

*Financial Statements*

**Big Cat Rescue Corp.**

**Years ended December 31, 2009 and 2008**

*Independent Auditor's Report*

**BIG CAT RESCUE CORP.**  
**Financial Statements**  
**Years ended December 31, 2009 and 2008**

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CERTIFIED PUBLIC ACCOUNTANTS

### **INDEPENDENT AUDITOR'S REPORT**

The Board of Directors  
Big Cat Rescue Corp.

We have audited the accompanying statements of financial position of Big Cat Rescue Corp. (a nonprofit organization) as of December 31, 2009 and 2008 and the related statements of activities, functional expenses, and cash flows for the years 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 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 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 audits provide 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 Big Cat Rescue Corp. as of December 31, 2009 and 2008 and the results of its activities and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Marsha Weisse, CPA, PA*

Certified Public Accountant  
Tampa, Florida  
May 11, 2010

**BIG CAT RESCUE CORP.**

**STATEMENTS OF FINANCIAL POSITION  
December 31, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
<b>Current assets</b>		
Cash and cash equivalents	\$ 184,335	\$ 421,259
Cash, board designated reserve	329,688	324,312
Certificates of deposit	618,327	211,234
Other investments	117,281	33,231
Grants and contributions receivable	83,150	81,373
Inventory, gift shop	89,444	74,978
Deposits	<u>12,765</u>	<u>65,000</u>
 Total current assets	 <u>1,434,990</u>	 <u>1,211,387</u>
 <b>Other assets:</b>		
Beneficial interest in endowment fund held by others	238,340	191,079
Mortgages receivable	309,504	250,184
Other real estate owned	799,205	601,948
Property and equipment, less accumulated depreciation of \$225,290 and \$227,399 at December 31, 2009 and 2008, respectively	<u>1,211,055</u>	<u>1,144,696</u>
 Total other assets	 <u>2,558,104</u>	 <u>2,187,907</u>
 <b>Total assets</b>	 <u><u>\$ 3,993,094</u></u>	 <u><u>\$ 3,399,294</u></u>
 <b>Liabilities and Net Assets</b>		
<b>Current liabilities:</b>		
Accounts payable and accrued liabilities	<u>\$ 9,468</u>	<u>\$ 18,256</u>
 <b>Total liabilities</b>	 9,468	 18,256
 <b>Net assets:</b>		
Unrestricted net assets	3,653,938	3,056,726
Unrestricted net assets, board designated	200,000	200,000
Unrestricted net assets, board designated for Wall Fund	<u>129,688</u>	<u>124,312</u>
 Total net assets	 <u>3,983,626</u>	 <u>3,381,038</u>
 <b>Total liabilities and net assets</b>	 <u><u>\$ 3,993,094</u></u>	 <u><u>\$ 3,399,294</u></u>

*Read independent auditor's report. The accompanying notes are an integral part of the financial statements.*

**BIG CAT RESCUE CORP.**  
**STATEMENTS OF ACTIVITIES**  
**Years ended December 31, 2009 and 2008**

	2009	2008
<b>Revenues and support:</b>		
Contributions and grants	\$ 745,222	\$ 741,961
Educational tours and activities	585,764	566,136
In-kind services and contributions	3,400	5,830
Special events, net expenses of \$52,465 and \$51,389 for years ended December 31, 2009 and 2008, respectively	89,236	108,747
Rental income from operations	9,970	10,376
Investment income	163,124	111,539
Gift shop, net cost of goods sold of \$125,361 and \$126,233 for the years ended December 31, 2009 and 2008, respectively	111,209	97,431
Total revenues and support	1,707,925	1,642,020
<b>Expenses:</b>		
Program expense	894,238	848,255
Management and general	127,795	115,290
Fundraising	83,304	57,484
Total expenses	1,105,337	1,021,029
<b>Change in net assets</b>	<b>\$ 602,588</b>	<b>\$ 620,991</b>

*Read independent auditor's report. The accompanying notes are an integral part of the financial statements.*

**BIG CAT RESCUE CORP.**

**STATEMENTS OF FUNCTIONAL EXPENSES**  
**Years ended December 31, 2009 and 2008**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund- Raising</u>	<u>2009 Total</u>	<u>2008 Total*</u>
Conferences, conventions and meetings	\$ 1,299	\$ -	\$ -	\$ 1,299	\$ -
Equipment rental and repairs	5,268	-	-	5,268	5,635
Salaries and payroll expense	196,209	65,277	26,334	287,820	237,831
Animal care and education activities	275,806	-	-	275,806	276,754
Taxes	4,485	-	-	4,485	207
Advertising	77,555	-	28,932	106,487	98,028
Legal and accounting fees	-	6,200	-	6,200	6,548
Office expense and supplies	33,230	1,846	1,846	36,922	21,770
Postage and shipping	13,910	773	773	15,456	14,489
Printing and publications	131,792	-	14,682	146,474	149,594
Other professional fees	36,045	4,950	3,285	44,280	53,556
Bank and credit card fees	20,677	-	-	20,677	17,780
Insurance	4,951	-	-	4,951	4,143
Interest	-	-	-	-	4,655
Legislation efforts	4,250	-	-	4,250	20,690
Other expense	9,701	-	5,337	15,038	16,128
Telephone	38,076	2,116	2,115	42,307	33,651
Travel	1,433	-	-	1,433	552
Real estate investment expense	-	46,633	-	46,633	25,935
Depreciation expense	39,551	-	-	39,551	33,083
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total expenses	<u>\$ 894,238</u>	<u>\$ 127,795</u>	<u>\$ 83,304</u>	<u>\$1,105,337</u>	<u>\$ 1,021,029</u>

\*The totals for 2008 are for comparative purposes only.

*Read independent auditor's report. The accompanying notes are an integral part of the financial statements.*

**BIG CAT RESCUE CORP.**

**STATEMENTS OF CHANGES IN NET ASSETS**  
**Years ended December 31, 2009 and 2008**

<b>Balance, December 31, 2007</b>	\$ 2,760,047
Increase in net assets	<u>620,991</u>
<b>Balance, December 31, 2008</b>	3,381,038
Increase in net assets	<u>602,588</u>
<b>Balance, December 31, 2009</b>	<u><u>\$ 3,983,626</u></u>

*Read independent auditor's report. The accompanying notes are an integral part of the financial statements.*

**BIG CAT RESCUE CORP.**

**STATEMENTS OF CASH FLOWS**  
**Years ended December 31, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
<b>Cash flows from operating activities:</b>		
Increase in net assets	\$ 602,588	\$ 620,991
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	39,551	33,083
(Increase) decrease in operating assets:		
Accounts receivable	(1,777)	(57,373)
Inventory	(14,466)	2,051
Deposits	52,235	(65,000)
Increase (decrease) in operating liabilities:		
Accounts payable and accrued liabilities	<u>(8,788)</u>	<u>786</u>
Total adjustments	66,755	(86,453)
<b>Net cash provided by operating activities</b>	<u>669,343</u>	<u>534,538</u>
<b>Cash flow used by investing activities:</b>		
(Increase) in mortgage receivables	(59,320)	(96,511)
Purchase of investments	(735,661)	(450,986)
Purchase of property and equipment	<u>(105,910)</u>	<u>(142,004)</u>
<b>Net cash used in investing activities</b>	<u>(900,891)</u>	<u>(689,501)</u>
<b>Cash flow provided (used) by financing activities:</b>		
Payments to mortgage payable	<u>-</u>	<u>(172,946)</u>
<b>Net cash used by financing activities</b>	<u>-</u>	<u>(172,946)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	(231,548)	(327,909)
<b>Beginning cash and cash equivalents</b>	<u>745,571</u>	<u>1,073,480</u>
<b>Ending cash and cash equivalents</b>	<u>\$ 514,023</u>	<u>\$ 745,571</u>
<b>Supplemental disclosure of cash flow information and noncash investing and financing activities:</b>		
Interest paid	<u>\$ -</u>	<u>\$ 4,655</u>
Taxes paid	<u>\$ 3,127</u>	<u>\$ 708</u>

*Read independent auditor's report. The accompanying notes are an integral part of the financial statements.*



## **BIG CAT RESCUE CORP.**

### **NOTES TO FINANCIAL STATEMENTS December 31, 2009 and 2008**

#### **1. Background Information**

Big Cat Rescue Corp. (the Organization) is a nonprofit organization in Hillsborough County, Florida which was formed under the laws of the State of Florida on April 4, 1995. The Organization's mission is to reduce the number of cats that suffer the fate of abandonment and abuse by educating people about the conditions that lead to the plight of these animals. This is done through tours of the sanctuary, which houses a substantial number of abused, abandoned and retired big cats; school education programs; species preservation efforts and hands on experience for interns from around the world.

Primary sources of income for the Organization are derived from educational tours and contributions from foundations, corporations, individuals, and special events.

#### **2. Significant Accounting Policies**

The significant accounting policies followed are:

The presentation 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 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.

The financial statements of the Organization have been prepared on the basis of accrual accounting in accordance with accounting principles accepted in the United States of America. The assets, liabilities, and net assets of the Organization are reported as unrestricted net assets which are not subject to donor-imposed stipulations.

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose of restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activity as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

**BIG CAT RESCUE CORP.**

**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2009 and 2008**

**2. Significant Accounting Policies (Continued)**

The Organization records admissions, merchandising, and grant revenues as earned. The Organization records gifts of long-lived assets as revenue when they are received unconditionally, at their fair value. Conditional contributions are recognized as revenue when the conditions on which they depend have been substantially met.

In accordance with industry practice, animal collections are recorded at the nominal amount of \$1, as there is no objective basis for establishing value. Additionally, animal collections have numerous attributes, including species, age, sex, relationship and value to other animals, endangered status, and breeding potential, whereby it is impracticable to assign value. The Organization does not purchase animals. Rescue costs are recorded as expenditures in the period of acquisition.

Fund-raising revenues are recorded when received. Expenses are recorded when incurred in accordance with the accrual basis of accounting.

Donated professional services (which include accounting and legal services) are reflected in the statement of activities at their fair value if material. Volunteer services not requiring specialized skills are not reflected in the financial statements since no objective basis exists for recording and assigning values to many of these services. Materials and other assets received as donations are recorded and reflected in the accompanying financial statements at their fair values at the date of receipt. Donated services and materials for the year ended December 31, 2009 and 2008 were \$3,400 and \$5,830, respectively.

Cash and cash equivalents consist of cash held in checking and money market accounts and certificates of deposit with maturities of less than 90 days. At year-end and throughout the year, the Organization's cash balances were deposited in several banks. Management believes the Organization is not exposed to any significant credit risk on cash and cash equivalents.

The Organization's inventory which consists primarily of gift shop merchandise is valued at the lower of cost or market, and accounted for using a weighted-average cost basis.

**BIG CAT RESCUE CORP.**

**NOTES TO FINANCIAL STATEMENTS  
December 31, 2009 and 2008**

**2. Significant Accounting Policies (Continued)**

The Organization states the other real estate owned which was either purchased or acquired through donation at the lower of cost or fair value at the date of donation. Fair value of such assets is determined based on independent appraisals and other relevant factors.

All property and equipment is recorded at cost. Depreciation is provided by the straight-line method over the useful lives of assets which is five years for equipment and 39 years for property. The Organization's policy is to record capital expenditures greater than \$1,000 as property and equipment.

The Organization is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code. The Organization has been classified as an organization that is not a private foundation and has been designated as a "publicly supported" organization.

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Company's financial statements for the year ended December 31, 2008, from which the summarized information was derived.

**BIG CAT RESCUE CORP.**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2009 and 2008**

**3. Mortgages Receivable**

The Organization has sold various real estate investments under mortgage notes as follows:

	<u>2009</u>	<u>2008</u>
Mortgage receivable, interest at 10%; monthly principal and interest payments of \$771.46; due March 15, 2034; secured by land and building	\$ 72,771	\$ 72,771
Mortgage receivable, interest at 12%; monthly principal and interest payments of \$874.34; balloon payment of \$79,390 due January 6, 2009; secured by land and building; balance paid off in January 2009	-	79,519
Mortgage receivable, interest at 10%; monthly principal and interest payments of \$868.40; due January 22, 2083; secured by land and building	97,344	97,894
Mortgage receivable, interest at 9%; monthly principal and interest payments of \$1,167; due May 25, 2039; secured by land and building	<u>139,389</u>	<u>-</u>
	<u>\$ 309,504</u>	<u>\$ 250,184</u>

Principal amounts due under these mortgage receivables at December 31 are as follows:

2010	\$ 3,170
2011	3,143
2012	3,468
2013	3,827
2014 and thereafter	<u>295,896</u>
	<u>\$ 309,504</u>

**BIG CAT RESCUE CORP.**

**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2009 and 2008**

**4. Property and Equipment**

Property and equipment consists of:

	December 31, 2009	December 31, 2008
Land	\$ 538,236	\$ 538,236
Buildings and structures	700,887	645,646
Equipment	77,178	69,199
Vehicles	75,750	71,060
Office equipment	<u>74,294</u>	<u>47,954</u>
Total property and equipment before depreciation	1,466,345	1,372,095
Less accumulated depreciation	<u>255,290</u>	<u>227,399</u>
Property and equipment, net of depreciation	<u>\$ 1,211,055</u>	<u>\$ 1,144,696</u>