



FINANCIAL STATEMENTS  
WITH INDEPENDENT AUDITOR'S REPORT  
DECEMBER 31, 2023

John R. Prall  
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# Tabby's Place

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of  
Tabby's Place - A Cat Sanctuary

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Tabby's Place - A Cat Sanctuary (a nonprofit organization) which comprise the statement of assets, liabilities, and net assets as of December 31, 2022, and the related statements of revenues, expenses, and other changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. The prior year summarized comparative information as of December 31, 2022, report dated November 10,, 2023, expressed an unmodified opinion on those statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting principle generally accepted in the United States. Management is also responsible 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the statement of assets, liabilities, and net assets of Tabby's Place - A Cat Sanctuary as of December 31, 2023, and the statements of revenues, expenses, and other changes in net assets and its cash flows for the year then ended in accordance accounting principles generally accepted in the United States.



John R. Prall CPA

East Boothbay, ME  
September 6, 2024

TABBY'S PLACE - A CAT SANCTUARY  
 STATEMENT OF ASSETS, LIABILITIES, AND OTHER CHANGES IN NET ASSETS -  
 INCOME TAX BASIS  
 DECEMBER 31, 2023  
 WITH COMPARATIVE TOTALS FOR 2022

	2023	2022
<u>ASSETS</u>		
Cash and cash equivalents	\$ 283,242	\$ 371,869
Investments	31,806	36,253
Property and equipment at cost, net of accumulated depreciation	<u>5,309,810</u>	<u>4,695,032</u>
Total assets	<u>\$ 5,624,858</u>	<u>\$ 5,103,154</u>
<u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES:		
Accounts payable	\$ 30,509	\$ 44,001
Line of credit	180,000	100,000
Total liabilities	<u>210,509</u>	<u>144,001</u>
NET ASSETS:		
Without donor restrictions	5,414,349	4,739,913
With donor restrictions	0	219,240
Total net assets	<u>5,414,349</u>	<u>4,959,153</u>
Total liabilities and net assets	<u>\$ 5,624,858</u>	<u>\$ 5,103,154</u>

See accompanying notes to the financial statements.

John R. Prall CPA

TABBY'S PLACE - A CAT SANCTUARY  
STATEMENT OF REVENUES, EXPENSES, AND OTHER CHANGES IN NET ASSETS - INCOME TAX BASIS  
YEAR ENDED DECEMBER 31, 2023  
WITH COMPARATIVE TOTALS FOR 2022

	<u>2023</u>			<u>2022</u>		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE:</b>						
Foundation grants	45,500	648,937	694,437	35,500	1,313,937	1,349,437
Individuals and other	1,977,733	192,873	2,170,606	1,702,980	616,386	2,319,366
In-kind donations	20,035		20,035	18,686		18,686
Investment income	502		502	157		157
Gain on sale of investments	(276)		(276)	(1,388)		(1,388)
Other				7,000		7,000
Total revenue	2,043,494	841,810	2,885,304	1,762,935	1,930,323	3,693,258
<b>EXPENSES:</b>						
Program costs	1,908,250		1,908,250	1,587,494		1,587,494
General and administrative	203,367		203,367	224,798		224,798
Development	318,491		318,491	299,171		299,171
Total expenses	2,430,108		2,430,108	2,111,463		2,111,463
CHANGE IN NET ASSETS	(386,614)	841,810	455,196	(348,528)	1,930,323	1,581,795
NET ASSETS, BEGINNING OF THE YEAR	4,739,913	219,240	4,959,153	2,787,040	590,318	3,377,358
Fixed Asset additions satisfying restrictions	778,851	(778,851)		2,301,401	(2,301,401)	
NET ASSETS, END OF YEAR	\$ 5,132,150	\$ 282,199	5,414,349	\$ 4,739,913	\$ 219,240	4,959,153

See accompanying notes to the financial statements.

John R. Prall CPA

TABBY'S PLACE - A CAT SANCTUARY  
STATEMENT OF FUNCTIONAL EXPENSES - INCOME TAX BASIS  
YEAR ENDED DECEMBER 31, 2023  
WITH COMPARATIVE TOTALS FOR 2022

Item of Expense	Program Costs	General and Administrative	Development	Total 2023	Total 2022
Bank Charges	1,905			1,905	1,873
Consulting					765
Computer/Internet expense	61,423			61,423	72,393
Employee benefits	75,237	7,920	15,839	98,996	91,358
Fundraising expenses			153,895	153,895	172,948
Food	106,053			106,053	102,245
Insurance	89,780	9,975		99,755	67,751
Interest		9,277		9,277	1,755
In Kind	20,035			20,035	18,686
Lease expense	18,474			18,474	11,290
Medical equipment maintenance	896			896	7,311
Medical testing	94,138			94,138	81,467
Medical supplies	166,094			166,094	136,303
Miscellaneous	16,329			16,329	12,890
Office expense		34,461		34,461	16,632
Payroll taxes	54,442	5,731	11,461	71,634	66,254
Postage	16,175	1,797		17,972	23,631
Professional fees		61,960		61,960	63,622
Repairs and maintenance	55,503			55,503	70,951
Salaries	635,257	67,816	137,296	840,369	769,053
Supplies	72,052			72,052	66,309
Telephone	4,187	465		4,652	4,089
TNR	3,389			3,389	8,263
Trash removal	14,470			14,470	10,038
Utilities	35,690	3,965		39,655	27,421
Veterinary services	201,708			201,708	151,115
	1,743,237	203,367	318,491	2,265,095	2,056,413
Depreciation	165,013			165,013	55,050
Total	\$ 1,908,250	\$ 203,367	\$ 318,491	\$ 2,430,108	\$ 2,111,463

See accompanying notes to the financial statements.

John R. Prall CPA

TABBY'S PLACE - A CAT SANCTUARY  
STATEMENT OF CASH FLOWS - INCOME TAX BASIS  
YEAR ENDED DECEMBER 31, 2023  
WITH COMPARATIVE TOTALS FOR 2022

	2023	2022
CASH PROVIDED BY (APPLIED TO) OPERATING ACTIVITIES:		
Changes in net assets	\$ 455,196	\$ 1,581,795
Adjustments to reconcile net change in net assets to net cash provided by operating activities:		
Depreciation	165,013	55,050
Gain on sale of short term investments		
Changes in operating assets and liabilities:		
Prepaid expense		
Accounts payable and accrued expense	(13,492)	26,237
Net cash provided by (applied to) operating activities	<u>606,717</u>	<u>1,663,082</u>
CASH PROVIDED BY (APPLIED TO) INVESTING ACTIVITIES:		
Purchase of property and equipment	(779,791)	(2,305,049)
Proceeds from sale of short term investments	4,447	5,877
Purchase of short term investments	0	0
Net cash provided by (applied to) investing activities	<u>(775,344)</u>	<u>(2,299,172)</u>
CASH (APPLIED TO) FINANCING ACTIVITIES:		
Loan payable	80,000	100,000
Net cash (applied to) financing activities	<u>80,000</u>	<u>100,000</u>
NET INCREASE (DECREASE) IN CASH	(88,627)	(536,090)
CASH, BEGINNING OF YEAR	<u>371,869</u>	<u>907,959</u>
CASH, END OF YEAR	<u>\$ 283,242</u>	<u>\$ 371,869</u>
SUPPLEMENTAL DISCLOSURE:		
Interest paid	<u>\$ 9,277</u>	<u>\$ 1,755</u>

See accompanying notes to the financial statements.

John R. Prall CPA

TABBY'S PLACE  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

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1. Nature of Activities:

Organization – Tabby's Place - A Cat Sanctuary (Tabby's Place), a NJ nonprofit corporation, is a cage free sanctuary that provides refuge to cats in hopeless situations. This one of a kind facility serves as an adoption center, finding loving homes for cats; a hospital, providing medical and surgical treatment for sick or injured residents; and a hospice, providing palliative care and a warm, loving environment for chronically ill or terminally ill cats to live out their lives in comfort. Tabby's Place's support comes primarily from public donor contributions. Tabby's Place was founded in 1999 and incorporated under the laws of the State of New Jersey.

2. Summary of Significant Accounting Policies:

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles accepted in the United States. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.

With Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents – The Organization considers all cash on hand and in the banks, money market funds and certificates of deposit with an original maturity of less than three months to be cash and cash equivalents.

Income Taxes – The Organization is a not-for-profit organization exempt from taxes under section 501(c)(3) of the Internal Revenue Code. There is, therefore, no provision for income taxes in these financial statements. Annually, the Organization files Form 990, Return of Organizations Exempt from Income Tax, with the Internal Revenue Service. This form is open for public inspection. The Organization believes that it has appropriate support for all tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. Tax returns are open for examination by the Internal Revenue Service for three years after filing. Thus, returns for this year and the last three years remain open.

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.



TABBY'S PLACE  
NOTES TO FINANCIAL STATEMENTS  
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Property and equipment over \$1,000 are recorded at cost or, if donated, as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the various assets.

Donated Services – Tabby's Place receives a significant amount of donated services from unpaid volunteers who assist in cleaning, feeding, and socializing with the cats. Donated services are recognized as contributions if the services create or enhance nonfinancial assets; or require specialized skills and would otherwise be purchased by Tabby's Place. No amounts have been recognized in the statement of activities because these criteria have not been met.

Advertising Costs – Advertising costs are expensed as incurred.

Subsequent Events – The Organization has evaluated subsequent events for potential recognition or disclosure through September 6, 2024, the date the financial statements were available to be issued.

3. Property and Equipment is summarized as follows:

	<u>2023</u>	<u>2022</u>
Land	\$ 276,475	\$ 276,475
Building	5,884,779	5,037,356
Furniture and equipment	<u>399,437</u>	<u>461,992</u>
	6,520,691	5,775,823
Less: accumulated depreciation	<u>1,210,881</u>	<u>1,080,791</u>
	<u>\$5,309,810</u>	<u>\$4,695,032</u>

4. Net Assets with Donor restrictions:

Net assets with donor restrictions were attributable to the following purposes:

	<u>2023</u>	<u>2022</u>
Building addition	\$ 282,199	\$219,240

5. Related Party Transactions:

Tabby's Place provides food and medical care to the feline pets of staff at cost. During the years ended December 31, 2023 and December 31, 2022 these costs were considered not material.

TABBY'S PLACE  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

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6. Functional Allocation of Expenses:

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities and the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and services benefited.

7. Concentrations:

The Organization operates primarily in Hunterdon County, New Jersey. The Organization is thus subject to fluctuations in local economic conditions.

8. Building expansion:

Thanks to a generous gift, Tabby's Place has now completed a 5,000 square foot expansion at our current location.

The purpose of the gift is to support physical expansion to allow the organization to provide care for FeLV+ cats, in addition to our current services and programs. The primary work includes the addition of 5,000 sq. ft (to be known as Quinn's Corner) to the existing building, which will provide specialized areas for FeLV+ cats, as well as expansion of other areas required to support the new project. Construction started in fall 2020 and was completed in 2023.

In conjunction with the expansion, we are doing significant maintenance on the existing building, including exterior painting, roof replacement, and replacing the floor coverings in approximately half of the building.

As of December 31, 2023, \$4,064,353 of related costs have been capitalized and are reflected as part of building costs in Note 3.

9. Contingencies:

Grants require the fulfillment of certain conditions as set forth in the instrument of the grant. Failure to fulfil the conditions could result in the return of the funds to the grantor. Although that is a possibility, the board deems the contingency remote, since by accepting the gifts and their terms, it has accommodated the objectives of the gift provisions.

10 Subsequent events:

The organization has evaluated subsequent events for potential recognition or disclosure through August 2, 2024, the date the financial statements were available to be issued.