LOUIE'S LEGACY ANIMAL RESCUE, INC.

INDEPENDENT AUDITOR'S REPORT

ON FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

<u>Prepared by:</u>
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INDEPENDENT AUDITOR'S REPORT

To: Board of Directors
Louie's Legacy Animal Rescue, Inc.
Cincinnati, OH 45247

Opinion

We have audited the accompanying financial statements of Louie's Legacy Animal Rescue, Inc. (a non-profit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, of functional expenses, and of 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 Louie's Legacy Animal Rescue, Inc. as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended 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 the Financial Statements section of our report. We are required to be independent of Louie's Legacy Animal Rescue, 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, and 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.

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 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.
- 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 the organization'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 the organization'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.

Sincerely,

George Dimov, CPA
New York, NY
April 28, 2026

Statement of Financial Position
as of December 31, 2024

US Dollars	Note	December 31, 2024
Assets		
Property and Equipment, net	2	61,202
Total non-current assets		**61,202**
Cash and cash equivalents	3	621,001
Total current assets		**621,001**
Total assets		**682,203**
Liabilities		
Credit card payables		1,594
Total current liabilities		**1,594**
Total liabilities		**1,594**
Net assets		
Without donor restrictions		680,609
Total net assets		**680,609**
Total liabilities and net assets		**682,203**

The notes on pages 9-12 form an integral part of the financial statements.
The independent auditor's report is on pages 3-4.

Statement of Activities
for the Year Ended December 31, 2024

US Dollars	Note	Without Donor Restrictions
Income, public support and other gains		
Service program revenue		562,874
Contributions		511,112
Fundraising		25,852
Total income	5	**1,099,838**
Operating expenses		
Program services		835,907
Management and general		90,397
Fundraising expenses		52,898
Total operating expenses		**979,202**
Increase in net assets		**120,636**
Net assets as of the beginning of the year		**559,973**
Net assets as of the end of the year		**680,609**

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Statement of Functional Expenses
for the Year Ended December 31, 2024

US Dollars	Program Services	Management and General	Fundraising expenses	Totals
Compensation	297,226	59,446	39,630	**396,302**
Fees for services	372,269	-	-	**372,269**
Occupancy	38,248	7,650	5,099	**50,997**
Payroll taxes	23,691	4,338	3,159	**31,188**
Depreciation of vehicles	-	16,809	-	**16,809**
Vehicle	9,222	1,845	1,229	**12,296**
Insurance	8,662	1,733	1,155	**11,550**
Management (Fees for services)	7,995	1,599	1,066	**10,660**
Credit Card Fees	6,252	-	-	**6,252**
Accounting (Fees for services)	3,836	767	512	**5,115**
Utilities	2,848	570	379	**3,797**
Marketing	2,450	490	327	**3,267**
Pay Pal Fees	2,454	-	-	**2,454**
Office expenses	1,777	355	236	**2,368**
Travel	798	160	106	**1,064**
Other	42,880	9,934	-	**52,814**
Total Expenses	**820,608**	**105,696**	**52,898**	**979,202**

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Statement of Cash Flows
for the Year Ended December 31, 2024

US Dollars	Note	Year Ended December 31, 2024
Cash flows from operating activities		
Increase in net assets		120,636
Adjustments to reconcile increase in net assets to net cash:		
Depreciation expense	2	16,809
Changes in operating assets and liabilities		
Decrease in credit card payables		(45,773)
Net cash provided by operating activities		**91,672**
Cash flows from investing activities		
Purchase of automobiles	2	(78,011)
Net cash used in investing activities		**(78,011)**
Net increase in cash and cash equivalents		**13,661**
Cash at the beginning of the year		607,340
Cash at the end of the year	3	**621,001**

The notes on pages 9-12 form an integral part of the financial statements.
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024
(in US Dollars)

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Information

Louie's Legacy Animal Rescue, Inc. (the Organization) is a non-profit corporation, incorporated on September 8, 2009, in the State of New York. The Organization is a professional 501(c)(3) rescue organization that helps community and shelter partners save animals by rescuing them, providing temporary care in foster homes, and matching them with adoptive pet parents.

The Organization's address is: 4725 Boomer Rd., Cincinnati, OH 45247.

These financial statements cover the year ended December 31, 2024, and are intended for the sole use of Board of Directors, management, and any other users at the discretion of Louie's Legacy Animal Rescue, Inc.

Statement of Compliance

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). These financial statements are presented in US Dollars, unless otherwise indicated. These financial statements have been prepared under the historical cost convention.

On August 18, 2016, the FASB issued ASU 2016-14 Not-for-Profit Entities (Topic 958) Presentation of Financial Statements of Not-for-Profit Entities. The amendments classify net assets in only two classes, net assets without donor restrictions and net assets with donor restrictions. In effect, the class net assets with donor restrictions are a combination of temporarily restricted net assets and permanently restricted net assets. Accordingly, the Organization classifies its net assets and changes in net assets as follows:

- Net Assets without donor restrictions — Net assets that are not subject to donor-imposed restrictions or the donor-imposed restrictions have expired.

- Net Assets with donor restrictions — Net assets that are subject to donor-imposed restrictions that may or will be met either by actions of the Organization and/or by the passage of time and net assets that are to be held in perpetuity as directed by donors. The income from these net assets is available to support activities as designated by the donors.

Revenues are reported as an increase in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on assets and liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor restriction or by law.

Use of Estimates and Assumptions

The preparation of financial statements conforms to accounting principles generally accepted in the United States of America ("US GAAP"). Those principles require 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. Due to the inherent uncertainty in making those estimates, actual results reported in future periods could differ from such estimates.

Accounting Standards Update

ASU 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets

In September 2020, the FASB amended guidance regarding the way nonprofit organizations report nonfinancial assets, including donated goods and rent, in-kind professional services, etc. The amendment required contributed nonfinancial assets to be presented separately from cash and other financial assets on the statement of activities, and the footnote disclosure must include a dis-aggregation by type, donor restrictions, if applicable, and other details about the nature and valuation of the nonfinancial assets received. The new standard was effective for fiscal years beginning after June 15, 2021, and had no impact on the financial statements of the Organization for the year ended December 31, 2024.

Accounting Standards, ASU 2016-02, Leases

In February 2016, the FASB issued amendments to the way lessees record lease transactions. Lessees are required to recognize at commencement the right-of-use asset and a lease liability representing the lessee's obligation to make lease payments arising from the lease, as discounted, for all leases except short-term leases. This Standard was effective for annual financial statements issued for fiscal years beginning after December 15, 2021, and early adoption was permitted. Management determined the amendments to this ASU had no impact on the financial statements of the Organization for the year ended December 31, 2024.

Cash and Cash Equivalents

The Organization considers cash in banks, and other highly liquid investments with an original maturity date of three months or less to be cash equivalents.

Concentration of Risk

The Organization maintains its cash and cash equivalents in bank deposit accounts which, at times, may exceed federally insured limits. The Federal Deposit Insurance Corporation (FDIC) insures balances up to $250,000 per depositor, per insured bank. As of December 31, 2024, the Organization's interest-bearing and non-interest-bearing accounts at Chase Bank exceeded the FDIC limit by approximately $149,509. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

Going Concern

The Organization's management has made an assessment of the Organization's ability to continue as a going concern and is satisfied that the Organization has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Organization's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Related Parties

A party is considered to be related to the Organization if the party directly or indirectly or through one or more intermediaries, controls, is controlled by, or is under common control with the Organization. Related parties also include principal owners of the Organization, its management, members of the immediate families of principal owners of the Organization and its management and other parties with which the Organization may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests. A party which can significantly influence the management or operating policies of the transacting parties or if it has an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests is also a related party.

Income Tax

The Organization is exempt from income taxes as a public charity under Section 501(c)(3) of the Internal Revenue Code.

2. PROPERTY, PLANT AND EQUIPMENT, NET

Property and equipment are presented at cost less accumulated depreciation. Expenditures for renewals and improvements are capitalized and depreciated, while repairs and maintenance are charged to expense as incurred. Disposals are removed at cost less accumulated depreciation, and any resulting gain or loss is reflected in current operations. Depreciation is calculated using the straight-line method (typically 5 years) and is based upon the estimated useful lives of the underlying assets.

As of December 31, 2024, property and equipment consisted of the following:

	December 31, 2024
Property and equipment	119,634
Accumulated depreciation	(58,432)
Property and equipment, net	**61,202**

As of 31 December 2024, the Organization’s property consists primarily of vehicles used for its core mission. During the year, the Organization acquired additional automobiles for its operating activities totaling $78,011. For the year ended December 31, 2024, depreciation expense amounted to $16,809.

3. CASH AND CASH EQUIVALENTS

As of December 31, 2024, cash and cash equivalents consisted of the following:

	December 31, 2024
Cash in Savings – Bank of America	200,000
Certificate of Deposit – Chase	200,000
Cash in Checking and Savings – Chase	199,509
Funds held in payment processors	21,492
Total cash and cash equivalents	**621,001**

As of December 31, 2024, the Organization held $200,000 in a business relationship savings account at Bank of America. Additionally, $200,000 was held at Chase Bank in a Certificate of Deposit with an original term of three months and an Annual Percentage Yield (APY) of 4.75%. $199,509 was held at Chase Bank in a checking and savings accounts.

4. LIQUIDITY

The Organization regularly monitors liquidity required to meet its operating needs. The following quantitative disclosure reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts that are not available for general use within one year of that date.

Financial assets at year-end:	**December 31, 2024**
Cash and cash equivalents	621,001
Total financial assets	**621,001**
Less: amounts unavailable for general expenditure within one year: Net assets with donor restriction	–
Financial assets available to meet cash needs for general expenditures within one year	**621,001**

5. CONTRIBUTIONS

A monthly breakdown of the Organization's contributions for the year ended December 31, 2024, is as follows:

Month	**Amount**
January 2024	72,314
February 2024	93,732
March 2024	169,743
April 2024	89,669
May 2024	64,790
June 2024	53,768
July 2024	92,463
August 2024	55,038
September 2024	70,114
October 2024	67,006
November 2024	130,200
December 2024	141,001
Total	**1,099,838**

6. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date which the financial statements were available to be issued, which is April 28, 2026.

All subsequent events requiring recognition as of December 31, 2024, have been incorporated into these financial statements and there are no other subsequent events that require disclosure in accordance with FASB ASC Topic 855, "Subsequent Events".