

April 21, 2010



## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Noah's Wish  
Sacramento, California

We have audited the accompanying Statement of Financial Position of Noah's Wish (a nonprofit corporation), as of December 31, 2009, and the related Statements of Activities, Functional Expenses, and Cash Flows for the year then ended. These financial statements are the responsibility of the Organization's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Noah's Wish as of December 31, 2009, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

*John Waddell & Co., CPAs*

**NOAH'S WISH**

**Statement of Financial Position  
December 31, 2009**

**ASSETS**

Cash and equivalents	\$	324,620
Prepaid expenses		10,751
Investments		8,045
Property, plant & equipment		98,121
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	\$	441,537
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**LIABILITIES AND NET ASSETS**

Liabilities		
Accounts payable	\$	2,277
Accrued vacation		7,611
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Total Liabilities		9,888
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Net Assets		
Unrestricted		428,569
Temporarily restricted		3,080
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Total Net Assets		431,649
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	\$	441,537
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See accompanying notes to financial statements.

## NOAH'S WISH

### Statement of Activities For the Year Ended December 31, 2009

	Unrestricted	Temporarily Restricted	Total
Support and Revenue			
Grants and contributions	\$ 230,164	\$ 9,117	\$ 239,281
Workshops	29,894	-	29,894
Investment income	5,002	-	5,002
Miscellaneous income	8,393	-	8,393
Net assets released from restriction	6,037	(6,037)	-
Total Support and Revenue	<u>279,490</u>	<u>3,080</u>	<u>282,570</u>
Expenses			
Program services:			
Disaster services	100,799	-	100,799
Volunteer training	78,073	-	78,073
Total program services	<u>178,872</u>	<u>-</u>	<u>178,872</u>
Supporting services:			
General and administration	99,505	-	99,505
Fundraising	39,188	-	39,188
Total supporting services	<u>138,693</u>	<u>-</u>	<u>138,693</u>
Total Expenses	<u>317,565</u>	<u>-</u>	<u>317,565</u>
Change in Net Assets	(38,075)	3,080	(34,995)
Net Assets, Beginning of Year	<u>466,644</u>	<u>-</u>	<u>466,644</u>
Net Assets, End of Year	<u>\$ 428,569</u>	<u>\$ 3,080</u>	<u>\$ 431,649</u>

See accompanying notes to financial statements.

## NOAH'S WISH

### Statement of Cash Flows For the Year Ended December 31, 2009

Cash Flows from Operating Activities:	
Change in net assets	\$ (34,995)
Adjustments to reconcile change in net assets to cash provided by operating activities:	
Noncash items included in changes in net assets:	
Depreciation	68,310
Realized loss on asset sales	10,273
Dividends reinvested	(311)
Unrealized gain on investments	(1,566)
Changes in operating assets and liabilities:	
Prepaid expenses	2,113
Accounts payable	(508)
Accrued vacation	1,731
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Cash Provided by Operating Activities	45,047
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Cash Flows from Investing Activities:	
Sales of property and equipment	2,715
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Cash Provided by Investing Activities	2,715
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Net Increase in Cash	47,762
Cash and Cash Equivalents, Beginning of Year	276,858
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Cash and Cash Equivalents, End of Year	\$ 324,620
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See accompanying notes to financial statements.

# NOAH'S WISH

## Notes to Financial Statements December 31, 2009

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Organization

Noah's Wish is a nonprofit public benefit corporation incorporated in 2002 for the primary purpose of providing a disaster preparedness and response program for animals throughout the world. To accomplish this mission, Noah's Wish provides the following services:

- evacuation and rescue of animals
- animal intake and identification
- temporary shelter for displaced animals
- coordination of lost and found animals
- coordination and distribution of animal food and supply donations
- networking with veterinarians for injured, sick and traumatized animals
- networking with grooming facilities to ensure petroleum products, sewage, pesticides, etc. are removed from the coats of rescued animals
- networking with grief counselors for owners when animals are lost or die
- screening foster homes when animals are in need of long-term foster care
- locating permanent homes for unclaimed and surrendered animals
- arranging for spaying or neutering of adoptable animals

#### Estimates

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

#### Cash

Noah's Wish considers cash and money market funds to be cash.

#### Investments

Investments consist of donated mutual funds and are stated at fair value based on quoted market prices for identical assets (Level One inputs).

#### Property and Equipment

All property and equipment are recorded at cost. Depreciation is provided on the straight-line basis over the estimated useful life of 39 years for the building and 5 years for other assets.

# NOAH'S WISH

## Notes to Financial Statements December 31, 2009

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Contributions that are temporarily restricted are then reclassified to unrestricted net assets upon satisfaction of the restriction.

Contributions of animal food and supplies are recorded at their estimated fair values at the date of donation.

Property and equipment donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, Noah's Wish reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. Noah's Wish reclassifies temporarily restricted net assets to unrestricted net assets at that time.

#### Contributed Services

Contributions of services are recognized if the services received create nonfinancial assets or require specialized skills. There were no contributed services meeting these criteria for the year ended December 31, 2009. However, a substantial number of other volunteers make significant contributions to Noah's Wish's relief efforts that do not meet the criteria for recognition as revenue stated above. The fair value of these contributed services has not been determined.

#### Functional Expenses

Noah's Wish allocates its expenses on a functional basis among its various programs and support services. Most expenses can be identified with a specific program or support service and are allocated directly according to their natural expenditure classification. Salaries and related costs are allocated based on estimates of time spent by staff in various activities.

#### Income Taxes

Noah's Wish is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified as a public charity.

#### Subsequent Events

Subsequent events have been evaluated through the date the financial statements were available to be issued, which was April 21, 2010.