

Assistance Dogs of Hawaii
(formerly known as
Hawaii Canines for Independence, Inc.)
(including the activity of Assistance Dogs Northwest LLC)

Financial Statements

For the Year Ended December 31, 2017 and 2016



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Independent Auditor's Report

To The Board of Directors
Assistance Dogs of Hawaii
Makawao, Maui, Hawaii

We have audited the accompanying financial statements of Assistance Dogs of Hawaii fka Hawaii Canines for Independence, Inc. (a Hawaii nonprofit corporation), which comprise the statements of financial position as of December 31, 2017 and 2016, 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.

To The Board of Directors
Assistance Dogs of Hawaii

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 Assistance Dogs of Hawaii fka Hawaii Canines for Independence, Inc. as of December 31, 2017 and 2016, 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 State of America.

Kawahala + Hu, LLC

Kahului, Hawaii
September 17, 2019

ASSISTANCE DOGS OF HAWAII
 STATEMENTS OF FINANCIAL POSITION
 DECEMBER 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 760,421	\$ 306,362
Pledge Receivable	-	13,950
Other Receivable	580	3,235
Prepaid Expenses	1,000	3,700
Total Current Assets	<u>762,001</u>	<u>327,247</u>
Property, Plant and Equipment		
Land and Land Improvements	771,920	1,146,184
Building and Building Improvements	1,973,498	1,076,212
Dogs	129,473	122,146
Vehicles	86,224	104,724
Furniture and Equipment	85,489	114,331
Work in Progress	-	21,872
Total Fixed Assets	<u>3,046,604</u>	<u>2,585,469</u>
Less: Accumulated Depreciation	<u>(492,404)</u>	<u>(485,434)</u>
Net Property, Plant and Equipment	<u>2,554,200</u>	<u>2,100,035</u>
Other Assets		
Investments	1,304,372	1,691,127
Deposits	-	5,000
Total Other Assets	<u>1,304,372</u>	<u>1,696,127</u>
Total Assets	<u>\$ 4,620,573</u>	<u>\$ 4,123,409</u>

See accompanying notes to the financial statements.

ASSISTANCE DOGS OF HAWAII
 STATEMENTS OF FINANCIAL POSITION
 DECEMBER 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable	\$ 4,225	\$ 1,159
Accrued Expenses	18,929	14,059
Refundable Advances	<u>-</u>	<u>6,150</u>
Total Current Liabilities	<u>23,154</u>	<u>21,368</u>
Total Liabilities	<u>23,154</u>	<u>21,368</u>
Net Assets		
Net Assets Without Donor Restrictions	4,374,769	4,042,911
Net Assets With Donor Restrictions	<u>222,650</u>	<u>59,130</u>
Total Net Assets	<u>4,597,419</u>	<u>4,102,041</u>
Total Liabilities and Net Assets	<u>\$ 4,620,573</u>	<u>\$ 4,123,409</u>

See accompanying notes to the financial statements.

ASSISTANCE DOGS OF HAWAII
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2017 and 2016

	2017			2016				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Public Support:								
Contributions	\$ 734,987	\$ 222,650	\$ -	\$ 957,637	\$ 321,524	\$ 27,900	\$ -	\$ 349,424
Donated Services, Goods & Facilities	3,000	-	-	3,000	12,000	-	-	12,000
Fundraising	15,653	-	-	15,653	17,158	-	-	17,158
Net Assets Released From Restriction	59,130	(59,130)	-	-	19,126	(19,126)	-	-
Total Public Support	812,770	163,520	-	976,290	369,808	8,774	-	378,582
Revenue:								
Special Events (Net of direct expenses)	83,978	-	-	83,978	287,815	-	-	287,815
Sale of Merchandise	3,291	-	-	3,291	3,000	-	-	3,000
Program Service Revenue	2,625	-	-	2,625	4,800	-	-	4,800
Interest Income	160	-	-	160	110	-	-	110
Dividend Income	28,391	-	-	28,391	37,721	-	-	37,721
Unrealized Gains (Losses) on Investments	136,921	-	-	136,921	104,745	-	-	104,745
Gain (Loss) on Sale of Asset	9,811	-	-	9,811	(28,767)	-	-	(28,767)
Other	-	-	-	-	4	-	-	4
Total Revenue	265,177	-	-	265,177	409,428	-	-	409,428
Total Public Support and Revenue	1,077,947	163,520	-	1,241,467	779,236	8,774	-	788,010
Expenses								
Program Services	614,277	-	-	614,277	536,545	-	-	536,545
Management and General Fundraising	89,959	-	-	89,959	92,211	-	-	92,211
	41,853	-	-	41,853	34,274	-	-	34,274
Total Expenses	746,089	-	-	746,089	663,030	-	-	663,030
Change in Net Assets	331,858	163,520	-	495,378	116,206	8,774	-	124,980
Net Assets, Beginning of Year	4,042,911	59,130	-	4,102,041	3,926,705	50,356	-	3,977,061
Net Assets, End of Year	\$ 4,374,769	\$ 222,650	\$ -	\$ 4,597,419	\$ 4,042,911	\$ 59,130	\$ -	\$ 4,102,041

See accompanying notes to the financial statements.

**ASSISTANCE DOGS OF HAWAII
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2017 and 2016**

	2017				2016			
	Support Activities				Support Activities			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Salaries	\$ 169,224	\$ 21,153	\$ 21,153	\$ 211,530	\$ 137,102	\$ 17,138	\$ 17,138	\$ 171,378
Employee Benefits	27,897	3,487	3,487	34,871	20,258	2,532	2,532	25,322
Payroll Taxes	16,689	2,086	2,086	20,861	15,779	1,972	1,972	19,723
Subtotal Employee Costs	<u>213,810</u>	<u>26,726</u>	<u>26,726</u>	<u>267,262</u>	<u>173,139</u>	<u>21,642</u>	<u>21,642</u>	<u>216,423</u>
Depreciation	62,921	11,104	-	74,025	55,351	9,768	-	65,119
Travel	62,098	-	-	62,098	56,769	-	-	56,769
Outside Services	41,743	7,826	2,609	52,178	42,634	7,994	2,665	53,293
Supplies	32,778	5,784	-	38,562	38,592	6,810	-	45,402
Training	26,039	-	-	26,039	33,191	-	-	33,191
Occupancy	23,914	2,657	-	26,571	28,192	3,132	-	31,324
Accounting Fees	3,558	13,341	889	17,788	5,704	21,389	1,426	28,519
Veterinary Expenses	36,425	-	-	36,425	26,654	-	-	26,654
Repairs & Maintenance	17,393	-	-	17,393	16,896	-	-	16,896
Advertising/Marketing	3,243	1,621	540	5,404	9,102	4,551	1,517	15,170
Printing & Publications	6,524	815	815	8,154	9,646	1,206	1,206	12,058
Escrow Fees	25,108	6,277	-	31,385	-	-	-	-
Investment Fees	5,000	5,000	-	10,000	5,000	5,000	-	10,000
Insurance	7,825	869	-	8,694	7,490	832	-	8,322
Professional Development	307	153	51	511	4,565	2,283	761	7,609
Property Taxes	7,945	1,986	-	9,931	5,706	1,426	-	7,132
Bank Charges	4,527	2,264	2,264	9,055	2,231	1,116	1,116	4,463
Legal Fees	2,759	690	-	3,449	3,249	812	-	4,061
Postage & Shipping	2,812	352	352	3,516	2,231	279	279	2,789
Small Furniture & Equipment	19,456	-	-	19,456	2,303	-	-	2,303
Professional Fees-Computer	-	-	-	-	1,000	1,000	-	2,000
Dues & Subscriptions	3,993	444	-	4,437	1,733	193	-	1,926
General Excise Tax	-	-	5,557	5,557	-	-	1,079	1,079
Other Expenses	4,099	2,050	2,050	8,199	5,167	2,778	2,583	10,528
Total	<u>\$ 614,277</u>	<u>\$ 89,959</u>	<u>\$ 41,853</u>	<u>\$ 746,089</u>	<u>\$ 536,545</u>	<u>\$ 92,211</u>	<u>\$ 34,274</u>	<u>\$ 663,030</u>

See accompanying notes to the financial statements.

**ASSISTANCE DOGS OF HAWAII
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
Cash Flows from Operating Activities		
Changes in Net Assets	\$ 495,378	\$ 124,980
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	74,025	65,119
(Gain) Loss on Sale of Assets	(9,811)	28,767
Unrealized Gain (Loss) on Investments	(136,921)	(104,745)
Non-Cash Asset Additions	(36,205)	(3,000)
(Increase) Decrease in Receivables	2,655	(572)
(Increase) Decrease in Pledge Receivable	13,950	(13,950)
(Increase) Decrease in Prepaid Expenses	2,700	(3,700)
(Increase) Decrease in Other Assets	5,000	(3,000)
Increase (Decrease) in Accounts Payable	3,066	(234)
Increase (Decrease) in Accrued Expenses	4,870	9,886
Increase (Decrease) in Refundable Advances	(6,150)	(4,700)
Total Adjustments	<u>(82,821)</u>	<u>(30,129)</u>
Net Cash Provided By Operating Activities	<u>412,557</u>	<u>94,851</u>
 Cash Flows from Investing Activities		
Proceeds from Sale of Assets	375,025	4,000
(Purchase) Sale of Investments	580,443	(27,724)
Cash Payments for Property	(913,966)	(173,530)
Net Cash Used In Investing Activities	<u>41,502</u>	<u>(197,254)</u>
 Net Increase in Cash and Cash Equivalents	454,059	(102,403)
 Cash and Cash Equivalents at Beginning of Period	<u>306,362</u>	<u>408,765</u>
 Cash and Cash Equivalents at End of Period	<u>\$ 760,421</u>	<u>\$ 306,362</u>

See accompanying notes to the financial statements.

Assistance Dogs of Hawaii
Notes to the Financial Statements
December 31, 2017 and 2016

Note 1 – Nature of Activities

Hawaii Canines for Independence, Inc. (“Organization”) was incorporated under the laws of the State of Hawaii as a nonprofit corporation on March 28, 2001. In 2013, the Organization began operating under the trade name Assistance Dogs of Hawaii. In August 2016, the Organization did a formal name change to Assistance Dogs of Hawaii. The purpose of the Organization is to provide Assistance Dogs to people with physical disabilities and other special needs.

The Organization trains and provides assistance dogs to both children and adults with a wide variety of disabilities. The Organization specializes in training service dogs for people with physical disabilities that limit their mobility. The Organization also provides hospital and nursing home facility dogs for residents in addition to court house facility dogs for children and adults who are victims of crime.

The Organization is supported primarily through donor contributions and grants.

In 2015, the Organization expanded its operations to the Pacific Northwest. Land was acquired on Bainbridge Island in the state of Washington. In 2016, Assistance Dogs Northwest LLC was formed, in which Assistance Dogs of Hawaii is the sole member.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

The Organization uses the accrual method of accounting. Under this method, exchange transactions are recorded when earned, contributions are recorded when received and expenses are recorded when obligations are incurred.

Financial Statement Presentation

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its Accounting Standards Codification (ASC) 958-210-45-9. Under this standard, the Organization is required to report information regarding the nature and amount of its net assets according to the following classifications: Unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. See Note 3.

Assistance Dogs of Hawaii
Notes to the Financial Statements
December 31, 2017 and 2016

Note 2 – Summary of Significant Accounting Policies Continued –

Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, the Organization considers all highly liquid investments with initial maturities of three months, or less, to be cash equivalents.

Income Tax

The Organization is exempt from federal income taxes, pursuant to Section 501(c)(3) of the Internal Revenue Code, and similar State provisions.

Hawaii General Excise Tax

The State of Hawaii imposes a general excise tax of 4% on an entity's gross receipts, *plus an additional 0.5% on gross receipts within the City and County of Honolulu*. Hawaii general excise tax included as expenses, amounted to \$5,557 and \$1,079 for the years ended December 31, 2017 and 2016, respectively.

Investments

Investments in marketable securities with readily determinable fair values are reported at their fair values in the statement of financial position. Investment income or loss (including gains and losses on investments, interest and dividends) is included in the Statement of Activities as an increase or decrease in unrestricted net assets unless the income or loss is restricted by donor or law. The value initially assigned to investments received by gift is the market value at the date of donation.

Functional Expenses

The cost of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and detailed in the Statement of Functional Expenses. Functional expenses have been allocated among Program Services, Management and General, and Fundraising expenses based on management estimates.

Estimates

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

Reclassifications

Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

Assistance Dogs of Hawaii
Notes to the Financial Statements
December 31, 2017 and 2016

Note 2 – Summary of Significant Accounting Policies Continued –

Compensated Absences

The Organization accounts for compensated absences (e.g., unused vacation, sick leave) as directed by the Financial Accounting Standards Board Accounting Standards Codification No. 710-10-50-1 (FASB ASC 710-10-50-1), “Accounting for Compensated Absences”. A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the right to benefits.

The Organization has not accrued for compensable absences because the amount cannot be reasonably estimated at December 31, 2017. However, management does not believe the amount to be material.

Note 3 – Net Assets

As required by ASC 958-210-45-9, the Organization is required to report the nature and amount of its net assets according to the following classifications:

Unrestricted net assets represent those assets whose usage is neither temporarily nor permanently restricted by donors. These revenues are used for the general operating expenditures of the Organization or for such other purposes as determined by the Board of Directors. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the year in which the contributions are recognized.

Temporarily restricted net assets carry restrictions that expire upon the passage of a prescribed period, or upon the occurrence of a stated event, as specified by the donor.

Permanently restricted net assets result from contributions whose use is limited by donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise removed by the Organization’s actions.

Note 4 – Schedule of Cash and Cash Equivalents

	<u>2017</u>	<u>2016</u>
Bank of Hawaii	\$ 152,758	\$ 121,827
Bank of Hawaii Securesweep Money Market	-	79,313
First Hawaiian Bank	-	94,368
Bank of America	507,663	10,854
	<u>\$ 660,421</u>	<u>\$ 306,362</u>

Assistance Dogs of Hawaii
Notes to the Financial Statements
December 31, 2017 and 2016

Note 5 – Pledge Receivable

When a donor has unconditionally promised to contribute funds in future periods, the Organization recognizes the fair value of the pledge receivable. Pledges expected to be collected within one year are recorded as a donation and a receivable at net realizable value, which approximates fair value. Pledges expected to be collected in future years are recorded as a donation and a receivable at the present value of the expected future cash flows.

Accounts and pledges receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through adjustments to valuation allowances based on its assessment of the current status of individual receivables. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance.

Pledges expected to be collected:

	<u>2017</u>	<u>2016</u>
In less than one year	\$ -	\$ 13,950

Note 6 – Property, Plant & Equipment

Property, plant & equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. The Organization capitalizes property, plant & equipment purchased in excess of \$2,500. Lesser amounts are expensed. Depreciation is computed using the straight-line method over 5 to 40 years.

The following is a summary of property, plant & equipment purchased and disposed of during the year ended December 31, 2017 and 2016:

Assistance Dogs of Hawaii
Notes to the Financial Statements
December 31, 2017 and 2016

Note 6 – Property, Plant & Equipment - continued

	<u>2017</u>	<u>2016</u>
Property, Plant & Equipment:		
Beginning Balance	\$ 2,585,469	\$ 2,424,165
Additions:		
ADNW Campus	913,966	-
Honolulu Office Leasehold	-	132,978
Dogs	33,140	18,497
Furniture & Equipment	4,072	3,185
Grounds Improvements	-	-
Work in Progress	-	21,872
Total Additions	<u>951,178</u>	<u>176,532</u>
Released:		
Equipment	22,743	-
Land	422,987	-
Vehicles	18,500	-
Dogs	<u>25,813</u>	<u>15,228</u>
Total Disposals	<u>(490,043)</u>	<u>(15,228)</u>
Ending Balance	<u>\$ 3,046,604</u>	<u>\$ 2,585,469</u>

Depreciation expense for the years ended December 31, 2017 and 2016 totaled \$74,025 and \$65,119, respectively.

Note 7 – Investments and Fair Value Measurements

Investments are the only assets measured at fair value on a recurring basis. Realized and unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities. Valuation techniques used to measure fair value are prioritized into the following hierarchy:

Level 1 – Quoted prices in active markets for identical assets.

Assistance Dogs of Hawaii
Notes to the Financial Statements
December 31, 2017 and 2016

Note 7 – Investments and Fair Value Measurements – continued

Level 2 – Quoted prices for similar assets in active or inactive markets, or inputs derived from observable market data by correlation such as appraisals or other means such as calculations based on contractual rates and published tables.

Level 3 – Unobservable inputs that reflect management’s assumptions and best estimates based on available data.

The Organization uses Level 1 measurements whenever possible, as they result in the most reliable measure of fair value.

Investments are stated at fair value. The fair value of all the Organization’s investments are measured using Level 1 inputs.

Investments at of December 31, 2017 and 2016 consisted of the following investment types:

<u>Description</u>	<u>2017</u>	<u>2016</u>
	<u>Level 1</u>	<u>Level 1</u>
Cash Management	\$ 38,426	\$ 44,118
Mutual Funds – Fixed Income	390,312	548,572
Mutual Funds – Equity	875,634	1,098,437
Total Investments	<u>\$ 1,304,372</u>	<u>\$ 1,691,127</u>

Risks and Uncertainties – The Organization’s investments are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with these investments, it is at least reasonably possible that changes in the near term could materially affect the amounts reported in the financial statements.

Assistance Dogs of Hawaii
Notes to the Financial Statements
December 31, 2017 and 2016

Note 9 – Temporarily Restricted Net Assets

As of December 31, 2017 and 2016, temporarily restricted net assets totaled \$222,650 and \$59,130, respectively, and consisted of the following:

	<u>2017</u>	<u>2016</u>
Restricted for the following uses:		
Assistance Dogs Northwest Campus	\$ 187,650	\$ 27,900
Assistance Dogs Hawaii Location	30,000	-
Community Outreach	5,000	-
Scent Detection Research Program	-	26,230
Facility Expansion	-	5,000
Total Temporarily Restricted Net Assets	<u><u>\$ 222,650</u></u>	<u><u>\$ 59,130</u></u>

Following is a summary of the activity for the years ended December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Temporarily Restricted Net Assets, Beginning	\$ 59,130	\$ 50,356
Additions:		
Individual Contributions	<u>222,650</u>	<u>27,900</u>
Total Additions	222,650	27,900
Net Assets Released from Restriction:		
Scent Detection Research Program	26,230	
Facility Expansion	5,000	
Assistance Dogs Northwest Campus	<u>27,900</u>	<u>19,126</u>
Total Net Assets Released from Restriction	<u>(59,130)</u>	<u>(19,126)</u>
Temporarily Restricted Net Assets, Ending	<u><u>\$ 222,650</u></u>	<u><u>\$ 59,130</u></u>

Note 10 – Donated Services, Goods & Facilities

Donated services, goods and facilities are recognized as contributions in accordance with ASC 958-605-25-16. Donated professional services are reflected in the statement of activities at their fair value at the date of the donation. The contribution of services are recognized if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased by the Organization. In addition, many individuals volunteer their time and perform a variety of tasks that benefits the Organization with specific assistance programs, solicitations, and various committee assignments that are not recognized as

Assistance Dogs of Hawaii
Notes to the Financial Statements
December 31, 2017 and 2016

Note 10 – Donated Services, Goods & Facilities - continued

contributions in the financial statements, since the recognition criteria under ASC 958-605-25-16 were not met.

The following donated services, goods, and facilities were recognized as contributions for the years ended December 31, 2017 and 2016:

Contributor	Nature/Extent of Services	Program	Amount Recognized as Revenue	
			2017	2016
Haleakala Ranch	Discounted Services	General	\$ -	\$ 1,000
Donor	Dog	General	-	3,000
Ferguson Design Co.	Furniture	General	3,000	-
Montessori School of Maui	Donated Facilities	General	-	1,000
Miles Wolbe	Donated Services	General	-	2,000
Bravo Branding	Donated Services	General	-	5,000
Total Donated Services, Goods, & Facilities			\$ 3,000	\$ 12,000

Note 11 – Advertising & Marketing

The Organization uses advertising & marketing to promote its services. The costs of advertising & marketing are expensed as incurred. During the years ended December 31, 2017 and 2016, advertising & marketing costs totaled \$5,404 and \$15,170, respectively.

Note 12 – Operating Lease

During the years ended December 31, 2017 and 2016, the Organization entered into two separate vehicle leases. The lease entered into in May 2017 has a monthly lease payment of \$304 and expires in April 2020. The lease entered into in June 2016 has a

Assistance Dogs of Hawaii
Notes to the Financial Statements
December 31, 2017 and 2016

Note 12 – Operating Lease - continued

monthly lease payment of \$296 and expires in May 2018. The lease expense totaled \$13,358 and \$5,523 for the years ended December 31, 2017 and 2016.

Future minimum lease payments are as follows:

<u>Years Ended December 31,</u>		<u>Amount</u>
2017	\$	1,007
2018		1,481
Total	\$	2,488

Note 13 – Employee Benefit Plan

Defined Contribution Plan

The Organization sponsors a SIMPLE IRA plan (the Plan) covering all employees with at least one year of service in excess of a minimum wage threshold who agree to make contributions to the Plan. The Organization matches participants' contributions to the Plan up to 3% of the individual participant's compensation. Total expense for the years ended December 31, 2017 and 2016, was approximately \$4,659 and \$3,953, respectively.

Note 14 - Management's Review of Subsequent Events

In preparing the financial statements, management has evaluated subsequent events and transactions for potential recognition or disclosure through September 17, 2019, the date the financial statements were available to be issued. Management has identified the following subsequent events, see Note 15.

Note 15 – Subsequent Events

In February 2019, the Organization purchased a Portland Oregon office for \$334,159. This location is an expansion of the Assistance Dogs of Northwest.

