

Independent Accountants' Review Report

March 30, 2012

To The Board of Directors
Chihuahua and Small Dog Rescue
53 Monk Street
Colorado Springs, CO 80911

Dear Board of Directors,

I have reviewed the accompanying balance sheet of Chihuahua and Small Dog Rescue as of December 31, 2011 and the related statements of income, retained earnings, and cash flows for the year then ended, in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of management of Chihuahua and Small Dog Rescue.

A review consists principally of inquiries of company personnel and analytical procedures applied to finances. It is substantially less in scope than an audit, the object of which is the expressions of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based upon my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Very Truly Yours,



Mary E. Lippi
Certified Public Accountant
State of Colorado License #13484

3860 Darley Ave
Boulder, CO 80305
303-868-4976

Chihuahua & Small Dog Rescue, Inc.
Balance Sheet
December 31, 2011

ASSETS

Current Assets		
Cash on Hand	\$	150.00
Cash - Checking		3,200.86
Cash - Restricted Funds		254.51
Cash - Paypal Money Market		149.70
Cash - Raffle		112.00
C Campaign Receivables		8,520.73
Deposits		50.00
Pre-Paid Insurance		829.79
		13,267.59
Total Current Assets		
Property and Equipment		
Software		16,401.00
Computers		2,968.39
Event Equipment		1,226.91
Vehicles		7,200.00
Acc Depr - Software		(7,004.00)
Acc Depr - Computers		(522.00)
Acc Depr - Event Equipment		(964.00)
Acc Depr - Vehicles		(3,757.00)
		15,549.30
Total Property and Equipment		
Other Assets		
		0.00
Total Other Assets		
		28,816.89
Total Assets		\$ 28,816.89

LIABILITIES AND FUND BALANCE

Current Liabilities		
		0.00
Total Current Liabilities		
Long-Term Liabilities		
		0.00
Total Long-Term Liabilities		
		0.00
Total Liabilities		
Fund		
Fund Bal- Beginning of Year	\$	13,596.23
Net Fund Increase (Decrease)		12,107.31
Net Income		3,113.35
		28,816.89
Total Fund Balance		
		28,816.89
Total Liabilities & Fund Balance		\$ 28,816.89

Chihuahua & Small Dog Rescue, Inc.
Income Statement
For the Twelve Months Ending December 31, 2011

	Year to Date	
Fund Revenues		
Adoption Fees	\$ 34,100.00	47.29
Donations - Non Cash	11,345.00	15.73
Donations	10,279.24	14.26
Fundraiser Income	7,980.85	11.07
Grant Income	8,391.00	11.64
Raffles	12.00	0.02
	<hr/>	
Total Fund Revenues	72,108.09	100.00
Program Expenditures		
Vet - Spay/Neuter	22,739.30	31.54
Vet - Medical	27,333.48	37.91
Vet - Microchips	1,076.13	1.49
Vet - Meds	2,031.49	2.82
Supplies (Collars, Tags, etc)	2,304.64	3.20
Fundraising Costs	2,002.72	2.78
Event Registration	85.00	0.12
C Campaign Expense	1,424.24	1.98
Program Depreciation	4,589.00	6.36
Program Insurance	581.59	0.81
	<hr/>	
Total Program Expenditures	64,167.59	88.99
Gross Fund	<hr/>	11.01
Administrative Expenditures		
Accounting	253.31	0.35
Bank Charges	141.50	0.20
Depreciation	1,484.00	2.06
Insurance	343.50	0.48
Licenses & Permits	481.39	0.67
Memberships	349.00	0.48
Office Expense	1,048.19	1.45
Postage	119.90	0.17
Telephone	179.40	0.25
Training Expense	240.03	0.33
Website	186.93	0.26
	<hr/>	
Total Admin Expenditures	4,827.15	6.69
Net Fund Increase (Decrease)	<hr/> <hr/>	4.32

Chihuahua & Small Dog Rescue, Inc.
Income Statement
For the Twelve Months Ending December 31, 2011

	Year to Date This Year	Year to Date Last Year
Revenues		
Adoption Fees	\$ 34,100.00	\$ 28,930.00
Donations - Non Cash	11,345.00	411.00
Donations	10,279.24	24,096.34
Fundraiser Income	7,980.85	2,711.42
Grant Income	8,391.00	10,093.87
Raffles	12.00	0.00
	<hr/>	<hr/>
Total Revenues	72,108.09	66,242.63
Cost of Sales		
Vet - Spay/Neuter	22,739.30	25,800.85
Vet - Medical	27,333.48	14,140.70
Vet - Mirochips	1,076.13	1,085.00
Vet - Meds	2,031.49	2,392.71
Supplies (Collars, Tags, etc)	2,304.64	619.31
Fundraising Costs	2,002.72	480.34
Event Registration	85.00	378.08
C Campaign Expense	1,424.24	546.58
Program Depreciation	4,589.00	3,344.00
Program Insurance	581.59	0.00
	<hr/>	<hr/>
Total Cost of Sales	64,167.59	48,787.57
Gross Profit	7,940.50	17,455.06
Expenses		
Accounting	253.31	0.00
Bank Charges	141.50	69.65
Depreciation	1,484.00	2,830.00
Insurance	343.50	0.00
Licenses & Permits	481.39	151.69
Mileage Reimbursement	0.00	125.83
Memberships	349.00	189.00
Office Expense	1,048.19	578.58
Postage	119.90	31.45
Telephone	179.40	89.70
Training Expense	240.03	278.39
Travel Expense	0.00	783.67
Website	186.93	219.79
	<hr/>	<hr/>
Total Expenses	4,827.15	5,347.75
Net Income	\$ 3,113.35	\$ 12,107.31

Chihuahua & Small Dog Rescue, Inc.
Statement of Cash Flow
For the twelve Months Ended December 31, 2011

Year to Date

Cash Flows from operating activities	
Net Income	\$ 3,113.35
Adjustments to reconcile net income to net cash provided by operating activities	
Acc Depr - Software	4,424.00
Acc Depr - Computers	272.00
Acc Depr - Event Equipment	474.00
Acc Depr - Vehicles	903.00
C Campaign Receivables	4,892.52
Grants Receivables	229.24
Pre-Paid Insurance	(829.79)
	<hr/>
Total Adjustments	10,364.97
	<hr/>
Net Cash provided by Operations	13,478.32
	<hr/>
Cash Flows from investing activities	
Used For	
Software	(8,662.00)
Computers	(1,718.39)
Event Equipment	(368.97)
Vehicles	(3,000.00)
	<hr/>
Net cash used in investing	(13,749.36)
	<hr/>
Cash Flows from financing activities	
Proceeds From	
Used For	
	<hr/>
Net cash used in financing	0.00
	<hr/>
Net increase <decrease> in cash	\$ (271.04)
	<hr/> <hr/>
Summary	
Cash Balance at End of Period	\$ 3,867.07
Cash Balance at Beg of Period	(4,138.11)
	<hr/>
Net Increase <Decrease> in Cash	\$ (271.04)
	<hr/> <hr/>

Chihuahua & Small Dog Rescue, Inc.
Statement of Changes in Financial Position
For the twelve months ended December 31, 2011

		Year To Date
Sources of Working Capital		
Net Income	\$	3,113.35
Add back items not requiring working capital		
Acc Depr - Software		4,424.00
Acc Depr - Computers		272.00
Acc Depr - Event Equipment		474.00
Acc Depr - Vehicles		903.00
		<hr/>
Working capital from operations		9,186.35
Other sources		
		<hr/>
Total sources		9,186.35
		<hr/>
Uses of working capital		
Software		(8,662.00)
Computers		(1,718.39)
Event Equipment		(368.97)
Vehicles		(3,000.00)
		<hr/>
Total uses		(13,749.36)
		<hr/>
Net change	\$	(4,563.01)
		<hr/> <hr/>
Analysis of componants of changes		
Increase <Decrease> in Current Assets		
Cash - Checking	\$	(461.72)
Cash - Restricted Funds		204.68
Cash - Raffle		(14.00)
C Campaign Receivables		(4,892.52)
Grants Receivables		(229.24)
Pre-Paid Insurance		829.79
<Increase> Decrease in Current Liabilities		
		<hr/>
Net change	\$	(4,563.01)
		<hr/> <hr/>

Chihuahua & Small Dog Rescue, Inc.
Statement of Financial Position
December 31, 2011

ASSETS

Cash	\$	3,867.07	
Accounts Receivable		8,520.73	
Other Current Assets		879.79	
Fixed Operating Assets		<u>15,549.30</u>	
Total Assets			\$ <u>28,816.89</u>

LIABILITIES AND NET ASSETS

Accounts Payable	\$	<u>0.00</u>	
Total Liabilities			0.00
Excess Rev over Expenditures		3,113.35	
Unrestricted Net Assets		<u>25,703.54</u>	
Total Net Assets			<u>28,816.89</u>
Total Liabilities & Net Assets	\$		<u>28,816.89</u>

Chihuahua & Small Dog Rescue, Inc.
Statement of Fund
For the Twelve Months Ending December 31, 2011

Beginning Retained Earnings	\$	25,703.54
Adjustments To Date		0.00
Net Income		<u>3,113.35</u>
Subtotal		<u>28,816.89</u>
Ending Fund Balance	\$	<u><u>28,816.89</u></u>