



FRIENDS OF THE FAIRFAX COUNTY ANIMAL SHELTER

FINANCIAL STATEMENTS AND

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

DECEMBER 31, 2025

FRIENDS OF THE FAIRFAX COUNTY ANIMAL SHELTER

FINANCIAL STATEMENTS

TABLE OF CONTENTS

DECEMBER 31, 2025

	<u>Pages</u>
Independent Accountants' Review Report.....	1
Statements of Financial Position	2
Statements of Activities.....	3
Statements of Functional Expenses.....	4
Statements of Cash Flows.....	5
Notes to Financial Statements.....	6-10



CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
Friends of the Fairfax County Animal Shelter
Centreville, Virginia

We have reviewed the accompanying financial statements of Friends of the Fairfax County Animal Shelter, which comprise the statements of financial position as of December 31, 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. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility 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; 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.

Accountants' Responsibility

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Friends of the Fairfax County Animal Shelter and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountants' Conclusion

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 accordance with accounting principles generally accepted in the United States of America.

Jones & McIntyre, PLLC

September 16, 2026

FRIENDS OF THE FAIRFAX COUNTY ANIMAL SHELTER

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2025

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 468,019
Pledges receivable	25,060
Beneficial interest in charitable remainder trust, net of discount	23,164
Total Current Assets	<u>\$ 516,243</u>

OTHER ASSETS:

Investments	\$ 1,481,641
Beneficial interest in charitable remainder trust, net of discount	89,201
Total Other Assets	<u>\$ 1,570,842</u>

TOTAL ASSETS	<u><u>\$ 2,087,085</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts payable	<u>\$ 5,524</u>
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NET ASSETS:

Net assets without donor restrictions	\$ 1,942,567
Net assets with donor restrictions	138,994
Total Net Assets	<u>\$ 2,081,561</u>

TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 2,087,085</u></u>
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See accompanying notes and independent accountants' review report.

FRIENDS OF THE FAIRFAX COUNTY ANIMAL SHELTER

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE:			
Contributions	\$ 712,410	\$ 1,629	\$ 714,039
Special events, net of direct costs	57,735	-	57,735
Investment income, net of fees	112,478	-	112,478
Net assets released from restrictions	23,520	(23,520)	-
Total Revenue	\$ 906,143	\$ (21,891)	\$ 884,252
EXPENSES:			
Program services	\$ 432,889	\$ -	\$ 432,889
Management and general	62,751	-	62,751
Fundraising	35,269	-	35,269
Total Expenses	\$ 530,909	\$ -	\$ 530,909
CHANGE IN NET ASSETS	\$ 375,234	\$ (21,891)	\$ 353,343
NET ASSETS - BEGINNING OF YEAR	1,567,333	160,885	1,728,218
NET ASSETS - END OF YEAR	\$ 1,942,567	\$ 138,994	\$ 2,081,561

See accompanying notes and independent accountants' review report.

FRIENDS OF FAIRFAX COUNTY ANIMAL SHELTER

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2025

	Program Services	Management and General	Fundraising	Total
Fairfax County Animal Shelters				
Parasite prevention	\$ 80,869	\$ -	\$ -	\$ 80,869
Medical treatments	103,181	-	-	103,181
Spay/Neuter	57,795	-	-	57,795
Dental treatments	56,943	-	-	56,943
Collar, Tag & Leash	16,008	-	-	16,008
Shelter support	6,820	-	-	6,820
Total Fairfax County Animal Shelters	\$ 321,616	\$ -	\$ -	\$ 321,616
Salaries	63,095	14,787	27,243	105,125
Payroll taxes	4,827	1,148	2,084	8,059
Accounting	-	26,716	-	26,716
Advertising	216	-	39	255
Bank & credit card fees	6,294	161	1,658	8,113
Consulting	16,119	18,475	994	35,588
Contributions	1,100	-	-	1,100
Event/promotional expenses	3,316	-	-	3,316
Insurance	1,539	359	667	2,565
Office and other expenses	4,821	456	795	6,072
Printing/design/website	7,309	-	1,395	8,704
Technology	2,637	649	394	3,680
Total Functional Expenses	<u>\$ 432,889</u>	<u>\$ 62,751</u>	<u>\$ 35,269</u>	<u>\$ 530,909</u>

See accompanying notes and independent accountants' review report.

FRIENDS OF THE FAIRFAX COUNTY ANIMAL SHELTER

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$	353,343
Adjustments to reconcile change in net assets to net cash from operating activities:		
Investment income (net) retained in investment accounts		(103,968)
Changes in assets and liabilities:		
(Increase) decrease in beneficial interest in charitable remainder trust		23,520
(Increase) decrease in accounts receivable		2,453
Increase (decrease) in accounts payable		(15,371)
Net cash from operating activities	\$	<u>259,977</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Transfers from (to) investments, net	\$	<u>(52,362)</u>
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NET INCREASE IN CASH AND CASH EQUIVALENTS

\$ 207,615

CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR

260,404

CASH AND CASH EQUIVALENTS - END OF YEAR

\$ 468,019

See accompanying notes and independent accountants' review report.

FRIENDS OF THE FAIRFAX COUNTY ANIMAL SHELTER

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 1. **Organization and Summary of Significant Accounting Policies:**

Organization

Friends of the Fairfax County Animal Shelter (the Organization) is a not-for-profit charitable organization formed in 2006 in the Commonwealth of Virginia. The Organization supports the Fairfax County Animal Shelter by financing medical and dental care, parasite prevention, spay and neuter for community cats, tags and collars for adopted cats and dogs, leashes for dogs and animal enrichment programs. They also purchase supplies for the shelter and conduct outreach and education efforts to ensure that every shelter pet is offered the best opportunity as they wait for their forever home.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

Financial Statement Presentation:

The accompanying financial statement presentation follows the recommendations under the Not-for-Profit Entities Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958. Under this ASC, The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. Board designated net assets without donor restrictions are those net assets set aside by the Organization's Board of Directors.

Income Recognition

Contributions are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions. Amounts received that are designated for future periods, or restricted by the donor for specific purposes, are reported as increases in net assets with donor restrictions. When a restriction expires, 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.

Contributions of specialized services that would have been purchased if not donated and other non-cash items are recorded at estimated fair value as revenues and expenses.

Donated securities are reported at their fair value as of the date of donation.

Bequest revenue is recognized when the Organization has an irrevocable right to the gift and the proceeds are readily measurable.

Event income is recognized upon completion of the related event (point-in-time).

FRIENDS OF THE FAIRFAX COUNTY ANIMAL SHELTER

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2025

Note 1. **Organization and Summary of Significant Accounting Policies: (Concluded)**

Cash and Cash Equivalents

Cash consists of checking and money market accounts and certificates of deposit. Demand deposits with financial institutions at times exceeded federally insured limits. The Organization has not experienced any losses in such accounts, and management believes the Organization is not exposed to any significant credit risks.

Grants and Pledges Receivable

The Organization provides for bad debts when, in the opinion of management, a specific account becomes uncollectible. If the reserve method of accounting for uncollectible accounts were used, it would not have a material effect on the financial statements.

Investments

Investments are recorded at fair market value in the statement of financial position.

Income Taxes

The Organization is a tax exempt, publicly supported organization under Section 501(c)(3) of the Internal Revenue Code. The Organization had no unrelated business taxable income during the year and there is no provision for income taxes in the accompanying financial statements.

The Organization believes that it has appropriate support for any income tax positions taken and, as such, does not have any uncertain income tax positions that are material to the financial statements.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Functional Expenses

The Organization allocates its expenses on a functional basis among its various programs and supporting services. Expenses that can be identified with a specific program, fundraising, or management and general service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by management's estimate of time and effort spent on each function.

FRIENDS OF THE FAIRFAX COUNTY ANIMAL SHELTER

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2025

Note 2. **Beneficial Interests in Charitable Remainder Trusts:**

The Organization is a beneficiary under various wills, the total realizable value of which is not presently determinable. Such amounts are recorded as contributions when clear title is established and the proceeds are clearly measurable.

During the year ended December 31, 2021, the Organization was named a beneficiary of a charitable remainder trust. The Organization will receive \$25,000 per year through December 31, 2030. The present value of this annuity receivable is \$112,365 at December 31, 2025.

Note 3. **Investments:**

Investments are managed by two professional investment management firms. Investments are carried at fair value, based on quoted market prices.

FASB ASC 820 establishes a fair value hierarchy that prioritizes the inputs used to measure fair value into three broad categories: levels 1, 2 and 3. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets (level 1) and lowest priority to unobservable inputs (level 3).

In some cases, the inputs used to measure fair value might fall into different levels of the fair value hierarchy. The level in the fair value hierarchy that the assets or liability falls under is based on the lowest input level that is significant to the fair value measurement in its entirety. The fair value of the Organization's investments is based on quoted market prices in active markets (level 1 inputs).

Investments consisted of the following at December 31, 2025:

Fixed income securities	\$ 504,963
Equity securities	528,167
Cash	<u>448,511</u>
Total	<u>\$ 1,481,641</u>

Investment return, net consists of the following for the years ended December 31, 2025:

Interest from cash accounts	\$ 8,510
Interest and dividends	60,378
Realized gain (loss) on investments	-
Unrealized gain (loss) on investments	46,168
Investment fees	<u>(2,578)</u>
Total	<u>\$ 112,478</u>

FRIENDS OF THE FAIRFAX COUNTY ANIMAL SHELTER

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2025

Note 4. Risks and Uncertainties:

The Organization invests in various investment securities, which are exposed to risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and such changes could have a material effect on the amounts reported in the financial statements.

Note 5. Net Assets with Donor Restrictions:

Net assets with donor restrictions consist of the following temporarily restricted net assets at December 31, 2025:

	Balance 12/31/2024	Additions	Releases	Balance 12/31/2025
Finnegan's Fund for Emergency Medical	\$ -	\$ 1,629	\$ -	\$ 1,629
Time-restricted beneficial interest in charitable remainder trust	<u>160,885</u>	<u>-</u>	<u>23,520</u>	<u>137,365</u>
Total	<u>\$ 160,885</u>	<u>\$ 1,629</u>	<u>\$ 23,520</u>	<u>\$ 138,994</u>

Note 6. Board Designated Net Assets Without Donor Restrictions:

The Board of Directors segregated certain funds to be spent only for unexpected contingencies and other events so warranted by the Board. At December 31, 2025, designated net assets totaled \$200,000.

Note 7. Special Events:

Special fundraising events are reflected net of costs in the statement of activities. Gross revenues and expenses are comprised of the following for the years ended December 31, 2025:

Revenues	\$ 76,783
Direct expenses	<u>(19,048)</u>
Net Special Event Income	<u>\$ 57,735</u>

Note 8. Contributed Services:

The Organization receives a significant amount of donated services from individuals and public and private organizations. Management estimates that more than 2,000 hours are donated each year for various administrative, program and fundraising activities.

FRIENDS OF THE FAIRFAX COUNTY ANIMAL SHELTER

NOTES TO FINANCIAL STATEMENTS (CONCLUDED)

DECEMBER 31, 2025

Note 9. **Liquidity and Availability of Financial Assets:**

The following reflects the Organization's financial assets as of December 31, 2025, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date.

Financial assets at year-end	\$ 1,997,884
Donor restricted	(138,994)
Board designations	<u>(200,000)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,658,890</u>

The Organization has a policy to structure its financial assets to be available throughout the year as general expenditures become due.

Note 10. **Subsequent Events:**

Management has evaluated subsequent events through September 16, 2026, the date the financial statements were available to be issued.