

**NORTHWEST SPAY &  
NEUTER CENTER**

Financial Statements and  
Supplementary Information

December 31, 2017 (Unaudited) and 2016 (Audited)

**NORTHWEST SPAY & NEUTER CENTER**

Financial Statements and Supplementary Information

December 31, 2017 (Unaudited) and 2016 (Audited)

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## Independent Accountant's Review Report

Board of Directors  
Northwest Spay & Neuter Center  
Tacoma, Washington

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

We have reviewed the accompanying financial statements of Northwest Spay & Neuter Center (a nonprofit organization) ("NWSNC"), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities and cash flows for the year then ended and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of NWSNC management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### ***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.

### ***Accountant's Responsibility***

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### ***Accountant's Conclusion***

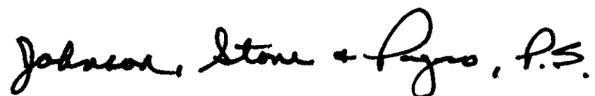
Based on our review, we are not aware of any material modifications that should be made to the accompanying 2017 financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

### ***Prior Period Financial Statements***

The 2016 financial statements were audited by us, and we expressed an unmodified opinion on them in our report dated July 18, 2017. We have not performed any auditing procedures since that date.

***Supplementary Information***

The supplementary schedules of functional expenses on pages 14-15 is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information on page 14 has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information on page 14. We have not audited the supplementary information on page 14 and do not express an opinion on such information. The supplementary information on page 15 was previously audited by us and, based on our audit, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink, reading "Johnson, Stone & Pagano, P.S." in a cursive script.

**JOHNSON, STONE & PAGANO, P.S.**

July 25, 2018

## FINANCIAL STATEMENTS

**NORTHWEST SPAY & NEUTER CENTER****STATEMENTS OF FINANCIAL POSITION**

December 31, 2017 (Unaudited) and 2016 (Audited)

	<u>2017</u>	<u>2016</u>
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 335,700	\$ 238,602
Accounts receivable	26,858	31,349
Prepaid expense	<u>35,479</u>	<u>16,969</u>
<b>Total Current Assets</b>	398,037	286,920
<b>PROPERTY AND EQUIPMENT</b>		
Land	386,000	386,000
Building and building improvements	771,525	771,525
Medical and office equipment	235,619	221,562
Transportation equipment	<u>46,473</u>	<u>46,473</u>
	1,439,617	1,425,560
Accumulated depreciation	<u>450,239</u>	<u>370,037</u>
<b>Total Property and Equipment</b>	989,378	1,055,523
<b>OTHER ASSETS</b>		
Investments	<u>201,251</u>	<u>232,603</u>
<b>Total Other Assets</b>	<u>201,251</u>	<u>232,603</u>
<b>TOTAL ASSETS</b>	<u>\$ 1,588,666</u>	<u>\$ 1,575,046</u>

See independent accountant's review report and accompanying notes to financial statements.

**NORTHWEST SPAY & NEUTER CENTER****STATEMENTS OF FINANCIAL POSITION (Continued)**

December 31, 2017 (Unaudited) and 2016 (Audited)

	<u>2017</u>	<u>2016</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 18,336	\$ 23,664
Accrued wages and payroll taxes	10,735	14,812
Deferred revenue	34,140	7,688
Other accrued expenses	14,331	8,536
Current portion of long-term debt	<u>10,147</u>	<u>9,689</u>
<b>Total Current Liabilities</b>	87,689	64,389
<b>LONG-TERM LIABILITIES</b> , net of current portion	<u>292,757</u>	<u>300,876</u>
<b>Total Liabilities</b>	380,446	365,265
<b>NET ASSETS</b>		
Unrestricted	1,126,220	1,089,781
Temporarily restricted	<u>82,000</u>	<u>120,000</u>
<b>Total Net Assets</b>	<u>1,208,220</u>	<u>1,209,781</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 1,588,666</u>	<u>\$ 1,575,046</u>

See independent accountant's review report and accompanying notes to financial statements.

**NORTHWEST SPAY & NEUTER CENTER****STATEMENTS OF ACTIVITIES**

Year Ended December 31, 2017 (Unaudited)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>REVENUE AND SUPPORT</b>			
Contributions	\$ 291,207	\$ 82,000	\$ 373,207
Surgical services	644,850		644,850
Medication and pet supplies	234,007		234,007
Investment gain	28,089		28,089
Net assets released from restriction	<u>120,000</u>	<u>(120,000)</u>	<u></u>
<b>Total Revenue and Support</b>	1,318,153	(38,000)	1,280,153
<b>EXPENSES</b>			
Program services	986,622		986,622
Management and general services	216,106		216,106
Fundraising	<u>78,986</u>	<u></u>	<u>78,986</u>
<b>Total Expenses</b>	<u>1,281,714</u>	<u></u>	<u>1,281,714</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	36,439	(38,000)	(1,561)
<b>Net Assets at Beginning of Year</b>	<u>1,089,781</u>	<u>120,000</u>	<u>1,209,781</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 1,126,220</u>	<u>\$ 82,000</u>	<u>\$ 1,208,220</u>

See independent accountant's review report and accompanying notes to financial statements.



**NORTHWEST SPAY & NEUTER CENTER**

## STATEMENTS OF ACTIVITIES (Continued)

Year Ended December 31, 2016 (Audited)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>REVENUE AND SUPPORT</b>			
Contributions	\$ 203,308	\$ 128,000	\$ 331,308
Surgical services	630,626		630,626
Medication and pet supplies	177,698		177,698
Investment gain	14,103		14,103
Other loss	277		277
Net assets released from restriction	<u>61,610</u>	<u>(61,610)</u>	
<b>Total Revenue and Support</b>	1,087,622	66,390	1,154,012
<b>EXPENSES</b>			
Program services	927,257		927,257
Management and general services	184,043		184,043
Fundraising	<u>41,937</u>		<u>41,937</u>
<b>Total Expenses</b>	<u>1,153,237</u>		<u>1,153,237</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	(65,615)	66,390	775
<b>Net Assets at Beginning of Year</b>	<u>1,155,396</u>	<u>53,610</u>	<u>1,209,006</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 1,089,781</u>	<u>\$ 120,000</u>	<u>\$ 1,209,781</u>

See independent accountant's review report and accompanying notes to financial statements.

# NORTHWEST SPAY & NEUTER CENTER

## STATEMENTS OF CASH FLOWS

Years Ended December 31, 2017 (Unaudited) and 2016 (Audited)

	<u>2017</u>	<u>2016</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (1,561)	\$ 775
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation	80,202	80,584
Gain on investments	(23,431)	(9,768)
Bad debt expense		420
Donated stock		(48,403)
Net change in operating assets and liabilities		
Decrease (increase) in accounts receivable	4,491	(13,434)
Increase in prepaid expense	(18,510)	(16,969)
Increase (decrease) in accounts payable	(5,328)	7,484
Decrease in accrued wages and payroll taxes	(4,077)	(8,128)
Increase in deferred revenue	26,452	2,188
Increase in other accrued expenses	<u>5,795</u>	<u>2,854</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	64,033	(2,397)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from maturity and sale of investments	54,783	
Purchase of property and equipment	<u>(14,057)</u>	<u>(4,221)</u>
<b>Net Cash Provided (Used) by Investing Activities</b>	40,726	(4,221)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments on long-term debt	<u>(7,661)</u>	<u>(8,961)</u>
<b>Net Cash Used by Financing Activities</b>	<u>(7,661)</u>	<u>(8,961)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	97,098	(15,579)
<b>Cash and Cash Equivalents at Beginning of Year</b>	<u>238,602</u>	<u>254,181</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	\$ <u>335,700</u>	\$ <u>238,602</u>
<b>SUPPLEMENTAL INFORMATION</b>		
Interest paid	\$ <u>16,341</u>	\$ <u>15,060</u>

See independent accountant's review report and accompanying notes to financial statements.

## **NORTHWEST SPAY & NEUTER CENTER**

### **NOTES TO FINANCIAL STATEMENTS**

December 31, 2017 (Unaudited) and 2016 (Audited)

#### **NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### ***Nature of Activities***

In 2017 Northwest Spay and Neuter Center performed 13,133 sterilization surgeries at our high-quality, low cost Tacoma clinic, reaching 8,165 pet owners and caretakers in the Puget Sound area. We have performed more than 100,000 surgeries since 2001. By smartly focusing on population control, NWSNC has helped local shelters increase their “save rate” from under 60% to over 90%. Many of our clients do not have financial or other means to alter their animals, but our low prices and additional subsidies make spaying and neutering an achievable choice for everyone. We have special programs for those with feral or free roaming cats and pit bull dogs. Our clinic has no geographic restrictions and has served people throughout Washington State and beyond. Our Transport Shuttle allows us to bring animals from outer lying counties to our clinic and then return them to their owners or caretakers at a location convenient for them and closer to where they live. We have regular runs to Kitsap, Lewis, South King, Thurston, Grays Harbor and Mason Counties. We also partner with over 55 animal welfare organizations, providing spay and neuter services for their adoptive animals.

##### ***Basis of Presentation***

The accompanying financial statements are prepared using the accrual basis of accounting. NWSNC reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

Under these provisions, net assets and revenues, expenses and gains and losses are classified based on the existence or absence of donor imposed restrictions; accordingly, the net assets of NWSNC and changes therein are classified and reported as follows:

##### ***Unrestricted Net Assets***

Unrestricted net assets include all NWSNC net assets on which there are no donor imposed restrictions for use, or on which donor imposed restrictions were temporary and have expired.

##### ***Temporarily Restricted Net Assets***

Temporarily restricted net assets include all NWSNC net assets received by donations on which the donor imposed some restriction. Such restrictions are time or purpose dependent and will expire when NWSNC makes use of the net assets sometime in the future for the restricted purpose.

##### ***Permanently Restricted Net Assets***

Permanently restricted net assets include net assets received by donations on which the donor imposed a permanent restriction on the use of the gift. This category of net assets is composed of endowment gifts given over the years by donors who required that the gift be invested and only the income from such investments be used to support scholarships or other specific purposes. There were no permanently restricted net assets at December 31, 2017 or 2016.

## **NORTHWEST SPAY & NEUTER CENTER**

### **NOTES TO FINANCIAL STATEMENTS**

December 31, 2017 (Unaudited) and 2016 (Audited)

#### **NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### ***Permanently Restricted Net Assets (Continued)***

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

##### ***Cash and Cash Equivalents***

Cash and cash equivalents include investments in highly liquid instruments with maturities of three months or less at the date of acquisition other than those held in NWSNC's investment portfolio.

##### ***Accounts Receivable***

Accounts receivable are recorded using the accrual basis of accounting and are presented at their remaining uncollected balances based on management's assessment of the collectability. Management has evaluated the accounts and believes they are all collectible; therefore, no allowance for uncollectible accounts has been provided.

##### ***Investment Policy***

NWSNC has adopted investment policies whose primary objective is to preserve and protect assets by earning a total return within reasonable risk tolerance levels. Spending is driven by controls over both cash flow and donor restriction limits. The policies also identify the oversight and reporting expectations as well as the overall investment strategy to maximize earnings.

##### ***Contributed Services***

Contributed services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by NWSNC.

Many individuals volunteer their time and perform a variety of tasks that assist the NWSNC delivery of service. No amounts have been reflected in the financial statements for these donated services.

##### ***Property and Equipment***

NWSNC capitalizes all expenditures for property and equipment in excess of \$1,000 and all expenditures for repairs and maintenance, renewals and betterments that prolong the useful lives of assets are capitalized.

Donated property and equipment are recorded at their fair value at the date of donation. There were no such contributions received during 2017 or 2016.

## **NORTHWEST SPAY & NEUTER CENTER**

### **NOTES TO FINANCIAL STATEMENTS**

December 31, 2017 (Unaudited) and 2016 (Audited)

#### **NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### ***Property and Equipment (Continued)***

Depreciation is computed using the straight-line method over the estimated useful lives of assets as follows:

	<u>Estimated Useful Lives</u>
Medical equipment	5 years
Office equipment	5 to 10 years
Building and improvements	10 to 27 years
Transportation equipment	5 years

Depreciation expense was \$80,202 and \$80,584 for the years ended December 31, 2017 and 2016, respectively.

##### ***Advertising***

NWSNC expenses advertising and marketing costs as they are incurred. Advertising costs totaled \$8,534 and \$5,543 for the years ended December 31, 2017 and 2016, respectively.

##### ***Contributions***

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met.

##### ***Deferred Revenue***

Deferred revenue consists of advance payments for fundraising events and contributions related to the next year and will be reported in income during the subsequent year.

##### ***Allocation of Functional Expenses***

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs, management and general fundraising based on the benefits derived.

##### ***Concentration of Credit Risk***

NWSNC may, at times, have balances that exceed federally insured deposit limits. Management has not experienced any losses and believes there is minimal risk associated with these cash balances.

NWSNC had investments totaling \$201,251 and \$232,603 for the years ended December 31, 2017 and 2016, respectively in funds with a broker-dealer. The funds are insured by the Securities Investor Protection Corporation up to \$500,000 for brokerage accounts with a limit of \$250,000 for claims of uninvested cash balances and additional brokerage insurance through the broker-dealer's underwriters as stated in the broker-dealer account agreement.

## **NORTHWEST SPAY & NEUTER CENTER**

### **NOTES TO FINANCIAL STATEMENTS**

December 31, 2017 (Unaudited) and 2016 (Audited)

#### **NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### ***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires NWSNC to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

##### ***Income Tax***

NWSNC is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

##### ***New Accounting Pronouncement***

In August 2016, the Financial Accounting Standards Board issued Accounting Standards Update ("ASU") 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, to improve the presentation of net asset classifications and other information, presented or disclosed in the financial statements, regarding a not-for-profit entity's liquidity and availability of financial resources, board designations of net assets, financial performance, and expenses on a functional basis. The ASU's requirements are broadly applicable, and will be effective for years beginning after December 15, 2017. Management is currently evaluating how the new requirements will affect NWSNC's financial statements.

##### ***Subsequent Events***

Management of NWSNC has evaluated subsequent events for potential recognition and disclosure through July 25, 2018, the date of completion of the accountant's review procedures.

#### **NOTE 2 - FAIR VALUE MEASUREMENTS**

NWSNC applies authoritative guidance related to fair value measurements, which establishes a fair value hierarchy for reporting that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels; Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2 inputs consist of observable units other than quoted prices for identical assets; and Level 3 inputs consist of significant unobservable inputs and have the lowest priority. There were no Level 2 or 3 inputs applied to NWSNC's financial instruments.

## **NORTHWEST SPAY & NEUTER CENTER**

### **NOTES TO FINANCIAL STATEMENTS**

December 31, 2017 (Unaudited) and 2016 (Audited)

#### **NOTE 2 - FAIR VALUE MEASUREMENTS (Continued)**

Fair value of investments measured on a recurring basis is as follows:

	<u>Fair Value</u>	<u>Active Markets for Identical Assets (Level 1)</u>
December 31, 2017		
Exchange Traded Funds	\$ <u>201,251</u>	\$ <u>201,251</u>
December 31, 2016		
Mutual bond funds	\$ 181,900	\$ 181,900
Equities	<u>50,703</u>	<u>50,703</u>
	\$ <u>232,603</u>	\$ <u>232,603</u>

#### **NOTE 3 - INVESTMENT INCOME**

Investment income reported in the statement of activities consists of the following for the years ended December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Interest and dividends	\$ 4,659	\$ 4,335
Net unrealized gain	12,392	9,768
Realized gain	<u>11,039</u>	<u>          </u>
Total	\$ <u>28,090</u>	\$ <u>14,103</u>

#### **NOTE 4 - LONG-TERM DEBT**

Long-term debt at December 31 is summarized as follows:

	<u>2017</u>	<u>2016</u>
Note payable to Columbia Bank. The note requires monthly payments of \$1,983, including interest of 5.37% per annum, and matures March 15, 2027, when a balloon payment is due. Secured by real property.	\$ 302,904	\$ 310,565
Less current portion	<u>10,147</u>	<u>9,689</u>
Total Long-term Debt, Net of Current Portion	\$ <u>292,757</u>	\$ <u>300,876</u>

## **NORTHWEST SPAY & NEUTER CENTER**

### **NOTES TO FINANCIAL STATEMENTS**

December 31, 2017 (Unaudited) and 2016 (Audited)

#### **NOTE 4 - LONG-TERM DEBT** (Continued)

Annual maturities of long-term debt are as follows:

December 31, 2018	\$ 10,147
2019	10,627
2020	11,129
2021	11,654
2022	12,205
Thereafter	<u>247,142</u>
Total	\$ <u>302,904</u>

The note contains certain covenants. Interest expense was \$16,341 and \$15,060 for the years ended December 31, 2017 and 2016, respectively.

#### **NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for specific program and facility purchase/renovation uses. In accordance with accounting principles generally accepted in the United States of America, unconditional promises to give over a specified period are recorded as temporarily restricted in the period that the notice from the donor is received by NWSNC. When a restriction is met, or expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

The temporarily restricted net assets are restricted for special projects of \$82,000 and \$120,000 at December 31, 2017 and 2016, respectively.



## SUPPLEMENTARY INFORMATION

# NORTHWEST SPAY & NEUTER CENTER

## SCHEDULES OF FUNCTIONAL EXPENSES

For the Year Ending December 31, 2017 (Unaudited)

	Program Services	Management and General Services	Fundraising Activities	Total
<b>COMPENSATION AND RELATED EXPENSES</b>				
Wages	\$ 529,609	\$ 99,300	\$ 33,100	\$ 662,009
Payroll taxes	47,374	5,922	5,922	59,218
Benefits	39,201	1,292	2,585	43,078
<b>Total Compensation and Related Expenses</b>	616,184	106,514	41,607	764,305
Advertising	3,414	597	4,523	8,534
Bank service fees	7,357	905	3,056	11,318
Business taxes		12,756		12,756
Computer internet and service	6,152	5,187	724	12,063
Cost of supplies sold	96,516	22,640		119,156
Dues and subscriptions	2,325	3,141	817	6,283
Food and beverage		455	8,651	9,106
Insurance	2,223	3,626		5,849
Interest		16,341		16,341
Landscaping maintenance		2,647		2,647
Miscellaneous expense	520	1,472	173	2,165
Postage and shipping	515	388		903
Printing		1,401	395	1,796
Professional services	6,613	26,959	17,295	50,867
Repairs and maintenance	4,101	216		4,317
Small equipment		556		556
Subsidy for surgical procedures	114,098			114,098
Supplies	5,327	2,112	1,745	9,184
Surgical and animal supplies	17,648			17,648
Travel and parking	2,172	1,777		3,949
Utilities	26,171			26,171
Venue expense	1,500			1,500
<b>Total Expenses Before Depreciation</b>	912,836	209,690	78,986	1,201,512
Depreciation	73,786	6,416		80,202
<b>TOTAL OPERATING EXPENSES</b>	<u>\$ 986,622</u>	<u>\$ 216,106</u>	<u>\$ 78,986</u>	<u>\$ 1,281,714</u>

# **NORTHWEST SPAY & NEUTER CENTER**

## **SCHEDULES OF FUNCTIONAL EXPENSES (Continued)**

For the Year Ending December 31, 2016 (Audited)

	Program Services	Management and General Services	Fundraising Activities	Total
<b>COMPENSATION AND RELATED EXPENSES</b>				
Wages	\$ 491,548	\$ 101,906	\$ 5,994	\$ 599,448
Payroll taxes	43,882	6,123	1,021	51,026
Benefits	41,166	1,300	867	43,333
<b>Total Compensation and Related Expenses</b>	576,596	109,329	7,882	693,807
Advertising	3,381	998	1,164	5,543
Bad debt		420		420
Bank service fees		9,318	3,106	12,424
Business taxes		14,508		14,508
Computer internet and service	3,608	3,074		6,682
Cost of supplies sold	120,300	5,013		125,313
Dues and subscriptions	423	4,476	1,149	6,048
Education and training	70	740	190	1,000
Food and beverage		740	3,883	4,623
Insurance		3,038		3,038
Interest		15,060		15,060
Landscaping maintenance		2,563		2,563
Miscellaneous expense		1,069		1,069
Postage and shipping	290	454		744
Printing	478	1,263	172	1,913
Professional services	23,459	2,881	14,817	41,157
Repairs and maintenance	7,222	106	3,292	10,620
Small equipment	2,162	22		2,184
Subsidy for surgical procedures	72,567			72,567
Supplies	4,936		6,282	11,218
Surgical and animal supplies	9,573	399		9,972
Travel and parking	2,974	525		3,499
Utilities	21,870	1,396		23,266
Venue expense	3,210	205		3,415
<b>Total Expenses Before Depreciation</b>	853,119	177,597	41,937	1,072,653
Depreciation	74,138	6,446		80,584
<b>TOTAL OPERATING EXPENSES</b>	<u>\$ 927,257</u>	<u>\$ 184,043</u>	<u>\$ 41,937</u>	<u>\$ 1,153,237</u>