15/10 Foundation

Financial Statements
as of and for the Year Ended
December 31, 2023 and
Independent Auditors' Report

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Independent Auditors' Report

To the Board of Directors of
15/10 Foundation:

Opinion

We have audited the accompanying financial statements of 15/10 Foundation (a nonprofit organization) (the "Foundation"), which comprise the statement of financial position as of December 31, 2023, 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 the Foundation as of December 31, 2023, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation 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.

Change in Basis of Accounting

As discussed in Note 2 to the financial statements, the Foundation previously issued financial statements as of and for the year ended December 31, 2023 that were prepared using the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America ("U.S. GAAP"). We audited those financial statements and expressed an unmodified opinion in our report dated August 22, 2024. The accompanying financial statements have been prepared in accordance with U.S. GAAP. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, 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 aggregate, that raise substantial doubt about the Foundation'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 auditors' 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.
- 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 Foundation'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 Foundation'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.

Maxwell Locke & Ritter LLP

Austin, Texas
July 2, 2025

15/10 Foundation

Statement of Financial Position
December 31, 2023

Assets		
Cash and cash equivalents	$	421,921
Investments		693,619
Fixed assets, net		16,973
Intangible assets, net		7,755
Total assets	$	1,140,268
Liabilities and Net Assets		
Liabilities:		
Accounts payable	$	55,839
Accrued expenses		6,989
Total liabilities		62,828
Net assets:		
Without donor restrictions		660,264
With donor restrictions		417,176
Total net assets		1,077,440
Total liabilities and net assets	$	1,140,268

See notes to financial statements.

15/10 Foundation

Statement of Activities
Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues:			
Contributions	$ 116,938	820,981	937,919
Membership dues	439,320	-	439,320
Investment income, net	10,089	-	10,089
Other income	8,529	-	8,529
Net assets released from restrictions	556,272	(556,272)	-
Total revenues and net assets released from restrictions	1,131,148	264,709	1,395,857
Expenses:			
Program services	706,783	-	706,783
Supporting services	97,166	-	97,166
Total expenses	803,949	-	803,949
Change in net assets	327,199	264,709	591,908
Net assets, beginning of year (restated)	333,065	152,467	485,532
Net assets, end of year	$ 660,264	417,176	1,077,440

See notes to financial statements.

15/10 Foundation

Statement of Functional Expenses
Year Ended December 31, 2023

	Program Services	Supporting Services			
	Direct Care	Management and General	Fundraising	Total Supporting Services	Total
Direct care	$ 556,272	-	-	-	556,272
Payroll and payroll taxes	77,000	-	-	-	77,000
Payment processing fees	34,547	23,407	-	23,407	57,954
Professional fees	16,600	13,684	7,276	20,960	37,560
Donor management	-	-	22,537	22,537	22,537
Advertising and marketing	-	-	17,377	17,377	17,377
Office	-	12,181	-	12,181	12,181
Software	10,010	-	-	-	10,010
Licenses and fees	3,834	-	-	-	3,834
Travel	3,711	-	-	-	3,711
Depreciation and amortization	1,488	-	-	-	1,488
Miscellaneous	3,321	704	-	704	4,025
Total expenses	$ 706,783	49,976	47,190	97,166	803,949

See notes to financial statements.

15/10 Foundation

Statement of Cash Flows
Year Ended December 31, 2023

Cash Flows From Operating Activities:	
Change in net assets	$ 591,908
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Net realized and unrealized gain on investments	(13,903)
Depreciation and amortization	1,488
Changes in liabilities that provided cash:	
Accounts payable	8,703
Accrued expenses	6,989
Net cash provided by operating activities	595,185
Cash Flows From Investing Activities:	
Purchases of fixed assets	(17,912)
Purchases of investments	(679,716)
Purchases of intangible assets	(116)
Net cash used in investing activities	(697,744)
Net change in cash and cash equivalents	(102,559)
Cash and cash equivalents, beginning of year	524,480
Cash and cash equivalents, end of year	$ 421,921

See notes to financial statements.

1. Foundation and Nature of Operations

Founded in 2021, 15/10 Foundation (the "Foundation") is a nonprofit organization dedicated to providing financial assistance for veterinary care for dogs and other domestic pets in need as well as educational resources to promote mental health and well-being among veterinary professions. The Foundation supports charitable animal rescue and service animal training Foundations. The Foundation's mission is to make dogs with medical or behavioral needs more adoptable; dogs that would otherwise be unlikely to make it out of the shelter.

2. Change in Basis of Accounting

The accompanying financial statements as of and for the year ended December 31, 2023 have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). These financial statements differ from those previously issued for the same period, which were prepared using the modified cash basis of accounting. An unmodified audit opinion was issued on those financial statements on August 22, 2024. The previously issued modified cash basis financial statements remain available. Users of these financial statements should consider the differences in accounting basis when comparing the two sets of financial statements.

The modified cash basis financial statements emphasized cash receipts and disbursements. In contrast, the current financial statements prepared in accordance with U.S. GAAP reflect the Foundation's financial position, changes in its net assets, and cash flows using the accrual basis of accounting. Management determined that financial statements prepared in accordance with U.S. GAAP are necessary to meet regulatory requirements in certain states where the Foundation is registered. Accordingly, the change in basis of accounting results in a $62,828 increase in liabilities and decrease in net assets as of December 31, 2023, and it has necessitated the addition of a statement of cash flows for the year then ended. The effect of the change in basis of accounting on the Foundation's statement of financial position and statement of activities as of and for the year ended December 31, 2023 was as follows:

	As Previously Reported	As Restated
Accounts payable	$ -	$ 55,839
Accrued expenses	-	6,989
Total liabilities	-	62,828
Expenses:		
Program services	691,466	706,783
Supporting services	96,791	97,166
Total expenses	788,257	803,949
Net assets as of December 31, 2022:		
Net assets without donor restrictions	199,253	152,467
Net assets with donor restrictions	333,415	333,065
Net assets as of December 31, 2023:		
Net assets without donor restrictions	670,803	660,264
Net assets with donor restrictions	469,465	417,176
Change in net assets as of December 31, 2023	607,600	591,908

3. Summary of Significant Accounting Policies

Basis of Accounting - The accompanying financial statements have been prepared in accordance with U.S. GAAP as defined by the Financial Accounting Standards Board Accounting Standards Codification.

Net Asset Classifications - Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions, unless their use is restricted by explicit donor stipulation or by law. Net assets without donor restrictions are those currently available for use, or at the discretion of the Board of Directors (the "Board") for the Foundation's use.

With Donor Restrictions - Net assets that are subject to donor-imposed stipulations, which limit their use by the Foundation to a specific purpose and/or the passage of time, or which require them to be maintained permanently. The Foundation had no permanently restricted net assets as of December 31, 2023.

Use of Estimates - The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fair Value Measurements - Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value accounting requires characterization of the inputs used to measure fair value into a three-level fair value hierarchy as follows:

Level 1 **-** Inputs based on quoted prices in active markets for identical assets or liabilities. An active market is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 **-** Observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity.

Level 3 **-** Unobservable inputs that reflect the entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

There are three general valuation techniques that may be used to measure fair value: 1) market approach - uses prices generated by market transactions involving identical or comparable assets or liabilities, 2) cost approach - uses the amount that currently would be required to replace the service capacity of an asset (replacement cost), and 3) income approach - uses valuation techniques to convert future amounts to present amounts based on current market expectations.

Cash and Cash Equivalents - Cash and cash equivalents include highly liquid investments with an original maturity of three months or less.

Investments - Investments are reported at fair value in the statement of financial position. Investment transactions are recorded on the trade date and investment income is recorded in the statement of activities when earned. Investment income includes interest, dividends, and realized and unrealized gains and losses. Realized gains and losses are recorded as the difference between historical cost and the proceeds earned from the sale of an investment. Unrealized gains and losses are recorded for the change in fair value of investments between reporting periods. This activity is reported as investment income in the statement of activities and is recorded net of related investment expenses.

Fixed Assets - Fixed asset additions exceeding $200 are recorded at cost if purchased or estimated fair value if donated, less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which is three years for computers and equipment. Repair and maintenance costs are charged to expense as incurred.

Intangible Assets - Intangible assets are initially measured at fair value and are amortized using the straight-line method over their estimated useful lives, which is fifteen years for website costs.

Leases - Leases with an initial term of twelve months or less are classified as short-term leases and are not recognized in the statement of financial position unless the lease contains a purchase option that is reasonably certain to be exercised. Management assesses contracts at inception to determine whether an arrangement is or includes a lease, which conveys the Foundation's right to control the use of an identified asset for a period of time in exchange for consideration. A determination is made at inception as to whether the lease is an operating lease or a finance lease, and lease determinations are reassessed in the event of a change in lease terms. Right-of-use ("ROU") assets and associated liabilities are recognized at the commencement date and initially measured based on the present value of future minimum lease payments over the expected lease term, with ROU assets increased for initial direct costs and prepaid lease payments and reduced by any lease incentives received from the lessor. There were no ROU assets or associated liabilities recorded on the Foundation's statement of financial position as of December 31, 2023 as the Foundation was not obligated under any significant lease agreements.

Impairment of Long-Lived Assets - Long-lived assets are reviewed for impairment at the asset group level whenever events or changes in circumstances indicate that the amount recorded may not be recoverable. An impairment loss is recognized by the amount in which the carrying amount of the asset group exceeds fair value, if the carrying amount of the asset group is not recoverable.

Contributions and Membership Dues - The Foundation considers membership dues to be contributions. The Foundation recognizes contributions when cash, securities, other assets, or unconditional promises to give, or a notification of a beneficial interest is received. All contributions, including unconditional promises to give, are recorded at their fair value and are considered to be available for operations unless specifically restricted by the donor. Unconditional promises to give cash and other assets are reported as net assets with donor restrictions, if they are received with donor stipulations that limit the use of donated assets. When donor restrictions expire, that is, when a stipulated time restriction ends or restricted purpose is accomplished, the related restricted net assets are reclassified to net assets without donor restrictions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire within the fiscal year in which the contributions are received. Conditional promises to give, defined as those with a measurable performance or other barrier and a right to return, are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

In-kind Contributions - In-kind contributions are reflected as contributions at their estimated fair value at date of donation and are reported as net assets without donor restrictions unless explicit donor stipulations specify how donated assets must be used. Contributed services are recognized by the Foundation if the services received (a) create or enhance non-financial assets and (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. In-kind contributions were not significant during the years ended December 31, 2023.

Advertising - Advertising costs are charged to expense as incurred.

Functional Allocation of Expenses - The accompanying financial statements present expense by functional and natural classification. Natural expenses directly attributable to a specific functional area are reported as expenses of those functional areas. Accordingly, certain costs have been allocated among the programs and supporting services using a variety of cost allocation techniques, such as time and effort.

Federal Income Taxes - The Foundation is a nonprofit organization exempt from federal income tax under Internal Revenue Code ("IRC") Section 501(c)(3), except to the extent of any unrelated business income. The Foundation did not incur any significant tax liabilities due to unrelated business income during the year ended December 31, 2023. The Foundation files Form 990 tax returns in the U.S. federal jurisdiction and is subject to routine examinations of its returns; however, there are no examinations currently in progress.

4. Concentration of Credit Risk

Financial instruments which potentially subject the Foundation to a concentration of credit risk consist principally of cash and cash equivalents and investments. The Foundation places its cash and cash equivalents with a limited number of high-quality financial institutions and at times may exceed the amount of insurance provided on such deposits. Investments are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain securities, it is at least reasonably possible that changes in the near-term could materially affect the amounts reported in the statement of financial position.

5. Liquidity and Availability of Financial Assets

The Foundation's financial assets available to management within one year for general expenditure were as follows as of December 31, 2023:

Cash and cash equivalents	$ 421,921
Investments	693,619
Total financial assets available to management for general expenditure within one year	$ 1,115,540

The Foundation invests its funds in liquid investments to meet its cash flow requirements and minimize interest rate risk. The Board ensures the Foundation's financial stability by approving an annual budget prior to the start of each fiscal year. The Foundation maintains financial policies to ensure funds are allocated in a manner consistent with the mission of the Foundation and the Board.

6. Investments

Investments consisted of the following as of December 31, 2023:

Fixed income funds	$ 300,071
Exchange-traded funds	157,348
Money market funds and other cash alternatives	127,352
Mutual funds	108,848
Total investments	$ 693,619

All investments were valued using the market approach and inputs were considered Level 1 under the fair value hierarchy.

7. Fixed Assets

Fixed assets consisted of the following as of December 31, 2023:

Computers and equipment	$ 17,912
Less accumulated depreciation	(939)
Total fixed assets, net	$ 16,973

Depreciation expense for the year ended December 31, 2023 totaled $939.

8. Intangible Assets

Intangible assets consisted of the following as of December 31, 2023:

Website costs	$ 8,350
Less accumulated amortization	(595)
Intangible assets, net	$ 7,755

Amortization expense for the year ended December 31, 2023 totaled $549.

Estimated amortization expense for the next five years and thereafter:

2024	$ 557
2025	557
2026	557
2027	557
2028	557
Thereafter	4,970
Total	$ 7,755

9. Retirement Plan

Effective June 15, 2023, the Foundation established a defined contribution 401(k) retirement plan (the "Plan") for eligible employees. The Plan is an IRS Safe Harbor plan and is administered by a third-party administrator. Employee contributions are made through direct salary reductions of up to the maximum allowed by the IRC. The Foundation makes discretionary employer matching contributions up to 5.0% of the eligible employee's wages. The Foundation did not make any employer safe harbor matching contributions to the Plan during the year ended December 31, 2023.

10. Related Party Transactions

During the year ended December 31, 2023, the Foundation received contributions from an organization owned by the Foundation's Board members totaling $93,613.

11. Subsequent Events

The Foundation evaluated subsequent events through July 2, 2025 (the date the financial statements were available to be issued), and no events have occurred from the statement of financial position date through that date that would impact the financial statements.