

**LAST CHANCE ANIMAL RESCUE FUND, INC.**

**Financial Statements**

**For the Year Ended December 31, 2009**

**LAST CHANCE ANIMAL RESCUE FUND, INC.**  
Notes to Financial Statements  
For the Year Ended December 31, 2009

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**Markowitz, Fenelon & Bank, LLP**

Certified Public Accountants

*Service you deserve. Advice you trust.*

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To the Board of Directors of  
Last Chance Animal Rescue Fund, Inc.  
Southampton, New York

We have reviewed the accompanying statement of assets, liabilities and net assets - modified cash basis of the Last Chance Animal Rescue Fund, Inc. (a 501 (c)(3) organization) as of December 31, 2009, and related statements of revenues, expenses and changes in net assets - modified cash basis for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Last Chance Animal Rescue Fund, Inc.

A review consists principally of inquiries of Organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with the modified cash basis of accounting as described in Note 1.

*Markowitz Fenelon & Bank LLP*

Markowitz, Fenelon & Bank, LLP  
Southampton, New York

October 28, 2010

**LAST CHANCE ANIMAL RESCUE FUND, INC.**

**Statement of Assets, Liabilities and Net Assets**

**Modified Cash Basis**

**December 31, 2009**

**ASSETS**

**Current Assets**

Cash

\$ 5,078

Total Assets

\$ 5,078

**LIABILITIES AND NET ASSETS**

**Liabilities**

\$ -

**Net Assets**

Unrestricted

Undesignated

5,078

Total Net Assets

5,078

Total Liabilities and Net Assets

\$ 5,078

**LAST CHANCE ANIMAL RESCUE FUND, INC.**  
**Statement of Revenues, Expenses and Changes in Net Assets**  
**Modified Cash Basis**  
**For the Year Ended December 31, 2009**

**REVENUES**

Donations	\$ 104,815
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**EXPENSES**

**Program Services**

Veterinary expense	75,863
Boarding and caretaking	5,575
Transportation	4,366
Food and supplies	5,129
Advertising	1,706

Total Program Services	92,639
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**Supporting Services**

**Management and General**

Office	1,372
Accounting	1,080
Web design	1,000
Travel	893
Filing fee	765
Bank fees	497

Total Management and General	5,607
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**Fund Raising**

Special events	1,491
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Total Fund Raising	1,491
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Total Expenses	99,737
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Increase in Net Assets	5,078
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Net Assets, Beginning of Year	-
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Net Assets, End of Year	\$ 5,078
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**LAST CHANCE ANIMAL RESCUE FUND, INC.**

Notes to Financial Statements  
For the Year Ended December 31, 2009

**Note 1. Nature of Organization and Significant Accounting Policies**

**Nature of Organization**

The Last Chance Animal Rescue Fund, Inc. (the Organization) is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. The Organization uses revenues from fundraising activities and donations to save and better the lives of animals located in "kill" shelters.

**Basis of Accounting**

The accompanying financial statements were prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. The modified cash basis of accounting recognizes revenues in the accounting period in which revenues are received regardless of when the income is earned and recognizes expenses in the accounting period in which expenses are paid regardless of when they were incurred.

**Financial Statement Presentation**

The Organization is required to report 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. For the year ended December 31, 2009 there were no temporarily or permanently restricted net assets.

**Recognition of Donor Restricted Contributions**

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

**Cash and Cash Equivalents**

The Organization's policy is to classify all liquid investments with original maturities of three months or less as cash equivalents. Cash is held in demand accounts with banks.

**Donated Services**

Donated services have not been reflected in the accompanying financial statements since they do not meet the criteria for recognition in accordance with the modified cash basis of accounting. The Organization pays for services requiring specific expertise. Nevertheless, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific programs and various committee assignments.

**Estimates**

The preparation of financial statements on the modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Advertising**

The company expenses advertising costs as incurred. Advertising expense amounted to \$1,706 for the year ended December 31, 2009.

**LAST CHANCE ANIMAL RESCUE FUND, INC.**

Notes to Financial Statements  
For the Year Ended December 31, 2009

**Note 1. Nature of Organization and Significant Accounting Policies (continued)**

Income Taxes

The Organization has been granted tax-exempt status under the Internal Revenue Service Code Section 501(c)(3). Accordingly, no provisions for federal or state income taxes has been recorded in the accompanying financial statements.

Subsequent Events

Management has evaluated subsequent events through October 28, 2010, the date the financial statements were available to be issued.

**Note 2. Functional Allocation of Expenses**

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of revenues, expenses and changes in net assets - modified cash basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on the internal records and estimates made by the Organization's management.