

ELMBROOK HUMANE SOCIETY, INC.

FINANCIAL STATEMENTS

December 31, 2019 and 2018

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Elmbrook Humane Society, Inc.
Brookfield, Wisconsin

We have audited the accompanying financial statements of Elmbrook Humane Society, Inc., which comprise the statements of financial position as of December 31, 2019 and 2018, 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 audits. We conducted our audits 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Elmbrook Humane Society, Inc. as of December 31, 2019 and 2018, 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.

Adoption of New Accounting Guidance

As discussed in Note 1 to the financial statements, Elmbrook Humane Society, Inc. adopted the Financial Accounting Standards Board's Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, and all subsequently issued clarifying ASUs and ASU No. 2018-08, *Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, as of January 1, 2019. Our opinion is not modified with respect to this matter.



Wegner CPAs, LLP
Waukesha, Wisconsin
May 14, 2020

ELMBROOK HUMANE SOCIETY, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2019 and 2018

	2019	2018
ASSETS		
CURRENT ASSETS		
Cash	\$ 235,663	\$ 323,305
Unconditional promises to give	225,000	384,041
Accounts receivable	-	2,562
Prepaid expenses	4,210	3,125
Total current assets	464,873	713,033
PROPERTY AND EQUIPMENT		
Land	210,405	210,405
Building	1,434,399	1,426,612
Equipment	585,459	584,673
Vehicle	51,109	44,842
Less accumulated depreciation	(861,198)	(793,124)
Property and equipment, net	1,420,174	1,473,408
OTHER ASSETS		
Investments	4,426,637	3,586,352
Beneficial interest in assets held by Waukesha County Community Foundation	1,868,831	1,582,727
Total other assets	6,295,468	5,169,079
Total assets	\$ 8,180,515	\$ 7,355,520
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 11,672	\$ 11,674
Accrued sales tax	668	783
Accrued payroll	16,295	35,723
Total liabilities	28,635	48,180
NET ASSETS		
Without donor restrictions	8,135,719	7,304,448
With donor restrictions	16,161	2,892
Total net assets	8,151,880	7,307,340
Total liabilities and net assets	\$ 8,180,515	\$ 7,355,520

See accompanying notes.

ELMBROOK HUMANE SOCIETY, INC.
STATEMENTS OF ACTIVITIES
Years Ended December 31, 2019 and 2018

	2019	2018
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
SUPPORT AND REVENUE		
Contributions		
General donations and grants	\$ 422,346	\$ 426,496
Estates and bequests	391,652	491,188
In-kind contributions	43,081	46,890
Fundraising events (less costs of direct benefits to donors of \$15,239 and \$17,560)	116,526	106,968
Services, sales, and other revenue and gains		
Adoption fees	138,138	164,293
Municipality contracts	86,525	84,325
Animal medical care and services	11,922	10,581
Surrenders and strays	3,878	5,523
Training classes	17,858	15,615
Retail sales	29,626	25,909
Investment return, net	586,256	(74,250)
Change in value of beneficial interest in assets held by Waukesha County Community Foundation	285,734	(136,108)
Total support and revenue without donor restrictions	2,133,542	1,167,430
EXPENSES		
Animal care and education	993,362	957,850
Management and general	127,363	112,113
Fundraising	182,046	161,612
Total expenses	1,302,771	1,231,575
NET ASSETS RELEASED FROM RESTRICTIONS		
Satisfaction of purpose restrictions	500	47,100
Change in net assets without donor restrictions	831,271	(17,045)
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Contributions	13,769	500
Net assets released from restrictions	(500)	(47,100)
Change in net assets with donor restrictions	13,269	(46,600)
Change in net assets	844,540	(63,645)
Net assets at beginning of year	7,307,340	7,370,985
Net assets at end of year	\$ 8,151,880	\$ 7,307,340

See accompanying notes.

ELMBROOK HUMANE SOCIETY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2019

	Animal Care and Education	Management and General	Fundraising	Total Expenses
Salaries and wages	\$ 511,522	\$ 61,640	\$ 94,337	\$ 667,499
Employee benefits	75,832	9,138	13,985	98,955
Payroll taxes	40,355	4,863	7,442	52,660
Veterinarian services and medication	111,719	-	-	111,719
Supplies	71,488	10,878	-	82,366
Professional fees and services	-	19,357	-	19,357
Event fees and supplies	-	-	49,697	49,697
Advertising	-	4,845	500	5,345
Auto expense	2,374	-	-	2,374
Bank and credit card fees	-	7,035	-	7,035
Education and training classes	5,324	-	-	5,324
Licenses and permits	-	268	-	268
Insurance	18,082	2,179	3,335	23,596
Printing and postage	-	2,223	24,401	26,624
Repairs and maintenance	30,877	832	452	32,161
Telephone	5,944	716	1,096	7,756
Utilities	39,515	1,066	578	41,159
Depreciation	78,641	2,119	1,151	81,911
Miscellaneous	1,689	204	311	2,204
Total expenses	993,362	127,363	197,285	1,318,010
Less expenses included with support and revenue on the statements of activities	-	-	(15,239)	(15,239)
Total expenses included in the expenses section of the statements of activities	\$ 993,362	\$ 127,363	\$ 182,046	\$ 1,302,771

See accompanying notes.

ELMBROOK HUMANE SOCIETY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2018

	Animal Care and Education	Management and General	Fundraising	Total Expenses
Salaries and wages	\$ 463,696	\$ 32,797	\$ 75,044	\$ 571,537
Employee benefits	63,721	4,507	10,313	78,541
Payroll taxes	37,119	2,625	6,007	45,751
Veterinarian services and medication	143,776	-	-	143,776
Supplies	73,572	8,079	-	81,651
Professional fees and services	4,449	41,474	8,500	54,423
Event fees and supplies	-	-	49,465	49,465
Advertising	-	2,015	534	2,549
Auto expense	3,339	-	-	3,339
Bank and credit card fees	-	6,520	-	6,520
Education and training classes	5,852	-	-	5,852
Licenses and permits	-	128	50	178
Insurance	16,626	1,176	2,691	20,493
Printing and postage	-	1,961	22,466	24,427
Repairs and maintenance	26,397	1,970	495	28,862
Telephone	6,395	452	1,035	7,882
Utilities	38,065	2,839	714	41,618
Depreciation	71,666	5,346	1,344	78,356
Miscellaneous	3,177	224	514	3,915
Total expenses	957,850	112,113	179,172	1,249,135
Less expenses included with support and revenue on the statements of activities	-	-	(17,560)	(17,560)
Total expenses included in the expenses section of the statements of activities	\$ 957,850	\$ 112,113	\$ 161,612	\$ 1,231,575

See accompanying notes.

ELMBROOK HUMANE SOCIETY, INC.
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2019 and 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 844,540	\$ (63,645)
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation	81,911	78,356
Realized and unrealized (gains) losses on investments	(491,581)	153,801
Change in value of beneficial interest in assets held by Waukesha County Community Foundation	(285,734)	136,108
(Increase) decrease in assets		
Unconditional promises to give	159,041	(292,969)
Accounts receivable	2,562	(2,562)
Prepaid expenses	(1,085)	5,147
Increase (decrease) in liabilities		
Accounts payable	(2)	(830)
Accrued sales tax	(115)	(133)
Accrued payroll	(19,428)	5,348
Net cash flows from operating activities	290,109	18,621
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and dividends retained in investments	(94,631)	(79,458)
Purchases of investments	(349,073)	(4,722)
Proceeds from sales of investments	95,000	204,668
Purchases of property and equipment	(28,677)	(65,873)
Contributions to beneficial interest held by Waukesha County Community Foundation	(370)	-
Net cash flows from investing activities	(377,751)	54,615
Change in cash	(87,642)	73,236
Cash at beginning of year	323,305	250,069
Cash at end of year	<u>\$ 235,663</u>	<u>\$ 323,305</u>

See accompanying notes.

ELMBROOK HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2019 and 2018

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Elmbrook Humane Society, Inc. (EBHS) is incorporated as a non-profit organization located in Brookfield, Wisconsin. EBHS provides shelter for homeless animals, promotes the human animal bond, and prevents animal cruelty and neglect. The vision of EBHS is to be the most personal, compassionate, and preferred resource for animal needs in the community.

Promises to Give

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Accounts Receivable

Accounts receivable primarily represent amounts due from municipalities and animal services provided by EBHS. Accounts receivable are stated at the amount management expects to be collected from outstanding balances. As of December 31, 2019 and 2018, management has determined, based on historical experience that all amounts are fully collectible and no allowance for doubtful accounts is necessary.

Property and Equipment

Property and equipment are capitalized and carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of the asset.

Investments

EBHS reports investments in marketable equity securities with readily determinable fair values and all investments in debt securities at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the statements of financial position.

Contributions

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

ELMBROOK HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2019 and 2018

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition

EBHS receives adoption fees, registration fees for certain training and outreach programs, animal medical care and services, and fees for other program services. These services are generally considered to be a single performance obligation that is satisfied at a point in time and revenue is recognized when the services are provided. It is the policy of EBHS to not refund these fees. EBHS generally bills for these services prior to or on the date the services are provided. Advance billings are deferred until the services are performed. EBHS also provides animal services to certain municipalities under fixed-price contracts that are renewed annually. Animal services revenue is recognized once the services have been provided. EBHS invoices the municipalities on a monthly, bi-annually, or yearly basis at the fee established by the contract.

Retail Sales

Revenue for retail sales is recognized when the customer receives and pays for the merchandise. Sales taxes collected from customers are excluded from revenue. EBHS does not have any financing components as payment is received at or shortly after the point of sale. Returns are expected to be insignificant.

Expense Allocation

The financial statements report certain categories of expenses that are attributable to more than one program service or supporting activity. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, employee benefits, payroll taxes, insurance, telephone, and miscellaneous, which are allocated on the basis of estimates of time and effort, as well as repairs and maintenance, utilities, and depreciation, which are allocated on a square-footage basis.

Donated Services

Donated 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 EBHS. Volunteers also provide various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria are not met.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management 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 amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Advertising

Advertising costs are expensed as incurred. Advertising expense for the years ended December 31, 2019 and 2018 was \$5,345 and \$2,549, respectively.

ELMBROOK HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2019 and 2018

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Tax Status

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

Date of Management's Review

Management has evaluated subsequent events through May 14, 2020, the date which the financial statements were available to be issued.

Adoption of New Accounting Guidance

On May 28, 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The ASU and all subsequently issued clarifying ASUs supersedes the revenue recognition requirements and most industry-specific guidance in U.S. generally accepted accounting principles. The core principle of the new guidance is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The new guidance also includes a cohesive set of disclosure requirements that will provide users of the financial statements with comprehensive information about the nature, amount, timing, and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

EBHS adopted the requirements of the new guidance as of January 1, 2019, using the modified retrospective method of transition. In applying the new guidance, EBHS elected to use the practical expedient that allows the guidance to be applied only to contracts that were not complete as of January 1, 2019.

The majority of EBHS's revenue is recognized at a point in time based on the transfer of control. Revenue recognized over time primarily consists of performance obligations that are satisfied within one year or less. In addition, the majority of EBHS's contracts do not contain variable consideration and contract modifications are generally minimal.

The adoption of the new guidance did not have a significant impact on EBHS's financial statements. The majority of EBHS's revenue arrangements generally consist of a single performance obligation to transfer promised goods or services. Based on EBHS's evaluation process and review of its contracts with customers, the timing and amount of revenue recognized previously is consistent with how revenue is recognized under the new guidance.

Also, on June 21, 2018, the FASB issued ASU No. 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The ASU provides a more robust framework for evaluating whether transactions such as grants and similar contracts with government agencies and others should be accounted for as exchange transactions (that is, revenue from contracts with customers) or contributions. The ASU also assists entities in determining whether a contribution is conditional. EBHS adopted the requirements of the ASU as of January 1, 2019. The changes in the ASU have been applied on a modified prospective basis, that is, the changes have been applied to agreements that are either not completed as of January 1, 2019, or entered into after that date.

ELMBROOK HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2019 and 2018

NOTE 2—INVESTMENTS

Investments are comprised of the following:

	2019	2018
Cash	\$ 37,981	\$ 305,371
Stocks	596,897	180,811
Exchange traded funds	903,297	167,755
Fixed income securities	1,017,558	659,294
Mutual funds	1,870,904	2,273,121
	\$ 4,426,637	\$ 3,586,352

NOTE 3—BENEFICIAL INTEREST IN ASSETS HELD BY WAUKESHA COUNTY COMMUNITY FOUNDATION

EBHS's board created a fund at Waukesha County Community Foundation (Foundation), a community foundation, to support the mission of EBHS. Since that amount resulted from an internal designation and is not donor-restricted, it is classified and reported as net assets without donor restrictions.

EBHS's spending policy of appropriating from distributions from the fund shall be determined in accordance with the Foundation's distribution policy. EBHS reserves the right to recommend distributions greater than those set by the Foundation's distribution policy as long as the fund balance is maintained that is consistent with the Foundation's \$10,000 minimum balance requirement in effect at the time.

It is the desire that distributions be used for the support of EBHS. If EBHS should cease to exist, it is EBHS's wish that distributions be made to benefit another organization and help provide program services as determined by the Foundation.

All assets of the fund shall be assets of the Foundation and not a separate trust. The fund shall be held and administered subject to provisions of the Foundation's articles of incorporation and bylaws as presently in effect or as may time to time be amended, including those provisions which may permit the Foundation to amend, modify or vary any of the purposes, directions, restrictions, or conditions set forth.

EBHS has designated itself as the sole beneficiary of the income from the investment of this fund. The Board of Directors of the Foundation shall have the power to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to a specified organization if, in the sole judgment of the Board, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community serviced.

ELMBROOK HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2019 and 2018

NOTE 3—BENEFICIAL INTEREST IN ASSETS HELD BY WAUKESHA COUNTY COMMUNITY FOUNDATION (continued)

Changes in value of beneficial interest in assets held by the Foundation are as follows:

	<u>2019</u>	<u>2018</u>
Balance - beginning of year	\$ 1,582,727	\$ 1,718,835
Contributions	370	-
Change in value of beneficial interest	<u>285,734</u>	<u>(136,108)</u>
Balance - end of year	<u>\$ 1,868,831</u>	<u>\$ 1,582,727</u>

NOTE 4—NET ASSETS

EBHS's board of directors has designated net assets without donor restrictions for the following purposes:

	<u>2019</u>	<u>2018</u>
Beneficial interest in assets held by Waukesha County Community Foundation	\$ 1,868,831	\$ 1,582,727
Undesignated	<u>6,266,888</u>	<u>5,721,721</u>
	<u>\$ 8,135,719</u>	<u>\$ 7,304,448</u>

Net assets with donor restrictions are restricted for the following purposes:

	<u>2019</u>	<u>2018</u>
Medical care for diabetic animals	\$ 5,000	\$ -
Read to me program	4,538	-
Animal enrichment	731	-
Pitbull enrichment program	1,392	1,392
Staff development	1,000	1,000
Spring Gala	<u>3,500</u>	<u>500</u>
	<u>\$ 16,161</u>	<u>\$ 2,892</u>

NOTE 5—CONCENTRATIONS OF CREDIT RISK

EBHS maintains cash balances at one financial institution located in southeastern Wisconsin. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2019, EBHS's cash balances were fully insured with federal depository insurance. At December 31, 2018, EBHS's uninsured cash balances total approximately \$81,000.

ELMBROOK HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2019 and 2018

NOTE 6—FAIR VALUE MEASUREMENTS

Fair values of assets measured on a recurring basis are as follows:

Assets at Fair Value as of December 31, 2019				
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Stocks	\$ 596,897	\$ 596,897	\$ -	\$ -
Exchange traded funds	903,297	903,297	-	-
Fixed income securities	1,017,558	-	1,017,558	-
Mutual funds	1,870,904	1,870,904	-	-
Beneficial interest in assets held by Waukesha County Community Foundation	1,868,831	-	-	1,868,831
	\$ 6,257,487	\$ 3,371,098	\$ 1,017,558	\$ 1,868,831
Assets at Fair Value as of December 31, 2018				
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Stocks	\$ 180,811	\$ 180,811	\$ -	\$ -
Exchange traded funds	167,755	167,755	-	-
Fixed income securities	659,294	-	659,294	-
Mutual funds	2,273,121	2,273,121	-	-
Beneficial interest in assets held by Waukesha County Community Foundation	1,582,727	-	-	1,582,727
	\$ 4,863,708	\$ 2,621,687	\$ 659,294	\$ 1,582,727

Fair values for stocks, exchange traded funds, and mutual funds are determined by reference to quoted market prices and other relevant information generated by market transactions. Fair values for fixed income securities are determined based on recent prices of similar assets.

EBHS's beneficial interest in assets held by the Foundation represents an agreement between EBHS and the Foundation in which EBHS transfers assets to the Foundation in exchange for future distributions. The beneficial interest is not actively traded and significant other observable inputs are not available. Thus, the fair value of the beneficial interest is measured at the proportional share of the underlying assets as reported to EBHS by the Foundation. Little

ELMBROOK HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2019 and 2018

NOTE 6—FAIR VALUE MEASUREMENTS (continued)

information about those assets is released publicly. The estimated value does not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined.

The table below presents a reconciliation from the beginning balance to the ending balance of the beneficial interest in assets held by the Foundation measured at fair value on a recurring basis using significant unobservable inputs for the years ended December 31, 2019 and 2018:

	2019	2018
Beginning balance	\$ 1,582,727	\$ 1,718,835
Contributions	370	-
Change in value of beneficial interest	285,734	(136,108)
Ending balance	\$ 1,868,831	\$ 1,582,727

NOTE 7—IN-KIND CONTRIBUTIONS

The fair values of donated materials used for EBHS's program service is included as contributions in the statements of activities. In-kind contributions for the years ended December 31, 2019 and 2018 consisted of the following:

	2019	2018
Veterinarian services and medication	\$ 3,411	\$ 1,266
Supplies	39,502	44,579
Event fees and supplies	48	-
Repairs and maintenance	120	1,045
	\$ 43,081	\$ 46,890

NOTE 8—PENSION PLAN

EBHS has a 403(b) retirement savings plan covering all eligible employees. Pension expense for the years ended December 31, 2019 and 2018 was \$9,694 and \$9,745, respectively.

NOTE 9—SUBSEQUENT EVENT

Management has evaluated subsequent events through May 14, 2020, the date which the financial statements were available to be issued. As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which could impact investments, contributions, and operating results. The related financial impact and duration cannot be reasonably estimated at this time.

ELMBROOK HUMANE SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2019 and 2018

NOTE 10—LIQUIDITY AND AVAILABILITY

The following reflects the EBHS's financial assets at December 31, 2019 and 2018, reduced by amounts not available for general expenditures within one year of the dates of the statements of financial position because of donor-imposed or other restrictions:

	2019	2018
Financial assets at end of year		
Cash	\$ 235,663	\$ 323,305
Unconditional promises to give	225,000	384,041
Accounts receivable	-	2,562
Investments	4,426,637	3,586,352
Beneficial interest in assets held by Waukesha County Community Foundation	1,868,831	1,582,727
Total financial assets	6,756,131	5,878,987
Less those unavailable for general expenditures within one year		
Restricted by donors with time or purpose restrictions	(16,161)	(2,892)
Board designated beneficial interest in assets held by Waukesha County Community Foundation, primarily for long-term investing	(1,868,831)	(1,582,727)
Financial assets available to meet cash needs for general expenditures within one year	\$ 4,871,139	\$ 4,293,368

As part of EBHS's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. None of the beneficial interest in assets held by Waukesha County Community Foundation, primarily for long-term investing, are subject to donor restrictions that make them unavailable for general expenditure.