

WildCare

Financial Statements

For the Year Ended September 30, 2025

(with Comparative Totals For the Year Ended September 30, 2024)

WildCare
(A California Not-For-Profit Corporation)
September 30, 2025 and 2024

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
WildCare:

Opinion

We have audited the accompanying financial statements of WildCare, a California nonprofit organization, which comprises the statement of financial position as of September 30, 2025, and the related statements of activities, functional expenses, 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 WildCare as of September 30, 2025, and the changes in net assets and 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 WildCare 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 WildCare's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 WildCare'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 WildCare'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 combined financial statements of WildCare and Friends of WildCare (two California nonprofit organizations), which comprised the combined statement of financial position as of September 30, 2024, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. Whereas the purpose of Friends of WildCare was substantially accomplished by year end, Friends of WildCare was merged into WildCare on September 30, 2024. On those WildCare and Friends of WildCares' 2024 combined financial statements we expressed an unmodified audit opinion in our report dated February 12, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

April 16, 2026

Perotti & Canade

WILDCARE
Statement of Financial Position
September 30, 2025
(with Summarized Combined Financial Information for September 30, 2024)

	<u>2025</u>	<u>(combined)</u> <u>2024</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 599,518	\$ 229,454
Investments	7,444,556	4,755,902
Accounts, grants, and pledges receivable	92,210	161,505
Prepaid expenses	62,413	74,673
Total current assets	8,198,697	5,221,534
Other Assets		
Grants and pledges receivable	30,060	20,000
Endowment investments	59,927	58,008
Cash and cash equivalents, restricted for facility expansion	330,266	103,224
Investments, restricted for facility expansion	9,620,705	8,659,718
Property and equipment, net	9,847,040	3,965,860
Total other assets	19,887,998	12,806,810
Total Assets	\$ 28,086,695	\$ 18,028,344
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 1,112,178	\$ 517,567
Payroll liabilities	119,304	102,738
Notes payable, including accrued interest	3,663	3,497
Unearned revenue	60,959	54,177
Total current liabilities	1,296,104	677,979
Long-term portion of debt	145,705	149,390
Net Assets		
Without donor restrictions	18,419,716	8,362,453
With donor restrictions	8,225,170	8,838,522
Total net assets	26,644,886	17,200,975
Total Liabilities and Net Assets	\$ 28,086,695	\$ 18,028,344

See accompanying auditor's report and notes to financial statements.

WILDCARE
Statement of Activities
Year Ended September 30, 2025
(with Summarized Combined Financial Information for the Year Ended September 30, 2024)

	Without Donor Restrictions	With Donor Restrictions	Total 2025	(combined) Total 2024
Revenues and Support				
Contributions and grants	\$ 6,939,026	\$ 4,818,421	\$ 11,757,447	\$ 8,847,098
Contributed nonfinancial assets	158,594	-	158,594	241,823
Bequests	644,753	-	644,753	836,541
Realized and unrealized gains/(losses)	(23,986)	118,309	94,323	501,761
Program fees	154,032	-	154,032	138,266
Interest and dividend income	203,202	366,713	569,915	72,077
Merchandise sales and other revenue	9,575	-	9,575	6,550
	<u>8,085,196</u>	<u>5,303,443</u>	<u>13,388,639</u>	<u>10,644,116</u>
Special events				
Special events revenue	362,989	-	362,989	589,633
Cost of direct benefits to donors	(103,616)	-	(103,616)	(111,411)
Net fundraising revenue	<u>259,373</u>	<u>-</u>	<u>259,373</u>	<u>478,222</u>
Total revenue and support before releases	8,344,569	5,303,443	13,648,012	11,122,338
Net assets released from restrictions	5,916,795	(5,916,795)	-	-
Total revenue and support	<u>14,261,364</u>	<u>(613,352)</u>	<u>13,648,012</u>	<u>11,122,338</u>
Expenses				
Animal care	1,909,768	-	1,909,768	1,600,120
Wildlife education	1,156,611	-	1,156,611	981,580
Management and general	458,235	-	458,235	428,677
Fundraising	679,487	-	679,487	590,874
Total expenses	<u>4,204,101</u>	<u>-</u>	<u>4,204,101</u>	<u>3,601,251</u>
Change in net assets	10,057,263	(613,352)	9,443,911	7,521,087
Net assets at beginning of the year	8,362,453	8,838,522	17,200,975	9,679,888
Net assets at end of the year	<u>\$ 18,419,716</u>	<u>\$ 8,225,170</u>	<u>\$ 26,644,886</u>	<u>\$ 17,200,975</u>

See accompanying auditor's report and notes to financial statements.

WILDCARE
Statement of Functional Expenses
Year Ended September 30, 2025
(with Summarized Combined Financial Information for the Year Ended September 30, 2024)

	Program Activities			Supporting Activities		2025	(combined)
	Animal	Wildlife	Total	Management	Fundraising	Total	Total
	Care	Education		& General		Expenses	Expenses
Compensation costs							
Salaries and wages	\$ 1,026,002	\$ 644,027	\$ 1,670,029	\$ 217,637	\$ 333,118	\$ 2,220,784	\$ 1,937,939
Payroll taxes	80,423	50,482	130,905	17,060	26,112	174,077	154,173
Employee benefits	152,172	95,519	247,691	32,280	49,407	329,378	269,817
Total compensation costs	<u>1,258,597</u>	<u>790,028</u>	<u>2,048,625</u>	<u>266,977</u>	<u>408,637</u>	<u>2,724,239</u>	<u>2,361,929</u>
Other costs							
Advertising and promotion	9,807	6,157	15,964	2,081	3,185	21,230	7,351
Animal care and food	75,704	-	75,704	-	-	75,704	69,783
Depreciation	104,047	65,310	169,357	22,070	33,781	225,208	34,589
Direct marketing	127,163	63,581	190,744	-	127,163	317,907	227,229
Dues, fees, and other charges	16,790	10,540	27,330	5,541	5,451	38,322	44,423
Equipment leases and purchase	11,521	7,232	18,753	2,444	3,741	24,938	17,654
Meals and entertainment	-	-	-	-	103,616	103,616	111,410
Hospital supplies and services	43,802	-	43,802	-	-	43,802	43,969
Insurance	34,653	21,752	56,405	7,351	11,251	75,007	40,102
Interest expense	-	-	-	4,173	-	4,173	4,104
Legal and professional services	39,649	39,648	79,297	79,297	-	158,594	237,255
Maintenance and repair	29,648	18,610	48,258	6,288	9,626	64,172	54,857
Meetings and conferences	-	-	-	192	-	192	911
Occupancy	52,617	33,027	85,644	11,161	17,083	113,888	40,438
Outside services	35,959	27,572	63,531	37,448	32,706	133,685	225,837
Postage and delivery	4,396	2,759	7,155	932	1,427	9,514	15,382
Printing and publications	3,319	3,320	6,639	-	6,640	13,279	17,137
Program materials	-	14,009	14,009	-	-	14,009	13,036
Property taxes	2,012	1,263	3,275	427	653	4,355	4,377
Scholarships, grants, and awards	741	318	1,059	-	-	1,059	1,000
Supplies	3,511	2,204	5,715	745	1,140	7,600	6,541
Telephone and internet	12,995	8,157	21,152	2,757	4,219	28,128	19,059
Transportation and travel costs	12,662	22,872	35,534	2,685	4,111	42,330	35,682
Utilities	26,713	16,768	43,481	5,666	8,673	57,820	73,885
Volunteer expenses	3,462	1,484	4,946	-	-	4,946	4,721
Total other costs	<u>651,171</u>	<u>366,583</u>	<u>1,017,754</u>	<u>191,258</u>	<u>374,466</u>	<u>1,583,478</u>	<u>1,350,732</u>
Less expenses included with revenues on the statements of activities							
Cost of direct benefits to donors	-	-	-	-	(103,616)	(103,616)	(111,410)
Total expenses	<u>\$ 1,909,768</u>	<u>\$ 1,156,611</u>	<u>\$ 3,066,379</u>	<u>\$ 458,235</u>	<u>\$ 679,487</u>	<u>\$ 4,204,101</u>	<u>\$ 3,601,251</u>

See accompanying auditor's report and notes to financial statements.

WILDCARE
Statement of Cash Flows
Year Ended September 30, 2025
(with Summarized Combined Financial Information for the Year Ended September 30, 2024)

	<u>2025</u>	<u>(combined)</u> <u>2024</u>
Cash Flows From Operating Activities		
Change in net assets	\$ 9,443,911	\$ 7,521,087
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	225,208	34,589
Donated services capitalized as part of construction in process	-	(10,000)
Realized and unrealized gains on investments, net	(94,323)	(501,761)
Changes in operating assets and liabilities:		
Accounts, grants, and pledges receivable	59,235	(87,658)
Prepaid expenses and other assets	12,260	(15,111)
Accounts payable and accrued liabilities	594,612	256,841
Accrued interest payable	(2,729)	(3,588)
Payroll liabilities	16,565	(7,695)
Unearned revenue	6,782	20,854
Net cash provided by operating activities	<u>10,261,521</u>	<u>7,207,558</u>
 Cash Flows From Investing Activities		
Purchases of treasury bills	(3,866,035)	(16,405,914)
Proceeds from treasury bills	10,702,000	14,418,000
Change in cash and cash equivalents held in investments, net	(10,393,202)	(2,779,730)
Acquisition of construction in process and leasehold improvements	(6,083,230)	(2,728,941)
Acquisition of property and equipment	(23,158)	(4,962)
Net cash used in investing activities	<u>(9,663,625)</u>	<u>(7,501,547)</u>
 Cash Flows From Financing Activities		
Payments on note payable	(790)	-
Net cash used in financing activities	<u>(790)</u>	<u>-</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	597,106	(293,989)
 Cash and Cash Equivalents - Beginning of Year	<u>332,678</u>	<u>626,667</u>
 Cash and Cash Equivalents - End of Year	<u>\$ 929,784</u>	<u>\$ 332,678</u>
 Reconciliation of Cash and Cash Equivalents to Amounts Reported on the Statement of Financial Position:		
Cash and cash equivalents	\$ 599,518	\$ 229,454
Cash and cash equivalents, restricted for facility expansion	330,266	103,224
Cash and cash equivalents, at end of year	<u>\$ 929,784</u>	<u>\$ 332,678</u>
 Supplemental Disclosure of Cash Flow Information		
Interest paid	<u>\$ 6,902</u>	<u>\$ 7,692</u>

See accompanying auditor's report and notes to financial statements.

WildCare
Notes to Financial Statements
September 30, 2025
(With Comparative Totals to the Combined Financial Statements
September 30, 2024)

1. Organization

WildCare is a California-based 501(c)(3) nonprofit public benefit corporation with its origin dating back to the incorporation in July 1975 of The Elizabeth Terwilliger Nature Education Foundation. In 1994 there was a merger between the California Center for Wildlife (CCW) and the Terwilliger Nature Education Center and in 2006 a name change was made to ‘WildCare.’ WildCare has operated on the same site as CCW’s predecessor organization, which had been operating there since 1954 and where the new facility is being constructed. Beginning October 1, 2024, operations were moved to a temporary location for several years during construction of the new facility.

Friends of WildCare was a 501 (c) (3) nonprofit organization incorporated in California on December 18, 2017 for the purpose of holding assets and raising funds in support of a new facility for WildCare. In the prior year WildCare and Friends of WildCare presented combined financial statements because they had common control through the same Board of Directors and management. All significant intercompany accounts and transactions were eliminated in those combined financial statements. During the year ended September 30, 2024 Friends of WildCare was dissolved and all of its net assets were transferred directly to Wildcare, after the new facility plan and funding was well underway. The summarized combined totals for the year ended September 30, 2024 are presented for comparative purposes.

WildCare (or the “Organization”) is a wildlife hospital and environmental education center based in San Rafael, California. For over 60 years, inclusive of predecessor organizations, WildCare has been a first responder to wildlife that share the same habitat as humans. Annually, its hospital provides emergency and ongoing medical care to about 3,500 animals from more than 200 distinct species. Nearly 99% of the wild animals assisted by the organization have been injured in some way because of human interaction. In addition to giving sick and injured wild animals and birds a second chance at life, WildCare works to encourage humans to live well with wildlife. To that end, its environmental education programs reach over 35,000 school children and adults annually. WildCare maintains a hotline responding to callers seeking information about local wildlife and advising homeowners on solutions to handle wildlife issues.

2. Summary of Significant Accounting Policies

Basis of Accounting - The financial statements of WildCare have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

Basis of Presentation - WildCare reports information regarding its financial position and activities according to two classes of net assets based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. WildCare’s board may designate assets without restrictions for specific operational purposes from time to time.

WildCare
Notes to Financial Statements
September 30, 2025
With Comparative Totals to the Combined Financial Statements
September 30, 2024

2. Summary of Significant Accounting Policies (continued)

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Contributions - Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted or conditioned contributions whose restrictions or conditions are met in the same reporting period are reported as net assets without donor restriction support. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Contributions restricted for the acquisition of land, buildings, and equipment are released from restriction upon acquisition of the assets.

Approximately 57% of the organization's total revenue and support came from two donors.

Grants and Accounts Receivable Realization – Management has determined that no allowance for credit losses was deemed necessary as of September 30, 2025. There was no change to the allowance during the year. An allowance for credit losses reflects management's best estimate of probable losses inherent in grants and accounts receivable balances. Management primarily determines the allowance for credit losses based on the aging of accounts receivable balances and collection history. Management believes that the review of its accounts receivable balances and collection history provides a reasonable base on which to determine expected credit losses for grants and accounts receivable held at September 30, 2025. Receivables are generally considered past due once a receivable is not paid within thirty days of contract terms. It is the Organization's policy to not charge interest on its receivables. Receivables are written off once management has determined the ability to collect is not possible.

Cash and Cash Equivalents - WildCare considers all highly liquid investments (checking, savings, money markets, and certificates of deposits) with a maturity of three months or less when purchased to be cash equivalents.

WildCare maintains cash in bank deposit accounts which, at times, may exceed the \$250,000 insurance limitation of the Federal Deposit Insurance Corporation ("FDIC") and attempts to limit credit risks associated with cash equivalents by utilizing highly rated financial institutions. Management believes the Organization is not exposed to any significant credit risk relating to its cash deposits.

WildCare
Notes to Financial Statements
September 30, 2025
(With Comparative Totals to the Combined Financial Statements
September 30, 2024)

2. Summary of Significant Accounting Policies (continued)

Investments – WildCare considers investments in United States Treasury securities with a maturity of more than three months to be investments.

Endowment – The endowment includes cash, stocks, and mutual funds. Investments in equity securities having a readily determinable fair value and in all debt securities are carried at fair value. Other investments are valued at the lower of cost or fair value. Net appreciation (depreciation) in the fair value of investments, which consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments, is presented in the statement of activities in accordance with donor restrictions as investment return. Investment return is presented net of investment fees.

WildCare adopted a framework for measuring fair value. Fair value is defined as the price that would be received to sell an asset or would be paid to transfer a liability in an orderly transaction between market participants. The Organization's financial assets reported at fair value include accounts, grants, and pledges receivable.

Unearned Revenue - Unearned revenue represents amounts billed or received in advance for educational programs scheduled to be given during the following year. Such amounts have been reflected as a current liability on the statement of financial position and will be recognized as earned revenue in the subsequent year when the programs are provided.

Functional Expenses - The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. The statement of functional expenses presents the natural classification of expenses by function. Accordingly, certain costs, including personnel costs, insurance, depreciation, and rent, have been allocated among animal services programs, educational programs, and supporting services benefited. Such allocations are determined by management based upon an analysis of time and effort spent on the programs and supportive services.

Advertising costs – Advertising costs are expensed when incurred and were \$21,230 during the year ended September 30, 2025.

Use of Estimates - The preparation 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 support, revenues, and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications – Certain amounts in the prior year combined financial statements have been reclassified in order to conform with current presentation.

WildCare
Notes to Financial Statements
September 30, 2025
(With Comparative Totals to the Combined Financial Statements
September 30, 2024)

2. Summary of Significant Accounting Policies (continued)

Property, Equipment, and Improvements - Property and equipment are valued at cost or, if donated, at fair market value on the date of donation. Depreciation is provided by use of the straight-line method over the estimated useful lives of the assets with lives that range from building and improvements (5-10 years); furniture and equipment (3-15 years). The cost of property and equipment which benefit future periods is capitalized and depreciated over the estimated useful life of each class of depreciable assets. At the early stages of constructing a new replacement building on WildCare's wholly-owned land, construction in process includes consulting fees for architects, environmental study engineers, campaign funding, and governmental review fees.

Contributed Nonfinancial Assets - Contributed nonfinancial assets are reflected at the fair value of the contribution received. The contributions of services and costs are recognized if they (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Income Taxes – WildCare has received notification from the Internal Revenue Service and the State of California that it qualifies for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the California Revenue and Taxation Code. The exemptions are subject to periodic review by the federal and state taxing authorities and management is confident that WildCare continues to satisfy all federal and state statutes to qualify for continued tax exempt status. Accordingly, WildCare is generally exempt from federal and state income taxes. WildCare's informational returns are subject to examination by the Internal Revenue Service and the California Franchise Tax Board, generally for three years and four years, respectively, after they are filed.

3. Accounts, Grants, and Pledges Receivable

Accounts, grants, and pledges receivable represent amounts due from various sources, including foundations, individuals, and others. WildCare is in the process of a campaign to upgrade and expand the existing facility and the pledge receivable is restricted for that purpose.

4. Available Resources and Liquidity

The Finance Committee and senior management of the Organization regularly monitor liquidity required to meet operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. WildCare has various sources of liquidity at its disposal, including cash and cash equivalents, receivables, pledges, and access to a \$250,000 line of credit.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, management of WildCare considers all expenditures related to ongoing activities of the conduct of animal healthcare services, research, and teaching youth, family, and the general public about living well with wildlife and related environmental health concerns.

WildCare
Notes to Financial Statements
September 30, 2025
(With Comparative Totals to the Combined Financial Statements
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4. Available Resources and Liquidity (continued)

In addition to financial assets available to meet general expenditures over the next 12 months, WildCare operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

As of September 30, 2025, the following table shows the total financial assets held by the Organization which the Organization believes could readily be made available within one year of the balance sheet date to meet general expenditures.

Financial assets at year-end:	
Cash and cash equivalents	\$ 599,518
Investments	7,444,556
Cash and cash equivalents, restricted for facility expansion	330,266
Investments, restricted for facility expansion	9,620,705
Accounts, grants, and pledges receivable	122,270
Endowment – restricted	59,927
Less:	
Donor restricted net assets not available for general expenditures	(8,225,170)
Pledges receivable, long term	(30,060)
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 9,922,012</u>

Cash and cash equivalents, restricted for facility expansion and investments, restricted for facility expansion are assets of the Elevate Fund dedicated to a new facility expansion project for WildCare.

5. Property and Equipment

Property and equipment consists of the following at September 30, 2025:

Land	\$ 15,000
Building and improvements	45,000
Construction in process	8,544,479
Furniture and equipment	571,698
Leasehold improvements	1,461,161
Less: accumulated depreciation	(790,298)
Total property and equipment, net	<u>\$ 9,847,040</u>

Depreciation expense amounted to \$225,208 for the year ended September 30, 2025.

WildCare
Notes to Financial Statements
September 30, 2025
(With Comparative Totals to the Combined Financial Statements
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6. Endowment

WildCare has an investment in a perpetual trust as well as being a designated beneficiary of another perpetual trust, both administered by Marin Community Foundation (MCF) which has variance power. The terms of the trusts mandate perpetual control of the corpus by the named trustee. WildCare is entitled to receive annually a portion of the funds' investment earnings in accordance with the MCF's spending policy. Excess earnings are applied toward the principal balance for future distribution. During the year ended September 30, 2025, WildCare received a distribution of \$2,337 from the investment in perpetual trust and \$16,287 from the designated beneficiary trust.

WildCare has reflected its investment in the perpetual trust given it was the donor which originated the investment. The investment in the perpetual trust at September 30, 2025 had a fair value of \$59,927.

WildCare has not reflected in the financial statements the funds held in the account in which WildCare is solely the designated beneficiary as WildCare was not the original investor.

Endowment net asset composition by type of fund is summarized as follows as of September 30, 2025:

	Without Donor Restrictions	With Donor Restrictions	Total
Perpetual endowment	\$ 15,980	\$ 43,947	\$ 59,927

Changes in endowment net assets for the fiscal year ended September 30, 2025 are summarized as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets at beginning of year	\$ 14,061	\$ 43,947	\$ 58,008
Investment return and contributions:			
Investment income	734	-	734
Unrealized gains	4,015	-	4,015
Total investment changes	4,749	-	4,749
Distributions	(2,337)	-	(2,337)
Investment fees	(493)	-	(493)
Endowment net assets at end of year	\$ 15,980	\$ 43,947	\$ 59,927

WildCare
Notes to Financial Statements
September 30, 2025
(With Comparative Totals to the Combined Financial Statements
September 30, 2024)

6. Endowment (continued)

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or the Uniform Prudent Management of Institutional Funds Act (UPMIFA) requires the Organization to retain as a fund of perpetual duration. There were no deficiencies of this nature that are required to be reported in net assets without donor restrictions as of September 30, 2025. Although there were no such deficiencies at September 30, 2025, future deficiencies could result from unfavorable market fluctuations that occur after the investment of new restricted contributions and continued appropriation for certain programs that are deemed prudent by the Board of Directors. Investments of the Organization may decline below their original basis due to market fluctuations and unrealized losses which are beyond the control of management. Deficiencies of this nature, if any, would be reported in net assets without donor restrictions.

Spending Policy and How the Investment Objectives Relate to Spending Policy

WildCare follows MCF's policy of appropriating for distribution each year a flexible amount that ensures spending will continue without deterioration of endowment principal. For the year ended September 30, 2025, MCF approved a spending level of 4.5% of the fair market value of the invested endowment fund.

7. Fair Value Measurements

Fair value measurements establish a fair value hierarchy that prioritizes the input used to measure fair value. This hierarchy consists of three broad levels: (a) Level 1 measurement reflects the value of the investments at quoted prices in active markets for identical assets, generally without any adjustments, (b) Level 2 assets and liabilities are valued based on "observable inputs" other than quoted active market prices, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, and interest rates and yield curves, and (c) Level 3 assets and liabilities are valued based on "unobservable inputs," such as a company's own estimates and pricing models.

Composition of assets utilizing fair value measurements on a recurring basis at September 30, 2025, is as follows:

	Total	Level 1	Level 2	Level 3
Cash at cost	\$ 13,172,932	\$ 13,172,932	\$ -	\$ -
Treasury bills	3,892,329	-	3,892,329	-
Endowment investments	59,927	-	-	59,927
	<u>\$ 17,125,188</u>	<u>\$ 13,172,932</u>	<u>\$ 3,892,329</u>	<u>\$ 59,927</u>

The fair value of the securities is measured at quoted prices in active markets on the last trade day of the fiscal year. The Organization considers the measurement of its perpetual trust to be a Level 3 measurement within the fair value measurement hierarchy because even though that measurement is based on the unadjusted fair value of trust assets reported by the trustee, the Organization does not have the ability to direct the trustee on its investments.

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7. Fair Value Measurements (continued)

A reconciliation of the activity during the year ended September 30, 2025, for the beneficial interest in the perpetual trust which are assets measured at fair value based on significant unobservable (nonmarket) information is as follows:

Balance at September 30, 2024	\$ 58,008
Investment income	734
Unrealized gains	4,015
Distributions and fees	(2,830)
Balance at September 30, 2025	<u>\$ 59,927</u>

8. Net Assets with Donor Restrictions

Changes in net assets with donor restrictions for the year ended September 30, 2025, consisted of the following:

	<u>9/30/2024</u>	<u>Contributions</u>	<u>Releases</u>	<u>9/30/2025</u>
Facility expansion fund, net	\$8,763,371	\$5,293,443	\$(5,904,384)	\$8,152,430
Restricted in perpetuity	43,947	-	-	43,947
Grants for various animal care and wildlife education purposes	31,204	10,000	(12,411)	28,793
Totals	<u>\$8,838,522</u>	<u>\$5,303,443</u>	<u>\$(5,916,795)</u>	<u>\$8,225,170</u>

9. Line of Credit

WildCare has access to a \$250,000 line of credit from a local bank. The line matured and was renewed on April 3, 2024 with a new maturity date of March 31, 2026.

WildCare is currently negotiating the renewal of this line of credit. Amounts drawn on the line of credit accrue interest at the greater of the prime rate plus 1.00% (7.25% September 30, 2025) or the floor rate of 7.5%. The line of credit is secured by a UCC 1 filing on all business assets and subject to a liquidity covenant requiring WildCare to maintain minimum liquidity of \$250,000, tested annually. WildCare did not draw down on the line during the year ended September 30, 2025.

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10. Notes Payable and Accrued Interest

As of September 30, 2025, the \$150,000 EIDL loan and accrued interest consists of the following:

Current portion of long-term debt and accrued interest	\$ 3,663
Long-term portion of debt and accrued interest	145,705
Total long-term debt	\$ 149,368

As of September 30, 2025, the future minimum principal payments were as follows:

2026	\$ 3,663
2027	3,695
2028	3,798
2029	3,904
2030	4,012
Thereafter	130,296
Total	\$ 149,368

Interest incurred on the EIDL loan totaled \$4,173 during the year ended September 30, 2025. No other debt incurred any interest. Payments of principal of \$790 occurred during the year ended September 30, 2025.

11. Contributed Nonfinancial Assets

Contributed nonfinancial assets did not have donor-imposed restrictions, unless otherwise noted. WildCare has received, valued, and recorded professional donated services. Donated services are included in the financial statements as contributed nonfinancial assets within revenue on the statement of activities and under legal and professional services of \$158,594 in the statement of functional expenses.

Capitalized donated services as part of the construction in process were received in prior years from architects and construction management consultants who have donated design services and construction management services for a new facility in the amount of \$33,850. No donated services were received during the year ended September 30, 2025.

Contributed services are valued and are reported at the estimated fair value in the financial statements based on current rates for similar services.

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12. Retirement Plan

WildCare maintains a 401(k) safe harbor profit sharing pension plan covering all eligible employees who have attained twenty-one years of age and have completed twelve months of service. Employees are eligible to make elective contributions up to the maximum amount allowed by the Internal Revenue Code under safe harbor rules. WildCare makes 100% matching contributions up to 3% of the employees' eligible compensation plus 50% of additional contributions made to a total of 5% of eligible compensation, resulting in an effective 4% contribution for employees who elect to contribute 5% or more of their salary. WildCare contributed \$56,159 for the year ended September 30, 2025.

13. Allocation of Joint Costs

The Organization incurred allocable joint costs during the year ended September 30, 2025 of \$317,907 for the informational materials and activities that included fundraising appeals. Of those costs, \$127,163 was allocated to fundraising expense and \$190,744 was allocated among all other programs and departments. WildCare's mission is care of injured wild animals and education of the public on living well with nature. Whereas half of the Organization's mission is education, nearly all of the printed and online materials have educational aspects. These allocations were based on analyses of the costs pertaining to the underlying direct mail program and the educational and fundraising activities associated with various mailings.

14. Lease Commitments

The Organization is renting temporary space while renovations occur. This includes three separate leases for land, equipment, and office space. The land lease expires on November 30, 2025. The Organization can extend the lease any number of times on a month-to-month basis or up to one year at a time. The monthly rent on the land lease is \$2,500.

The equipment lease of temporary buildings commenced upon delivery of the equipment in May 2024. The lease has a term of 24 months and expires in April 2026. The Organization can extend the lease on a month-to-month basis until the equipment is returned to the lender.

The office space lease went into effect on October 1, 2024. The lease has a term of 21 months commencing on October 1, 2024 and ending on June 30, 2026. After the expiration date, the term shall automatically be on a month to month basis effective July 1, 2026.

Total rent paid for the year ended September 30, 2025 was \$113,888. Future minimum lease payments for the year ending September 30, 2026 are \$58,435.

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15. Summarized Financial Information

The financial statements include certain prior year summarized combined information in total, but not by net asset class or functional expense categories. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the WildCare and Friends of WildCare combined financial statements for the year ended September 30, 2024, from which the summarized information was derived.

16. Subsequent Events

Management of WildCare has evaluated events and transactions subsequent to September 30, 2025, for potential recognition or disclosure in the financial statements. Subsequent events have been evaluated through April 16, 2026, the date the financial statements were available to be issued.