and 2021

NOTE 4 – ENDOWMENT

At April 30, 2022 and 2021, GAMSD's board of directors has designated \$68,337 and \$72,740 of net assets without donor restrictions as a general endowment fund to support the mission of GAMSD. Since those amounts resulted from an internal designation and are not donor-restricted, they are classified and reported as net assets without donor restrictions.

GAMSD established a fund at CFOMC to invest its endowment assets. CFOMC acknowledges that by virtue of the governing instrument of CFOMC, CFOMC has the authority to modify any restriction or condition on the distribution of assets from the fund if, in the reasonable judgment of CFOMC, such restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served by CFOMC. CFOMC maintains legal ownership of the fund.

CFOMC's primary investment goal is to deliver long-term investment returns sufficient to cover both spending and inflation to preserve the purchasing power of the investment portfolio. CFOMC seeks to achieve this goal through cost-effective implementation at an appropriate level of risk, diversification of asset classes and strategies to provide consistent returns, capital preservation in down market cycles to provide stability in spending support, and long-term capital appreciation through the incorporation of risk-based assets, including nonmarketable, illiquid alternatives.

Composition of and changes in endowment net assets for the years ended April 30, 2022 and 2021, were as follows:

	2022	2021
Board-designated endowment net assets at beginning of year	\$ 72,740	\$ 35,621
Contributions	2,502	26,827
Change in value of beneficial interest	(6,905)	10,292
Board-designated endowment net assets at end of year	<u>\$ 68,337</u>	<u>\$ 72,740</u>

NOTE 5 – NET ASSETS

Net assets with donor restrictions are restricted for the following purposes or periods:

	2022	2021
Development of Pittsburgh campus	\$ 723,681	\$ 675,000
Recipient housing at Pittsburgh campus	300,000	300,000
Water main at Pittsburgh campus	249,000	249,000
Subsequent periods	50,000	-
Computers	-	2,000
Net assets with donor restrictions	<u>\$ 1,322,681</u>	<u>\$ 1,226,000</u>

GAMSD's board of directors has chosen to place limitations on net assets without donor restrictions for their board-designated endowment to be used for operating reserves.

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
NOTES TO FINANCIAL STATEMENTS
April 30, 2022 and 2021

NOTE 6 – PAYCHECK PROTECTION PROGRAM LOANS

GAMSD received loans totaling \$505,062 under the Paycheck Protection Program (PPP) established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act and administered by the U.S. Small Business Administration (SBA). The loans accrue interest at 1% but payments are deferred for borrowers who apply for forgiveness until SBA remits the borrower's forgiveness amount to the lender. The amount of forgiveness depends, in part, on the total amount of eligible expenses paid by GAMSD during the covered period. Eligible expenses may include payroll costs, interest on mortgages, rent, and utilities. Any unforgiven portion is payable over five years. On November 5, 2020, the SBA preliminarily approved forgiveness of GAMSD's first draw loan and accrued interest. On October 2, 2021, the SBA preliminarily approved forgiveness of GAMSD's second draw loan and accrued interest. GAMSD must retain PPP documentation in its files for six years after the date the loan is forgiven or repaid in full and permit authorized representatives of SBA to access such files upon request. SBA may review any loan at any time at its discretion. Therefore, SBA may review GAMSD's good-faith certification concerning the necessity of its loan request, whether GAMSD calculated the loan amount correctly, whether GAMSD used loan proceeds for the allowable uses specified in the CARES Act, and whether GAMSD is entitled to loan forgiveness in the amount claimed on its application. If SBA determines GAMSD was ineligible for the loan or for forgiveness in whole or in part, SBA will seek repayment of the outstanding loan balance.

NOTE 7 – ECONOMIC INJURY DISASTER LOAN PROGRAM LOAN

On November 21, 2021, GAMSD received a \$1,500,000 loan under the Economic Injury Disaster Loan Program (EIDL) to use as working capital to alleviate economic injury caused by disaster resulting from the COVID-19 coronavirus pandemic. The note bears interest at 3.5% and matures March 2052. The loan requires monthly interest only payments from April 2022 through March 2023 of under \$4,500. The loan requires monthly payments of principal and interest of \$6,731 starting April 2023. The loan is secured by collateral of all tangible and intangible personal property.

On April 17, 2020, GAMSD received a \$500,000 loan under the Economic Injury Disaster Loan Program (EIDL) to use as working capital to alleviate economic injury caused by disaster resulting from the COVID-19 coronavirus pandemic. The note bears interest at 2.75% and matures March 2052. The loan requires monthly interest only payments from April 2022 through March 2023 of under \$1,000. The loan requires monthly payments of principal and interest of \$2,136 starting April 2023. The loan is secured by collateral of all tangible and intangible personal property.

Future minimum payments for the years ending April 30 are as follows:

2023	\$ 5,049
2024	40,544
2025	41,940
2026	43,385
2027	44,879
Thereafter	<u>1,824,203</u>
Total	<u>\$ 2,000,000</u>

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
NOTES TO FINANCIAL STATEMENTS
April 30, 2022 and 2021

NOTE 8 – MORTGAGES PAYABLE

Mortgages payable at April 30, 2022 and 2021 consisted of the following:

	<u>2022</u>	<u>2021</u>
Note payable to Cogent Bank that requires monthly payments of principle and interest of \$6,801 and bears interest at 4.25%. The note matures July 9, 2031 and is secured by property.	\$ 626,139	\$ -
Note payable to PNC Bank that requires monthly payments of principle and interest of \$8,298 and bears interest at 5.92%. The note matures June 28, 2024 and is secured by property.	200,312	285,077
Note payable to PNC Bank that requires monthly payments of principle and interest of \$3,909 and bears interest at 5.37%. The note matures December 28, 2025 and requires all remaining principal and interest due at maturity. The note was secured by property.	-	403,902
Note payable to PNC Bank that requires monthly payments of principle and interest of \$2,387 and bears interest at 5.02%. The note matures December 28, 2025 and requires all remaining principal and interest due at maturity. The note was secured by property.	<u>-</u>	<u>255,019</u>
Mortgages payable	826,451	943,998
Less current portion of mortgages payable	<u>(145,906)</u>	<u>(126,889)</u>
Mortgages payable, net of current portion	<u>\$ 680,545</u>	<u>\$ 817,109</u>

Future minimum payments for the years ending April 30 are as follows:

2023	\$ 145,906
2024	153,779
2025	75,174
2026	63,391
2027	66,177
Thereafter	<u>322,024</u>
Total	<u>\$ 826,451</u>

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
NOTES TO FINANCIAL STATEMENTS
April 30, 2022 and 2021

NOTE 9 – JOINT COSTS

GAMSD conducts direct mail activities that include programmatic information with a request for contributions. The costs of direct mailing for the years ending April 30, 2022 and 2021 were allocated as follows:

	<u>2022</u>	<u>2021</u>
Training service dogs	\$ 607,362	\$ 175,635
Management and general	10,353	2,949
Fundraising	<u>106,281</u>	<u>62,171</u>
Direct mail activities	<u>\$ 723,996</u>	<u>\$ 240,755</u>

NOTE 10 – CONCENTRATIONS OF CREDIT RISK

GAMSD maintains cash balances at several financial institutions located in Florida and Pennsylvania. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At April 30, 2022 and 2021, GAMSD's uninsured cash balances total approximately \$1,379,000 and \$687,000.

NOTE 11 – LIQUIDITY AND AVAILABILITY

The following reflects GAMSD's financial assets as of April 30, 2022 and 2021, reduced by amounts not available for general use within one year of the dates of the statements of financial position because of donor-imposed restrictions or board designations. General expenditures are defined as all budgeted programmatic and operational expenses.

	<u>2022</u>	<u>2021</u>
Financial assets at end of year	\$ 3,062,252	\$ 2,253,726
Less those unavailable for general expenditures within one year due to:		
Donor imposed restrictions		
Restricted by donor	(1,272,681)	(1,226,000)
Board designations		
Agency endowment set aside for reserves	<u>(68,337)</u>	<u>(72,740)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,721,234</u>	<u>\$ 954,986</u>

GAMSD's cash flows have seasonal variations during the year attributable to cash receipts for contributions received. Because a donor's restriction requires resources to be used in a particular purpose or in a future period, GAMSD must maintain sufficient resources to meet those responsibilities to its donors. As part of GAMSD's liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due.