

FELLOW MORTALS, INC.

**INDEPENDENT AUDITORS' REPORT
AND
FINANCIAL STATEMENTS**

YEAR ENDED DECEMBER 31, 2021

FELLOW MORTALS, INC.

TABLE OF CONTENTS

| | <u>PAGES</u> |
|---|--------------|
| <u>INDEPENDENT AUDITORS' REPORT</u> | 1 - 2 |
| STATEMENT OF FINANCIAL POSITION | 3 |
| STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS | 4 |
| STATEMENT OF FUNCTIONAL EXPENSES | 5 |
| STATEMENT OF CASH FLOWS | 6 |
| NOTES TO FINANCIAL STATEMENTS | 7 - 12 |



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Fellow Mortals, Inc.

Opinion

We have audited the accompanying financial statements of Fellow Mortals, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses, changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Fellow Mortals, Inc. as of December 31, 2021, and the changes in net assets and its cash flows for the year ended December 31, 2021, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of Fellow Mortals, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Fellow Mortals, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

611 N. Barker Road, Suite 200 Brookfield, WI 53045 | Phone: 262.860.1724 | Fax: 262.860.1726
326 Center Street Lake Geneva, WI 53147 | Phone: 262.248.6281 | Fax: 262.248.6088
7040 N. Green Bay Ave, Milwaukee, WI 53209 | Phone: 414.351.5511 | Fax: 414.351.6696

- Obtain an understanding of internal control relevant to the audit 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 Fellow Mortals Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Academy of Excellence's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the Fellow Mortals, Inc. 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 11, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Sitzberger & Company LLC

Sitzberger & Company LLC
Brookfield, Wisconsin
November 2, 2022

FELLOW MORTALS, INC.
 STATEMENTS OF FINANCIAL POSITION
 AS OF DECEMBER 31, 2021

ASSETS

| | 2021 |
|-----------------------------|------------------|
| <u>ASSETS</u> | |
| Current: | |
| Cash and cash equivalents | \$ 441,202 |
| Investments | 33,225 |
| Non-current: | |
| Property and equipment, net | 1,443,962 |
| TOTAL ASSETS | \$ 1,918,389 |

LIABILITIES AND NET ASSETS

| | |
|--------------------------------------|------------------|
| <u>LIABILITIES</u> | |
| Current: | |
| Accounts payable | \$ - |
| Non-current: | |
| Lease payable | 109,528 |
| Accrued payroll | 133,200 |
| Loan by officer | 1,000 |
| TOTAL LIABILITIES | 243,728 |
| <u>NET ASSETS</u> | |
| Without donor restrictions | 1,674,661 |
| With donor restrictions | - |
| TOTAL NET ASSETS | 1,674,661 |
| TOTAL LIABILITIES AND NET ASSETS | \$ 1,918,389 |

See accompanying notes.

FELLOW MORTALS, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2021

| | 2021 | | |
|--|-------------------------------|----------------------------|--------------|
| | Without Donor Restrictions | With Donor Restrictions | Totals |
| <u>REVENUES AND SUPPORT</u> | | | |
| Donated materials and services | \$ 374,227 | \$ - | \$ 374,227 |
| Contributions of cash and other financial assets | 592,658 | - | 592,658 |
| Fundraisers | 55,263 | - | 55,263 |
| Investment income | 4,983 | - | 4,983 |
| Other | 2,519 | - | 2,519 |
| | 1,029,650 | - | 1,029,650 |
| <u>EXPENSES</u> | | | |
| Program services: | | | |
| Wildlife rehabilitation | 809,389 | - | 809,389 |
| Public education | 84,514 | - | 84,514 |
| Total program services | 893,903 | - | 893,903 |
| Support services: | | | |
| Management and general | 33,111 | - | 33,111 |
| Fundraising | 40,509 | - | 40,509 |
| Total support services | 73,620 | - | 73,620 |
| | 967,523 | - | 967,523 |
| <u>NON-OPERATING GAINS (LOSSES)</u> | | | |
| Loss on disposal of property and equipment | (158) | - | (158) |
| CHANGE IN NET ASSETS | 61,969 | - | 61,969 |
| NET ASSETS - BEGINNING OF YEAR | 1,612,692 | - | 1,612,692 |
| NET ASSETS - END OF YEAR | \$ 1,674,661 | \$ - | \$ 1,674,661 |

See accompanying notes.

FELLOW MORTALS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH SUMMARIZED COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2020

| | 2021 | | | | 2020 | |
|--------------------------------|----------------------------|---------------------|---------------------------|------------------|-------------------|-------------------|
| | Program Services | | Support Services | | Totals | Totals |
| | Wildlife Rehabilitation | Public Education | Management and General | Fundraising | | |
| Wages and taxes | \$ 174,292 | \$ - | \$ 4,137 | \$ - | \$ 178,429 | \$ 153,860 |
| Employee benefits | 45,042 | - | - | - | 45,042 | 45,982 |
| Vehicle expense | 10,686 | - | - | - | 10,686 | 10,802 |
| Volunteer meals and benefits | 5,313 | - | - | - | 5,313 | 9,125 |
| Feed | 70,700 | - | - | - | 70,700 | 75,104 |
| Animal care supplies | 40,936 | - | - | - | 40,936 | 37,662 |
| Veterinary and diagnostic | 51,827 | - | - | - | 51,827 | 37,744 |
| Off-site rehabilitation | 5,327 | - | - | - | 5,327 | 1,979 |
| Intern expense | 30,894 | - | - | - | 30,894 | 25,841 |
| Cremation | 1,313 | - | - | - | 1,313 | 2,497 |
| Specialized services donations | 217,245 | - | - | - | 217,245 | 166,725 |
| Auction items | - | - | - | 37,355 | 37,355 | 14,348 |
| Facility rent and maintenance | 37,932 | - | - | - | 37,932 | 55,144 |
| Equipment repair and rental | 2,899 | - | - | - | 2,899 | 3,780 |
| Depreciation | 79,192 | - | 4,168 | - | 83,360 | 82,681 |
| Utilities | 16,491 | 6,914 | 1,172 | - | 24,577 | 21,957 |
| Insurance | 19,300 | - | - | - | 19,300 | 18,813 |
| Office supplies | - | 1,940 | 11,484 | - | 13,424 | 13,123 |
| Professional services | - | - | 5,000 | - | 5,000 | 11,049 |
| Bank and credit card fees | - | - | 1,777 | - | 1,777 | 1,816 |
| Licensing | - | - | 649 | - | 649 | 2,132 |
| Marketing and public education | - | 63,316 | - | 3,154 | 66,470 | 50,074 |
| Print and reference materials | - | 11,092 | - | - | 11,092 | 949 |
| Continuing education | - | 1,252 | - | - | 1,252 | 673 |
| Donor appreciation | - | - | 4,597 | - | 4,597 | 1,863 |
| Other | - | - | 127 | - | 127 | 567 |
| TOTAL EXPENSES | \$ 809,389 | \$ 84,514 | \$ 33,111 | \$ 40,509 | \$ 967,523 | \$ 846,290 |

See accompanying notes.

FELLOW MORTALS, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

| | 2021 |
|---|------------|
| <u>CASH FLOWS FROM OPERATING ACTIVITIES</u> | |
| Change in net assets | \$ 61,969 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | |
| Depreciation | 83,360 |
| Investment income | (4,983) |
| Loss (Gain) on disposal of property and equipment | 158 |
| Change in current assets and liabilities: | |
| Decrease in accounts payable | (13,443) |
| Increase in officer loan | - |
| Increase in lease payable | (500) |
| <u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u> | 126,561 |
| <u>CASH FLOWS FROM INVESTING ACTIVITIES</u> | |
| Purchase of property and equipment | (128,142) |
| NET INCREASE (DECREASE) IN CASH | (1,581) |
| CASH - BEGINNING OF YEAR | 442,783 |
| CASH - END OF YEAR | \$ 441,202 |
| <u>SUPPLEMENTAL CASH FLOW DISCLOSURE</u> | |
| Interest paid | \$ - |

See accompanying notes.