



FINANCIAL STATEMENTS

April 30, 2023 and 2022

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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, 2023 and 2022, 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, 2023 and 2022, 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.

Adoption of New Accounting Guidance

As discussed in Note 1 to the financial statements, Guardian Angels Medical Service Dogs, Inc. adopted the Financial Accounting Standards Board's Accounting Standards Update No 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, as of May 1, 2022. Our opinion is not modified with respect to this matter.

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

Wegner CPAs, LLP
Madison, Wisconsin
October 12, 2023

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
STATEMENTS OF FINANCIAL POSITION
April 30, 2023 and 2022

	2023	2022
ASSETS		
CURRENT ASSETS		
Cash	\$ 814,687	\$ 1,894,915
Grants receivable	113,040	-
Unconditional promises to give	1,329,625	1,099,000
Prepaid expenses	10,334	30,792
Total current assets	2,267,686	3,024,707
PROPERTY AND EQUIPMENT, NET	2,273,165	2,196,449
OTHER ASSETS		
Beneficial interest in assets held by CFOMC	26,675	68,337
Total assets	<u>\$ 4,567,526</u>	<u>\$ 5,289,493</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	\$ 242,045	\$ 82,932
Accrued payroll	85,108	67,257
Accrued interest on Economic Injury Disaster Loan Program loan	56,748	-
Current portion of long-term debt		
Mortgages payable	168,292	145,906
Economic Injury Disaster Loan Program loan	11,367	5,049
Total current liabilities	563,560	301,144
LONG-TERM LIABILITIES		
Long-term debt, net of current portion		
Mortgages payable	512,314	680,545
Economic Injury Disaster Loan Program loan	1,988,633	1,994,951
Total long-term liabilities	2,500,947	2,675,496
Total liabilities	3,064,507	2,976,640
NET ASSETS		
Without donor restrictions		
Undesignated	178,663	921,835
Board designated	26,675	68,337
Total without donor restrictions	205,338	990,172
With donor restrictions	1,297,681	1,322,681
Total net assets	1,503,019	2,312,853
Total liabilities and net assets	<u>\$ 4,567,526</u>	<u>\$ 5,289,493</u>

See accompanying notes.

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
STATEMENTS OF ACTIVITIES
Years Ended April 30, 2023 and 2022

	2023	2022
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
REVENUES AND GAIN		
Contributions	\$ 3,326,031	\$ 2,299,044
In-kind materials	103,984	13,918
Medical savings plan	72,318	67,322
Program services	24,582	18,309
Gain on forgiveness of Paycheck Protection Program loan	-	259,062
Change in value of beneficial interest in assets held by CFOMC	503	(6,905)
Other income	8,545	5,102
Total revenues and gain without donor restrictions	3,535,963	2,655,852
EXPENSES		
Training service dogs	3,120,675	2,206,825
Management and general	467,028	338,130
Fundraising	783,094	508,412
Total expenses	4,370,797	3,053,367
NET ASSETS RELEASED FROM RESTRICTIONS		
Satisfaction of program or expiration of time restrictions	50,000	2,000
Change in net assets without donor restrictions	(784,834)	(395,515)
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Contributions	25,000	98,681
Net assets released from restrictions	(50,000)	(2,000)
Change in net assets with donor restrictions	(25,000)	96,681
Change in net assets	(809,834)	(298,834)
Net assets at beginning of year	2,312,853	2,611,687
Net assets at end of year	\$ 1,503,019	\$ 2,312,853

See accompanying notes.

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended April 30, 2023 and 2022

	2023			
	Training Service Dogs	Management and General	Fundraising	Total Expenses
Personnel	\$ 1,520,515	\$ 275,768	\$ 377,696	\$ 2,173,979
Direct mail activities	631,920	9,940	79,203	721,063
Professional fees	320,350	98,200	39,779	458,329
Advertising and promotion	67,754	3,313	131,065	202,132
Interest expense	110,616	5,498	1,610	117,724
Veterinary equipment, medications, and lab services	113,693	-	-	113,693
Dog food and supplies	108,447	-	-	108,447
Travel	66,206	-	36,662	102,868
Office expense	53,479	21,587	20,018	95,084
Conferences and meetings	948	518	92,677	94,143
Occupancy	47,582	796	1,150	49,528
Depreciation and amortization	17,608	14,666	-	32,274
Promotional items	27,599	-	-	27,599
Insurance	16,360	9,503	-	25,863
Uncollectible promises to give	-	25,000	-	25,000
Information technology	17,598	2,239	3,234	23,071
Total expenses	\$ 3,120,675	\$ 467,028	\$ 783,094	\$ 4,370,797
	2022			
	Training Service Dogs	Management and General	Fundraising	Total Expenses
Personnel	\$ 1,031,544	\$ 199,624	\$ 229,825	\$ 1,460,993
Direct mail activities	607,362	10,353	72,469	690,184
Professional fees	190,868	76,873	124,958	392,699
Advertising and promotion	41,516	5,419	39,180	86,115
Interest expense	54,245	2,167	1,733	58,145
Dog food and supplies	94,773	-	-	94,773
Travel	56,475	-	-	56,475
Office expense	36,687	27,209	35,112	99,008
Conferences and meetings	-	448	1,489	1,937
Occupancy	34,666	1,425	1,044	37,135
Depreciation and amortization	15,304	12,782	-	28,086
Promotional items	10,308	-	-	10,308
Insurance	20,780	1,232	821	22,833
Information technology	12,297	598	1,781	14,676
Total expenses	\$ 2,206,825	\$ 338,130	\$ 508,412	\$ 3,053,367

See accompanying notes.

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
STATEMENTS OF CASH FLOWS
Years Ended April 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (809,834)	\$ (298,834)
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation and amortization	32,274	28,086
Write off of uncollectible promises to give	25,000	-
Change in value of beneficial interest in assets held by CFOMC	(503)	6,905
Donated stock	(2,835)	(2,502)
Paycheck Protection Program loan forgiveness	-	(259,062)
(Increase) decrease in assets		
Grants receivable	(113,040)	-
Unconditional promises to give	(255,625)	127,000
Prepaid expenses	20,458	(7,935)
Increase in liabilities		
Accounts payable	159,113	5,249
Accrued payroll	17,851	12,322
Accrued interest on Economic Injury Disaster Loan Program loan	56,748	-
Net cash flows from operating activities	<u>(870,393)</u>	<u>(388,771)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(108,990)	(53,753)
Distributions from beneficial interest in assets held by CFOMC	45,000	-
Net cash flows from investing activities	<u>(63,990)</u>	<u>(53,753)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	-	1,500,000
Principal payments on long-term debt	(145,845)	(117,547)
Net cash flows from financing activities	<u>(145,845)</u>	<u>1,382,453</u>
Net change in cash	<u>(1,080,228)</u>	<u>939,929</u>
Cash at beginning of year	<u>1,894,915</u>	<u>954,986</u>
Cash at end of year	<u>\$ 814,687</u>	<u>\$ 1,894,915</u>
SUPPLEMENTAL DISCLOSURES		
Cash paid for interest	\$ 60,976	\$ 58,145
NON-CASH INVESTING AND FINANCING TRANSACTIONS		
Donated stock	\$ 2,835	\$ 2,502

See accompanying notes.

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
NOTES TO FINANCIAL STATEMENTS
April 30, 2023 and 2022

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.

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. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed.

Property and Equipment

Acquisitions of equipment in excess of \$2,500 are capitalized. Equipment is carried at cost or if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method.

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.

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.

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
NOTES TO FINANCIAL STATEMENTS
April 30, 2023 and 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition

Medical savings plan revenue 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 revenue consists of application and training fees. Revenue is recognized when the adoption or training takes place.

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, office expense, occupancy, insurance, and information technology 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 the public and donors regarding service dogs and laws regarding service animals.

Management and general – Ensures proper administrative functioning of GAMSD, manages financial reporting and budgetary responsibilities, and performs other administrative functions.

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

Advertising Costs

Advertising costs are expensed as incurred. Advertising expense for the years ended April 30, 2023 and 2022 were \$202,132 and \$86,115.

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.

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
NOTES TO FINANCIAL STATEMENTS
April 30, 2023 and 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Tax Status

GAMSD is 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).

Adoption of New Accounting Guidance

On September 17, 2020, the Financial Accounting Standards Board issued Accounting Standards Update No. 2020-07. *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The intent of this Update is to improve transparency in the reporting of contributed nonfinancial assets (also known as in-kind contributions) received by not-for-profit entities. The Update requires a not-for-profit entity to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash and other financial assets. The Update also requires enhanced disclosures about the valuation of contributed nonfinancial assets and their use in programs and other activities, including any donor-imposed restriction on such use. GAMSD adopted the requirements of this update effective May 1, 2022. The changes required by this Update have been applied retrospectively to all periods presented.

Date of Management’s Review

Management has evaluated subsequent events through October 12, 2023, the date which the financial statements were available to be issued.

NOTE 2 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2023	2022
Land	\$ 1,611,170	\$ 1,611,170
Buildings	548,956	548,956
Vehicles and equipment	232,503	110,321
Building and land improvements	52,421	65,613
Loan origination fees	7,811	7,811
Accumulated amortization	(521)	(260)
Accumulated depreciation	(179,175)	(147,162)
Property and equipment, net	\$ 2,273,165	\$ 2,196,449

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
NOTES TO FINANCIAL STATEMENTS
April 30, 2023 and 2022

NOTE 3 – ENDOWMENT

At April 30, 2023 and 2022, GAMSD’s board of directors has designated \$26,675 and \$68,337 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.

	<u>2023</u>	<u>2022</u>
Board-designated endowment net assets at beginning of year	\$ 68,337	\$ 72,740
Contributions	2,835	2,502
Distributions	(45,000)	-
Change in value of beneficial interest	503	(6,905)
	<u>\$ 26,675</u>	<u>\$ 68,337</u>

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

NOTE 4 – NET ASSETS

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

	<u>2023</u>	<u>2022</u>
Development of Pittsburgh campus	\$ 748,681	\$ 723,681
Recipient housing at Pittsburgh campus	300,000	300,000
Water main at Pittsburgh campus	249,000	249,000
Subsequent periods	-	50,000
	<u>\$ 1,297,681</u>	<u>\$ 1,322,681</u>

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
NOTES TO FINANCIAL STATEMENTS
April 30, 2023 and 2022

NOTE 5 – 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 6 – 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, 2023 and 2022 were allocated as follows:

	2023	2022
Training service dogs	\$ 631,920	\$ 607,362
Management and general	9,940	10,353
Fundraising	79,203	72,469
Direct mail activities	\$ 721,063	\$ 690,184

NOTE 7 – CONDITIONAL PROMISES TO GIVE

During the year ending April 30, 2023, GAMSD received promises to give totaling \$5,000,000 that contained donor conditions related to development of a new campus in Pittsburgh, Pennsylvania. GAMSD recognized \$113,040 as contributions as of April 30, 2023. The remaining \$4,886,960 will be recorded as contributions when donor conditions are met.

NOTE 8 – RETIREMENT PLAN

GAMSD sponsors a defined contribution 401(k) plan covering all employees who meet the eligibility requirements. Employer contributions to the plan were \$37,920 and \$25,810 for the years ended April 30, 2023 and 2022.

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
NOTES TO FINANCIAL STATEMENTS
April 30, 2023 and 2022

NOTE 9 – 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 2.75% and matures March 2050. The loan requires monthly payments of \$6,731 starting July 2024. 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 2050. The loan requires monthly payments of \$2,136. 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:

2024	\$	11,367
2025		39,094
2026		49,491
2027		50,889
2028		52,179
Thereafter		<u>1,796,980</u>
 Total		 <u><u>\$ 2,000,000</u></u>

NOTE 10 – IN-KIND MATERIALS

In-kind materials recognized within the statement of activities include:

	2023	2022
Advertising	\$ 75,697	\$ 13,600
Veterinary and dog supplies	18,225	318
Puppies	7,200	-
Other	<u>2,862</u>	<u>-</u>
 In-kind materials	 <u><u>\$ 103,984</u></u>	 <u><u>\$ 13,918</u></u>

In-kind materials are valued and reported at the estimated fair value in the financial statements based on current costs for similar materials. No in-kind materials were restricted by the donors.

NOTE 11 – CONCENTRATIONS OF CREDIT RISK

GAMSD maintains cash balances at several financial institutions located in Florida and Pennsylvania. The Federal Deposit Insurance Corporation insures accounts at each institution up to \$250,000. At April 30, 2022, the GAMSD's uninsured cash balances were approximately \$1,379,000. At April 30, 2023, the GAMSD's cash balances were fully insured with federal depository insurance.

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
NOTES TO FINANCIAL STATEMENTS
April 30, 2023 and 2022

NOTE 12 – MORTGAGES PAYABLE

Mortgages payable at April 30, 2023 and 2022 consisted of the following:

	2023	2022
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.	\$ 570,420	\$ 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 May 28, 2024 and is secured by property.	110,186	200,312
Mortgages payable	680,606	826,451
Less current portion of mortgages payable	(168,292)	(145,906)
Mortgages payable, net of current portion	\$ 512,314	\$ 680,545

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

2024	\$ 168,292
2025	60,722
2026	63,391
2027	66,177
2028	69,054
Thereafter	252,970
Total	\$ 680,606

GUARDIAN ANGELS MEDICAL SERVICE DOGS, INC.
NOTES TO FINANCIAL STATEMENTS
April 30, 2023 and 2022

NOTE 13 – LIQUIDITY AND AVAILABILITY

The following reflects GAMSD's financial assets as of April 30, 2023 and 2022, 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.

	2023	2022
Financial assets at end of year	\$ 2,284,027	\$ 3,062,252
Less those unavailable for general expenditures within one year due to:		
Donor imposed restrictions		
Restricted by donor	(1,297,681)	(1,272,681)
Board designations		
Agency endowment set aside for reserves	(26,675)	(68,337)
Financial assets available to meet cash needs for general expenditures within one year	\$ 959,671	\$ 1,721,234

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 for 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.