

**Animal Rescue League of Iowa, Inc.**

Financial Statements  
With Independent Auditor's Report

December 31, 2020 and 2019



**PITTMAN & COMPANY, LLP**  
Certified Public Accountants

**Animal Rescue League of Iowa, Inc.**

Table of Contents

	<u>Page</u>
Independent Auditor's Report	1 – 2
Financial Statements:	
Statement of Financial Position	3
Statement of Activities	4 – 5
Statement of Functional Expenses	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 – 10



**PITTMAN & COMPANY, LLP**

Certified Public Accountants

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**Independent Auditor's Report**

To the Board of Directors & Management  
Animal Rescue League of Iowa, Inc.

We have audited the accompanying financial statements of Animal Rescue League of Iowa, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility 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; 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.

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 statements 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

**Independent Auditor's Report (continued)**

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Animal Rescue League of Iowa, Inc. as of December 31, 2020 and 2019, 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.

A handwritten signature in black ink that reads "Pithman & Company, LLP". The signature is written in a cursive, flowing style.

August 24, 2021

**Animal Rescue League of Iowa, Inc.**  
Statement of Financial Position  
December 31, 2020 and 2019

<u>Assets</u>	<u>Operating</u>	<u>Foundation</u>	<u>Total 2020</u>	<u>Total 2019</u>
<b>Current Assets</b>				
Cash & cash equivalents	\$ 1,171,450	\$ 115,498	\$ 1,286,948	\$ 580,103
Investments	728,604	11,982,608	12,711,212	11,907,431
Accounts receivable, net	158,023	-	158,023	154,368
Promises to give	25,500	-	25,500	56,000
Inventory	58,256	-	58,256	81,214
Prepaid expenses	55,403	-	55,403	55,383
<b>Total Current Assets</b>	<b>2,197,236</b>	<b>12,098,106</b>	<b>14,295,342</b>	<b>12,834,499</b>
<b>Noncurrent Assets</b>				
Construction in progress	48,949	-	48,949	-
Fixed assets, net	8,116,207	-	8,116,207	8,512,748
<b>Total Noncurrent Assets</b>	<b>8,165,156</b>	<b>-</b>	<b>8,165,156</b>	<b>8,512,748</b>
<b>Total Assets</b>	<b>\$ 10,362,392</b>	<b>\$ 12,098,106</b>	<b>\$ 22,460,498</b>	<b>\$ 21,347,247</b>
<b>Liabilities &amp; Net Assets</b>				
<b>Current Liabilities</b>				
Accounts payable	\$ 167,250	\$ 10,000	\$ 177,250	\$ 239,367
Accrued wages & benefits	58,531	-	58,531	196,514
Accrued compensation	599,045	-	599,045	488,230
Deferred revenue	27,810	-	27,810	28,667
<b>Total Current Liabilities</b>	<b>852,636</b>	<b>10,000</b>	<b>862,636</b>	<b>952,778</b>
<b>Noncurrent Liabilities</b>				
Notes payable	837,885	-	837,885	-
<b>Total Noncurrent Liabilities</b>	<b>837,885</b>	<b>-</b>	<b>837,885</b>	<b>-</b>
<b>Total Liabilities</b>	<b>1,690,521</b>	<b>10,000</b>	<b>1,700,521</b>	<b>952,778</b>
<b>Net Assets</b>				
With donor restrictions	211,344	-	211,344	139,569
Without donor restrictions:				
Undesignated	8,460,527	-	8,460,527	8,656,978
Board designated	-	12,088,106	12,088,106	11,597,922
<b>Total Net Assets</b>	<b>8,671,871</b>	<b>12,088,106</b>	<b>20,759,977</b>	<b>20,394,469</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>\$ 10,362,392</b>	<b>\$ 12,098,106</b>	<b>\$ 22,460,498</b>	<b>\$ 21,347,247</b>

See accompanying notes to the financial statements.

**Animal Rescue League of Iowa, Inc.**  
Statement of Activities  
For the Years Ended December 31, 2020 and 2019

	With Donor Restrictions		Without Donor Restrictions	
	Operating	Foundation	Operating	Foundation
Revenue & Support				
Contributions of cash & other financial assets:				
Bequests	\$ -	\$ -	\$ 391,303	\$ -
Donations	228,797	-	2,727,636	-
Grants	-	-	83,269	-
Memorials	-	-	317,690	-
Foundation transfers	-	-	1,069,329	(1,069,329)
Contributions of nonfinancial assets:				
Auction items	-	-	83,051	-
Supplies	-	-	176,903	-
Revenue:				
Admissions & adoptions	-	-	705,904	-
Animal care	-	-	217,754	-
Contracts	-	-	820,896	-
Events	-	-	397,836	-
Investment income/(loss), net	-	-	14,634	1,559,513
Merchandise sales	-	-	166,252	-
Miscellaneous	-	-	(14,357)	-
Rent	-	-	4,127	-
Net assets released from restrictions	(157,022)	-	157,022	-
Total Revenue & Support	71,775	-	7,319,249	490,184
Expenses				
Program services	-	-	5,571,592	-
Management & general	-	-	769,926	-
Fundraising	-	-	1,174,182	-
Total Expenses	-	-	7,515,700	-
Change in Net Assets	71,775	-	(196,451)	490,184
Net assets - beginning	139,569	-	8,656,978	11,597,922
Net Assets - Ending	\$ 211,344	\$ -	\$ 8,460,527	\$ 12,088,106

See accompanying notes to the financial statements.

**Animal Rescue League of Iowa, Inc.**  
Statement of Activities (continued)  
For the Years Ended December 31, 2020 and 2019

	Total 2020		Total 2019	
	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions
Revenue & Support				
Contributions of cash & other financial assets:				
Bequests	\$ -	\$ 391,303	\$ -	\$ 267,355
Donations	228,797	2,727,636	174,450	2,395,734
Grants	-	83,269	-	49,689
Memorials	-	317,690	-	128,409
Foundation transfers	-	-	-	-
Contributions of nonfinancial assets:				
Auction items	-	83,051	-	104,800
Supplies	-	176,903	-	148,153
Revenue:				
Admissions & adoptions	-	705,904	-	643,836
Animal care	-	217,754	-	208,835
Contracts	-	820,896	-	828,047
Events	-	397,836	-	507,604
Investment income/(loss), net	-	1,574,147	-	2,302,911
Merchandise sales	-	166,252	-	240,810
Miscellaneous	-	(14,357)	-	31,461
Rent	-	4,127	-	-
Net assets released from restrictions	(157,022)	157,022	(188,813)	188,813
Total Revenue & Support	71,775	7,809,433	(14,363)	8,046,457
Expenses				
Program services	-	5,571,592	-	5,680,778
Management & general	-	769,926	-	602,189
Fundraising	-	1,174,182	-	1,255,488
Total Expenses	-	7,515,700	-	7,538,455
Change in Net Assets	71,775	293,733	(14,363)	508,002
Net assets - beginning	139,569	20,254,900	153,932	19,746,898
Net Assets - Ending	\$ 211,344	\$ 20,548,633	\$ 139,569	\$ 20,254,900

See accompanying notes to the financial statements.

**Animal Rescue League of Iowa, Inc.**  
Statement of Functional Expenses  
For the Years Ended December 31, 2020 and 2019

	2020				2019			
	Program Services	Management & General	Fundraising	Total	Program Services	Management & General	Fundraising	Total
Payroll Expenses								
Salaries & wages	\$ 2,767,295	\$ 459,755	\$ 340,031	\$ 3,567,081	\$ 2,695,625	\$ 326,020	\$ 329,256	\$ 3,350,901
Taxes & benefits	615,904	87,096	92,670	795,670	754,826	87,526	109,036	951,388
Total Payroll Expenses	3,383,199	546,851	432,701	4,362,751	3,450,451	413,546	438,292	4,302,289
Other Expenses								
AP discounts	-	(9,428)	-	(9,428)	-	(7,522)	-	(7,522)
General insurance	72,896	-	-	72,896	75,673	-	-	75,673
Utilities	209,538	3,407	2,718	215,663	265,252	2,312	2,881	270,445
Supplies	90,356	16,319	17,221	123,896	61,690	8,439	10,480	80,609
Repairs & maintenance	242,159	-	-	242,159	207,422	-	-	207,422
Rental	-	-	-	-	2,881	-	116	2,997
Animal care	736,924	-	2,159	739,083	525,359	-	-	525,359
Shelter supplies	152,494	-	-	152,494	208,532	-	-	208,532
Auction goods	-	-	86,546	86,546	-	-	110,294	110,294
Other fundraising & marketing	-	-	23,171	23,171	-	-	30,282	30,282
Printing, postage, & shipping	49,306	1,031	519,934	570,271	61,362	-	484,802	546,164
Professional fees	2,800	103,044	-	105,844	76,364	88,097	-	164,461
Merchandise	98,939	-	-	98,939	152,704	-	-	152,704
Other expenses	20,064	97,713	5,008	122,785	62,397	89,278	3,634	155,309
Special events	5,504	-	33,610	39,114	-	-	119,559	119,559
Travel	24,058	4,574	85	28,717	28,441	8,039	3,817	40,297
Bad debt	-	749	-	749	1,084	-	-	1,084
Radio program	15,275	-	-	15,275	16,150	-	-	16,150
Volunteer orientation	2,569	-	-	2,569	5,580	-	-	5,580
Subscriptions	-	5,666	51,029	56,695	5,399	-	51,331	56,730
Total Other Expenses	1,722,882	223,075	741,481	2,687,438	1,756,290	188,643	817,196	2,762,129
Depreciation & amortization	465,511	-	-	465,511	474,037	-	-	474,037
Total Expenses	<u>\$ 5,571,592</u>	<u>\$ 769,926</u>	<u>\$ 1,174,182</u>	<u>\$ 7,515,700</u>	<u>\$ 5,680,778</u>	<u>\$ 602,189</u>	<u>\$ 1,255,488</u>	<u>\$ 7,538,455</u>

See accompanying notes to the financial statements.



**Animal Rescue League of Iowa, Inc.**  
Statement of Cash Flows  
For the Years Ended December 31, 2020 and 2019

	<u>Operating</u>	<u>Foundation</u>	<u>Total 2020</u>	<u>Total 2019</u>
Cash Flows from Operating Activities				
Change in net assets	\$ (124,676)	\$ 490,184	\$ 365,508	\$ 493,639
Adjustment to reconcile change in net assets to net cash from operating activities:				
Depreciation	465,511	-	465,511	474,037
(Gain)/Loss on disposal of assets	10,248	-	10,248	1,922
(Increase)/Decrease in:				
Investments	(78,343)	(599,271)	(677,614)	(2,195,961)
Receivables	(39,363)	-	(39,363)	60,474
Inventory	22,958	-	22,958	(14,111)
Prepaid expenses	(20)	-	(20)	(4,419)
Increase/(Decrease) in:				
Payables & accruals	(210,100)	10,000	(200,100)	100,771
Deferred revenue	(857)	-	(857)	(23,417)
Accrued compensation	110,815	-	110,815	110,541
Net Cash Provided/(Used) by Operating Activities	<u>156,173</u>	<u>(99,087)</u>	<u>57,086</u>	<u>(996,524)</u>
Cash Flows from Investing Activities				
Capital expenditures	(128,167)	-	(128,167)	(158,600)
Proceeds from sale of investments	5,524	1,908,784	1,914,308	3,804,590
Purchase of investments	<u>(57,067)</u>	<u>(1,983,408)</u>	<u>(2,040,475)</u>	<u>(2,958,294)</u>
Net Cash Provided/(Used) by Investing Activities	(179,710)	(74,624)	(254,334)	687,696
Cash Flows from Financing Activities				
Proceeds from issuance of debt	<u>837,885</u>	-	<u>837,885</u>	-
Net Cash Provided/(Used) by Financing Activities	837,885	-	837,885	-
Net Increase/(Decrease) in Cash & Cash Equivalents	814,348	(173,711)	640,637	(308,828)
Cash & cash equivalents - beginning	<u>357,102</u>	<u>289,209</u>	<u>646,311</u>	<u>888,931</u>
Cash & Cash Equivalents - Ending	<u>\$ 1,171,450</u>	<u>\$ 115,498</u>	<u>\$ 1,286,948</u>	<u>\$ 580,103</u>

See accompanying notes to the financial statements.

**Animal Rescue League of Iowa, Inc.**  
Notes to the Financial Statements  
For the Years Ended December 31, 2020 and 2019

**Note 1. Summary of Significant Accounting Policies**

Nature of the Organization

Animal Rescue League of Iowa, Inc. (the Organization), a nonprofit organization founded in 1926, is dedicated to the welfare of animals, strengthening the human-animal bond, and preventing the overpopulation of pets. The Organization serves people and pets across the state of Iowa. Programs include pet adoption, humane education, pet behavior training, spay/neuter, and animal cruelty intervention.

The Organization, which is the largest nonprofit animal shelter in Iowa, operates four adoption centers and two animal shelters in the Greater Des Moines area. The Organization operates the City of Des Moines animal shelter on a contractual basis.

Basis of Presentation

The accompanying financial statements have been prepared in conformity with the accounting principles appropriate for not-for-profit entities. The accrual basis of accounting is used by the Organization. Under this method, revenue is recognized in the period earned and expenses are recognized in the period incurred.

Financial statement presentation follows the guidelines set forth by the Financial Accounting Standards Board (FASB) in *Not-for-Profit Entities – Presentation of Financial Statements*. As part of the FASB guidelines, the Organization is required to report information regarding its financial position and activities according to two classes of net assets:

- With donor restrictions – assets that are required to be used in a later period or after a specified date (time restrictions), or that are required to be used for a specific purpose (purpose restriction), or both.
- Without donor restrictions – assets without any donor-imposed restrictions; although, a portion of these assets may have self-imposed limits (board-designated net assets).

Concentrations of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents. The Organization maintains their cash and cash equivalents in commercial banks that, at times, may exceed federally insured limits. However, the Organization's cash accounts have been placed with high credit quality financial institutions, and they have not experienced, nor do they anticipate, any losses with respect to such accounts. The uninsured cash balance totaled \$913,946 at year-end.

Investments

The Organization reports investments at fair value as determined by quoted or published market prices. The fair value is determined as more fully described in Note 3. Investment policy, as approved by the Board of Directors, permits investments in debt and equity securities. Investment income consists of interest, dividends, and net realized and unrealized gains or losses. Details of investment activity and income is presented in Note 4.

**Animal Rescue League of Iowa, Inc.**  
Notes to the Financial Statements  
For the Years Ended December 31, 2020 and 2019

**Note 1. Summary of Significant Accounting Policies (continued)**

Receivables

Receivables are categorized as follows at year-end:

- Accounts receivable
  - Accounts receivable are recorded at the amount the Organization expects to collect on balances outstanding at year-end. Management believes that receivables are fully collectible; therefore, an allowance for uncollectible accounts has not been recorded.
- Promises to give
  - Contributions are recognized when the donor makes a promise to the Organization that is, in substance, unconditional. The organization uses the allowance method to determine uncollectible amounts. Management believes that all promises are fully collectible; therefore, an allowance for uncollectible promises to give has not been recorded.

Inventory

Inventory consists of animal supplies and merchandise purchased for resale in the gift shop and is recorded at the lower of cost or net realizable value using the first in, first out (FIFO) method.

Fixed Assets

Property and equipment determined to be a capital asset is valued at cost and depreciated using the straight-line method over the estimated useful life. An asset is considered for capitalization if it has a value greater than \$2,500 and has an expected useful life greater than one year. Property and equipment contributed to the Organization is recorded at the fair market value on the date of the contribution. Property and equipment accounts are categorized in Note 5.

Revenue Recognition

Revenue is categorized as follows at year-end:

- Contributions of cash & other financial assets
  - Consists of cash contributions, grants, and transfers from Foundation. Unconditional contributions are recognized at fair value when received or pledged. Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions, depending on the existence or nature of any donor restrictions. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.
- Contributions of nonfinancial assets
  - Consists of donated items and products to be auctioned off as part of the annual auction event, as well as various animal supplies and food. The Organization recognizes and records contributions of donated non-cash assets at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills are provided by individuals possessing these skills and would typically need to be purchased if not provided by donation, are recorded at their fair value in the period received. Donated services received during the year consisted of professional fees for accounting services utilized as part of general operations and were valued based on current rates for similar services.

**Animal Rescue League of Iowa, Inc.**  
Notes to the Financial Statements  
For the Years Ended December 31, 2020 and 2019

**Note 1. Summary of Significant Accounting Policies (continued)**

Revenue Recognition (continued)

- Revenue
  - Consists primarily of animal adoption and care, contract income, events, investment income, and merchandise sales. The Organization recognizes revenue from exchange transactions when the earnings process is complete and goods have been delivered or services performed. Contract income is recognized based on the terms of the agreement with the city of Des Moines.

Advertising

Advertising is expensed in the period incurred. Advertising amounted to \$23,171 and \$30,282 as of December 31, 2020 and 2019 respectively.

Allocation of Functional Expenses

The costs of program and supporting service activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Certain costs are attributed to more than one program or supporting function and, therefore, require allocation among the programs and supporting services benefited. Management believes their allocations are done on a reasonable and consistent basis. Most personnel costs, office expenses, professional services, and other expenses are identified with a specific program or supporting function at the time they are incurred and are reported accordingly. However, some of these expenses require allocation, which is done on the basis of estimates of time and effort.

Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Income Taxes

The Organization is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code except to the extent of taxes on unrelated business income. As required by the FASB *Income Taxes* topic, the Organization has evaluated their material tax positions and determined no income tax affects with respect to the financial statements. The Organization is no longer subject to U.S. Federal or State tax examinations by tax authorities for years prior to 2017. There has been no notice of any impending examinations by tax authorities, and no examinations are in process.

**Animal Rescue League of Iowa, Inc.**  
Notes to the Financial Statements  
For the Years Ended December 31, 2020 and 2019

**Note 1. Summary of Significant Accounting Policies (continued)**

Newly Adopted Accounting Pronouncements

In June 2018, the FASB issued ASU 2018-08, *Not-for-Profit Entities (Topic 958) Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The FASB issued this ASU to clarify and improve the scope and the accounting guidance for contributions received and contributions made. The amendments in this ASU should assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. The Organization adopted this ASU effective July 1, 2020 and there was no impact to net assets or changes in net assets as a result.

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958) Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The FASB issued this ASU to improve generally accepted accounting principles (GAAP) by increasing the transparency of contributed nonfinancial assets for not-for-profit (NFP) entities through enhancements to presentation and disclosure. The Organization adopted this ASU effective July 1, 2020 and there was no impact to net assets or changes in net assets as a result.

Recent Events

On March 11, 2020 the World Health Organization declared the outbreak of COVID-19 as a global pandemic, which continues to spread throughout the United States and around the world. While the economic fallout has somewhat stabilized, actions taken to mitigate the spread of COVID-19 have had, and continue to have, an adverse impact on economic activity globally, nationally, and locally. The extent of the pandemic's effect on the Organization will be dependent on many factors, including the speed and extent of any recovery from the related economic recession. It is reasonably possible that estimates made in the financial statements could be materially and adversely impacted in the near term as a result of these conditions.

**Note 2. Liquidity**

The Organization's financial assets available within one year of the balance sheet date for general expenditures are as follows:

Cash & cash equivalents	\$ 1,286,948
Investments	12,711,212
Receivables	183,523
	<u>\$ 14,181,683</u>

Cash and cash equivalents are considered to be investments and other assets that can be converted to cash within three months.

**Animal Rescue League of Iowa, Inc.**  
Notes to the Financial Statements  
For the Years Ended December 31, 2020 and 2019

**Note 3. Fair Value Measurements**

The Organization has adopted the provisions of the FASB *Fair Value Measurement* topic, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Professional standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to level 1 inputs and the lowest priority to level 3 inputs. The three levels of the hierarchy are described as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices included within *Level 1* that are observable for the asset or liability, either directly or indirectly.
- Level 3 – unobservable inputs for the asset or liability.

The following table presents financial instruments that are measured at fair value on a recurring basis as of December 31:

		2020		
	Fair Value	Level 1	Level 2	Level 3
Investments	\$ 12,711,212	\$ 12,711,212	\$ -	\$ -
		2019		
	Fair Value	Level 1	Level 2	Level 3
Investments	\$ 11,907,431	\$ 11,907,431	\$ -	\$ -

**Note 4. Investments**

Investments are managed based on the investment policy and level of risk deemed appropriate by the Organization. Investments consisted of the following as of December 31:

	2020	2019
Community Foundation endowment	\$ 129,559	\$ 110,488
Fixed income	1,973,419	1,811,788
Mutual funds	599,045	488,230
Stocks, real estate, & alternatives	10,009,189	9,496,925
	\$ 12,711,212	\$ 11,907,431

**Animal Rescue League of Iowa, Inc.**  
Notes to the Financial Statements  
For the Years Ended December 31, 2020 and 2019

**Note 4. Investments (continued)**

Investment income consisted of the following at year-end:

	2020	2019
Interest & dividends	\$ 241,621	\$ 281,498
Realized gain/(loss)	229,827	383,633
Unrealized gain/(loss)	1,182,704	1,718,986
Administrative fees	(80,005)	(81,206)
	\$ 1,574,147	\$ 2,302,911

**Note 5. Fixed Assets**

Major classes of fixed assets are as follows at year-end:

	2020	2019
Land	\$ 34,637	\$ 34,637
Buildings	11,520,889	11,544,572
Furniture & fixtures	857,181	1,020,605
Vehicles	601,645	556,397
Website	58,653	63,316
Accumulated depreciation	(4,956,798)	(4,706,779)
	\$ 8,116,207	\$ 8,512,748

**Note 6. Net Assets with Donor Restrictions**

The following net assets are restricted by the donor for specific purposes or periods at year-end:

Subject to expenditure for specified purpose:	2020	2019
Spay/neuter program	\$ 129,190	\$ 89,539
Animal reclaim assistance	4,255	4,710
Pet supplies	894	2,498
Veterinary assistance	68,480	31,091
Humane education scholarships	-	2,200
Adoption assistance	6,025	7,822
Animal training programs	-	1,709
Pet food assistance	2,500	-
	\$ 211,344	\$ 139,569

**Animal Rescue League of Iowa, Inc.**  
Notes to the Financial Statements  
For the Years Ended December 31, 2020 and 2019

**Note 7. Retirement Plan**

The Organization has a defined contribution retirement plan, which covers all employees. Employees are immediately eligible and can elect to make contributions in addition to those provided by the employer. The Organization makes individual contributions equal to 50% of the first 4% of employee contributions. Contributions under the plan totaled \$63,859 and \$56,027 as of December 31, 2020 and 2019, respectively.

**Note 8. Related Parties**

A senior member of management is related to a member of the Board of Directors and Executive Committee. The board member abstains from any discussions and voting related to the employee's performance review and salary negotiations.

**Note 9. Accrued Compensation**

In 2007, the Organization began setting aside savings in lieu of a qualified retirement plan for the CEO. Employer contributions totaled \$40,000 and \$40,000 as of December 31, 2020 and 2019, respectively. Total account value was \$599,045 and \$488,230 as of December 31, 2020 and 2019, respectively.

**Note 10. Subsequent Events**

Management has reviewed and evaluated material subsequent events from the Statement of Financial Position date of December 31, 2020 through the financial statement issuance date of August 24, 2021. There were no subsequent events requiring adjustment to the financial statements.