BIDEAWEE, INC.

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT FOR THE YEAR ENDED SEPTEMBER 30, 2025

CERINI & ASSOCIATES LLP
CERTIFIED PUBLIC ACCOUNTANTS

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BIDEAWEE, INC.

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CERINI & ASSOCIATES LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

The Board of Directors of
Bideawee, Inc.
New York, NY

Opinion

We have audited the financial statements of Bideawee, Inc. ("Bideawee") which comprise 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 accompanying financial statements present fairly, in all material respects, the financial position of Bideawee as of September 30, 2025, 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 ("GAAS"). 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 Bideawee 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 Bideawee's ability to continue as a going concern for one year after the date that the financial statements are issued.

Cerini & Associates, LLP • 3340 Veterans Memorial Highway • Bohemia, NY 11716
phone 631.582.1600 • fax 631.582.1714 • www.ceriniandassociates.com

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 GAAS 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 GAAS, 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 Bideawee'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 Bideawee'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.

Cerini & Associates LLP

Bohemia, NY
April 16, 2026

STATEMENT OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2025

ASSETS		
Current Assets:		
Cash and cash equivalents - unrestricted	$	330,207
Bequests, contributions, and other receivables, net of allowance for doubtful accounts		4,173,686
Inventory		174,780
Investments - unrestricted		930,438
Beneficial interest in trusts		680,779
Prepaid expenses and other assets		184,015
Right-of-use asset		3,164
TOTAL CURRENT ASSETS		6,477,069
Restricted cash - collateral		5,638,450
Restricted cash - funds held by Trustee		16,476
Restricted investments		18,045,534
Property and equipment, net of accumulated depreciation		23,057,411
TOTAL ASSETS	$	53,234,940
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable and accrued expenses	$	852,240
Current portion of vehicle loan payable		12,810
Loan payable - Margin loan		5,552,211
Current portion of loan payable, net of unamortized debt issuance costs		308,625
Lease liability		4,485
TOTAL CURRENT LIABILITIES		6,730,371
Vehicle loan payable, net of current portion		22,397
Loan payable, net of current portion and unamortized debt issuance costs		10,935,782
TOTAL LIABILITIES		17,688,550
Net Assets:		
Net assets without donor restrictions		16,782,527
Net assets with donor restrictions		18,763,863
TOTAL NET ASSETS		35,546,390
TOTAL LIABILITIES AND NET ASSETS	$	53,234,940

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:			
Contributions	$ 2,207,680	$ 733,238	$ 2,940,918
Bequests	6,934,669	-	6,934,669
In-kind donations	107,544	-	107,544
Trust and estate donations	208,833	-	208,833
Special events, net of $285,943 of direct expenses	235,612	-	235,612
Animal hospital and cemetery fees	1,182,499	202,283	1,384,782
Gain on sale of property	1,459,205	-	1,459,205
Investment income, net of investment fees	144,569	1,595,781	1,740,350
Change in value of beneficial interests in trusts	(571)	-	(571)
Change in value of beneficial interests in split-interest agreements	-	(7,728)	(7,728)
Other income	831,567	-	831,567
Net assets released from restrictions	2,028,913	(2,028,913)	-
TOTAL SUPPORT AND REVENUE	15,340,520	494,661	15,835,181
EXPENSES:			
Program Expenses:			
Adoption Centers	6,520,338	-	6,520,338
Feral Cat Initiative	611,577	-	611,577
Animal Hospitals	850,668	-	850,668
Learning Centers	802,501	-	802,501
Loving Legacy	83,689	-	83,689
Memorial Parks	1,173,314	-	1,173,314
TOTAL PROGRAM EXPENSES	10,042,087	-	10,042,087
Supporting Services:			
Management and general	1,289,026	-	1,289,026
Fundraising	2,517,046	-	2,517,046
TOTAL SUPPORTING SERVICES	3,806,072	-	3,806,072
TOTAL EXPENSES	13,848,159	-	13,848,159
CHANGE IN NET ASSETS	1,492,361	494,661	1,987,022
Net assets, beginning of year	15,290,166	18,269,202	33,559,368
Net assets, end of year	$ 16,782,527	$ 18,763,863	$ 35,546,390

The accompanying notes are an integral part of these financial statements.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Program Services							Supporting Services		
	Adoption Centers	**Feral Cat Initiative**	**Animal Hospitals**	**Learning Centers**	**Loving Legacy**	**Memorial Parks**	**Total Program Services**	**Management and General**	**Fundraising**	**Total**
Salaries	$ 2,955,846	$ 411,672	$ 478,817	$ 411,712	$ 7,879	$ 562,325	$ 4,828,251	$ 631,705	$ 758,102	$ 6,218,058
Payroll taxes and benefits	729,196	77,397	96,884	112,690	2,834	174,001	1,193,002	126,150	177,127	1,496,279
Professional fees	85,433	3,277	5,496	7,039	-	7,956	109,201	199,631	69,317	378,149
Medical supplies	390,874	54,140	132,311	-	-	-	577,325	-	-	577,325
Pet memorial park supplies	219	-	-	-	-	106,961	107,180	-	-	107,180
Pet supplies	246,465	17	1,370	1,008	-	716	249,576	-	1,589	251,165
Occupancy	230,369	6,869	15,857	14,962	6,102	38,768	312,927	646	9,855	323,428
Repairs and maintenance	259,852	1,050	27,745	28,445	7,023	82,772	406,887	5,645	8,100	420,632
Software and hardware	27,140	9,085	6,493	6,286	420	26,599	76,023	9,515	6,479	92,017
Insurance	115,373	10,953	15,383	15,491	9,021	36,400	202,621	7,900	11,716	222,237
Staff development and dues	13,014	2,465	3,419	4,168	39	1,170	24,275	3,507	15,346	43,128
Travel	27,119	5,209	897	5,188	25	10,853	49,291	5,339	3,737	58,367
Telephone and network management	36,968	4,636	7,671	9,175	789	11,054	70,293	7,228	8,869	86,390
Meetings and seminars	7,814	184	850	10,374	2	896	20,120	2,580	3,427	26,127
Postage	868	46	433	253	7	3,034	4,641	522	228,164	233,327
Miscellaneous	25,414	1,101	5,001	9,468	22	6,402	47,408	773	9,809	57,990
Bank charges	11,956	119	12,342	8	-	20,727	45,152	17,486	48,271	110,909
Marketing, newsletters, and publications	9,231	1,567	1,191	3,956	-	4,950	20,895	180,970	1,092,697	1,294,562
Catering and entertainment	-	-	-	-	-	-	-	-	876	876
Bad debt expense	1,510	-	107	-	-	-	1,617	18,615	1,145	21,377
Depreciation and amortization	931,241	10,865	21,685	97,181	46,818	28,521	1,136,311	14,455	36,668	1,187,434
Interest expense	414,436	10,925	16,716	65,097	2,708	49,209	559,091	56,359	25,752	641,202
TOTAL EXPENSES	$ 6,520,338	$ 611,577	$ 850,668	$ 802,501	$ 83,689	$ 1,173,314	$ 10,042,087	$ 1,289,026	$ 2,517,046	$ 13,848,159

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$	1,987,022
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization		1,187,434
Bad debt expense		21,377
Restricted cemetery maintenance fees		(202,283)
Non-cash interest expense		18,800
Amortization of right-of-use asset		7,133
Change in value of split interest		571
Change in value of beneficial interest in trusts		7,728
Net unrealized gain on investments		(339,068)
Changes in operating assets and liabilities:		
Bequests, contributions, and other receivables		(4,117,909)
Inventory		(29,129)
Prepaid expenses and other assets		38,254
Accounts payable and accrued expenses		122,772
Lease liability		(7,303)
NET CASH USED IN OPERATING ACTIVITIES		(1,304,601)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property plant and equipment		(183,552)
Proceeds from sale of investments		1,427,136
Purchases of investments		(2,228,904)
NET CASH USED IN INVESTING ACTIVITIES		(985,320)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Restricted cemetery maintenance fees		202,283
Proceeds from margin loan		3,780,000
Repayments of margin loan		(1,727,789)
Repayments of vehicle loan payable		(1,006)
Repayments of loan payable		(299,450)
NET CASH PROVIDED BY FINANCING ACTIVITIES		1,954,038
NET CHANGE IN CASH AND CASH EQUIVALENTS		(335,883)
Cash and cash equivalents, beginning of year		6,321,016
Cash and cash equivalents, end of year	$	5,985,133
COMPONENTS OF CASH AND CASH EQUIVALENTS:		
Cash and cash equivalents	$	330,207
Restricted cash - collateral		5,638,450
Restricted cash - funds held by Trustee		16,476
TOTAL COMPONENTS OF CASH AND CASH EQUIVALENTS	$	5,985,133
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Debt-financed acquisition of vehicle	$	36,212
Cash paid for interest	$	622,401

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Bideawee, Inc. ("Bideawee") is presented to assist in understanding Bideawee's financial statements. The financial statements and notes are representations of Bideawee's management, who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America ("U.S. GAAP") and have been consistently applied in the preparation of the financial statements.

Organization

Bideawee, founded in 1903 by Flora D'Auby Jenkins Kibbe, was established to provide temporary shelter and medical services to animals. Bideawee's mission is to cultivate and support the lifelong relationships between pets and the people who love them by providing a continuum of services and programs that are innovative, personalized, and of high quality. Accordingly, at its sites in Manhattan, Wantagh, and Westhampton, Bideawee administers various programs including: adoption centers; animal hospitals; animal training and behavior services; pet memorial parks; free or low-cost medical services for pets of owners in economic need; public educational programs; pet therapy to hospitalized children and elder adults in nursing homes and bereavement counseling to individuals who have lost pets.

Income Tax Status

Bideawee has been determined to be a public charity as defined in Section 501(c)(3) of the Internal Revenue Code, and as such, is exempt from federal income taxes under Section 501(a) and state taxes under similar provisions. Accordingly, no provision for federal or state income taxes has been made in the accompanying financial statements. Bideawee has evaluated its activities for uncertain tax positions and has determined that there were no uncertain tax positions taken during the year ended September 30, 2025.

The Organization files the IRS Form 990 and respective state and local tax returns. These returns are subject to review and examination by federal, state, and local taxing authorities. The financial results of the Organization are included in its tax filings.

Basis of Accounting

Bideawee's financial statements have been prepared on the accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when incurred.

Basis of Presentation

Bideawee is required to report information regarding its financial position and activities according to the following net asset classifications:

> Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations or other stipulations that may or will be met, either by action of Bideawee or by the passage of time. When a restriction expires, these net assets are reclassified annually to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Other donor restrictions may be perpetual in nature, whereby donors may stipulate that the funds be maintained in perpetuity. See Note 7.

Cash and Cash Equivalents

Bideawee considers highly liquid investments acquired with an original maturity of three months or less to be cash and cash equivalents except for any cash and equivalents that are maintained in Bideawee's investment portfolio, which are included in investments on the statement of financial position.

Restricted cash held for collateral and restricted cash held by trustee are in connection with loan agreements with Goldman Sachs and TD Bank, respectively. See Note 5.

Bequests, Contributions, and Other Receivables

Accounts receivable is comprised of contribution receivables, bequest receivables, and receivables related to animal hospital and pet cemetery fees.

Contribution and bequest receivables are stated at the amounts management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense based on its assessment of the current status of individual accounts, historical experience, an assessment of economic conditions, and a review of subsequent collections. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for doubtful accounts. As of September 30, 2025, gross receivables totaled $4,198,783 related to contributions and bequests receivables, against which management recorded an allowance for doubtful accounts of $63,469.

Receivables related to animal hospital and pet cemetery fees are stated at the amounts management expects to collect and evaluated in accordance with Accounting Standards Codification ("ASC") 326, *Financial Instruments – Credit Losses*. As of September 30, 2025, such gross receivables had a total of $293,059, against which management recorded an allowance for doubtful accounts of $267,307 and recognized bad debt expense of $21,377.

Inventory

Inventory consists of food, prescription drugs, and other pet supplies. Inventory is valued at the lower of cost or net realizable value.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Investments

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair value in the statement of financial position. Net realized and unrealized gains, and dividends and interest on investments and similar funds on the statement of activities are reported as follows:

- Increases in net assets with donor restrictions if the terms of the donation requires that the donation be added to the principal of a permanent endowment fund;
- Increases in net assets with donor restrictions if the terms of the donation impose restrictions on the use of the income; and
- Increases in net assets without donor restrictions in all other cases.

Investment income received with donor-imposed restrictions that are met in the same year as received are reported as support and revenue without donor restrictions.

Beneficial Interest in Trusts

Bideawee is a beneficiary in perpetual trusts and irrevocable charitable remainder unitrusts held by third parties. Under the terms of the perpetual trusts, Bideawee has the irrevocable right to receive the income earned on the trust assets in perpetuity, but never receives the assets held in trust. Charitable remainder unitrust gifts are time-restricted contributions not available to Bideawee until after the death of the donor and other beneficiaries, who, while living, receive payouts from the trust based on a fixed percentage of the market value of the invested funds each year as stated in the trust agreements. The trust agreements, in certain instances, allow for the beneficiaries to receive additional distributions, which may substantially reduce the value of expected future cash receipts.

Bideawee recognizes as assets and contributions to net assets with donor restrictions, the fair value of the trusts based on the present value of the estimated expected future cash receipts from the trusts' assets. The carrying value of the assets is adjusted to fair value at the end of the year. Distributions received by Bideawee are either available for general purposes or restricted based upon donor imposed stipulations.

Split-Interest Agreements

Bideawee has entered into Charitable Gift Annuities with donors. These are agreements between a donor and Bideawee in which the donor contributes an asset in exchange for an obligation for Bideawee to pay a fixed amount to the donor or other designated beneficiaries for a specific period of time.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

At the time these agreements are entered into, a liability is recognized for the present value of the annuity obligation, the assets are recorded at fair market value, and a contribution is recognized for the difference. The liability is re-calculated annually and the adjustment is recorded as a change in value of beneficial interest in split-interest agreements in the statement of activities. The split-interest agreements had a loss of $7,728 for the year ended September 30, 2025. The discount rate and actuarial assumptions used in calculating the annuity obligation are those provided in Internal Revenue Service guidelines and actuarial tables. Bideawee invests, manages, and administers the annuities. The portfolio of assets meets all requirements concerning permissible investments and mandated reserves as required by law.

Property and Equipment

Property and equipment are recorded at cost. Any donated assets are capitalized at fair market value. Expenditures for maintenance and repairs which do not add to the economic life of the assets are expensed as incurred. Bideawee capitalizes property and equipment with a cost basis of $2,500 or higher and a useful life of greater than three years. Depreciation is provided on a straight-line basis over the estimated useful lives of assets as follows:

Land and air rights	Indefinite
Buildings and improvements	10-40 years
Furniture, equipment, vehicles, and other	5-20 years

Contributions

Unconditional contributions are recognized at the earlier of being pledged or received. All contributions are available for general use unless specifically restricted by donors. Conditional promises are accounted for as liabilities or are not recognized as contributions initially, until the barriers to entitlement are overcome, at which point contributions are recognized as unconditional and classified as either net assets with donor restrictions or net assets without donor restrictions. Contributions that are restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When the restriction expires (that is, when the stipulated time restriction ends, or purpose restriction is accomplished) the net assets are reclassified to net assets without donor restrictions.

Bideawee utilizes the guidance set forth by Accounting Standards Update ("ASU") 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (collectively, "ASC 958") to determine if contributions should be recognized as net assets with or without donor restrictions, or as liabilities until a specified condition is met by the Organization. ASC 958 guidance assists entities in evaluating whether contributions made are subject to additional guidance, such as ASU 2014-09, *Revenue from Contracts with Customers* ("ASU 606"), or determining whether contributions are conditional.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Bequests

Bequests are recognized when Bideawee is notified of the donor's death, the bequest is unconditional, and the amount is reasonably estimable, in accordance with ASC 958. Bequests that are subject to conditions, including but not limited to the completion of probate proceedings or other uncertainties beyond Bideawee's control, are not recognized until such conditions are substantially met, at which time the bequest is recognized as an unconditional contribution.

Bequests are recorded at their estimated fair value at the date of recognition. If the fair value of a bequest cannot be reasonably estimated, the bequest is recognized when the assets are received. Any subsequent changes in estimated realizable value are recognized in the statement of activities in the period in which such changes are determined.

Bequests are reported as net assets without donor restrictions unless donor-imposed restrictions exist, in which case they are reported as net assets with donor restrictions and reclassified to net assets without donor restrictions when the applicable donor restrictions are satisfied.

Donated Services

Donated services are recognized at their estimated fair value when they create or enhance nonfinancial assets or they require specialized skills that would need to be purchased if they were not donated. Bideawee receives donated services from a variety of unpaid volunteers assisting Bideawee in its charitable programs. No amounts have been recognized for these services in the accompanying statement of activities because the criteria for recognition of such volunteer efforts have not been satisfied.

Special Events

Bideawee conducts special events in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant at the event. All proceeds received are recognized as special events revenue in the accompanying statement of activities.

Program Service Fees

Bideawee recognizes program service revenue under ASU 606 and records program service revenue on the statement of activities as animal hospital and cemetery fees. Revenue for performance obligations satisfied over time is recognized as the services are provided. Receivables are due in full when billed. Performance obligations are determined based on the nature of the services provided by Bideawee in accordance with the contracts.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

All performance obligations relate to contracts with a duration of less than one year, therefore, there are no performance obligations or contract balances that are unsatisfied as of September 30, 2025. The performance obligations for these contracts are completed when the service is completed. Bideawee determines the transaction price based on established rates for services provided. Program service revenue consists of revenues for the following programs for the year ended September 30, 2025:

Memorial parks	$ 692,392
Animal hospitals	411,605
Adoption centers	218,476
Other	62,309
Total animal hospital and cemetery fees	$ 1,384,782

Memorial Parks

Bideawee is the owner of land designated for use as memorial parks. Under agreements, patrons have been granted a perpetual right to use the land, provided certain conditions are met. These memorial parks are subject to the State of New York guidelines for operation of pet cemeteries.

Memorial Park Maintenance Fees

The one-time perpetual maintenance fee is maintained in perpetuity as net assets with donor restrictions in accordance with applicable State of New York legislation. The regular maintenance special care fees received during the year are reflected as cemetery maintenance fees in the accompanying statement of activities and classified as net assets without donor restrictions.

Employee Retention Credit

Bideawee made claims for refundable credits under the Employee Retention Credit (“ERC”) program for the years ended September 30, 2020 and 2021. Bideawee had not recorded any receivable or revenue associated with the ERC claim because the likelihood of receipt was uncertain. During the year ended September 30, 2025, Bideawee received net proceeds of $783,897 and included this amount in other income on the accompanying statement of activities.

Advertising

Bideawee uses advertising to promote its services among the community it serves. The costs of advertising are expensed as incurred and included in marketing, newsletters, and publications on the statement of functional expenses. For the year ended September 30, 2025, the total cost of these expenses was $1,294,562.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Functional Allocation of Expenses

The costs of programs and supporting services have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on management's estimates.

The significant expenses that are allocated, and their respective allocation methods, include the following:

- Salaries and wages – Time and effort
- Professional fees – Time and effort
- Medical supplies – Purpose
- Repairs and maintenance - Purpose
- Marketing, newsletters, and publications – Purpose
- Travel – Purpose
- Depreciation and amortization – Usage

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Events Occurring After the Report Date

Bideawee has evaluated events and transactions that occurred between October 1, 2025 and April 16, 2026, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

NOTE 2 – LIQUIDITY AND AVAILABILITY

Bideawee regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. As of September 30, 2025, financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, included the following:

Cash and cash equivalents	$ 5,985,133
Investments	18,975,972
Bequests, contributions, and other receivables	4,173,686
Beneficial interest in trusts	680,779
Total financial assets	29,815,570
Less amounts not available to be used for general operations:	
Net assets with donor restrictions for specific purposes	(5,603,602)
Restricted cash and cash equivalents for margin loan	(5,638,450)
Restricted cash and cash equivalents – funds held by trustee	(16,476)
Funds functioning as endowments	(13,160,261)
Financial assets available to meet general expenditures over the next twelve months	$ 5,396,781

Bideawee's goal is generally to maintain financial assets to meet ninety-days of operating expenses (approximately $3,100,000).

NOTE 3 – INVESTMENTS

FASB ASC 820, *Fair Value Measurements and Disclosures*, establishes a three-level valuation hierarchy of fair-value measurements. These valuation techniques are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. These two types of inputs create the following fair-value hierarchy:

Level 1: Valuations are based on observable inputs that reflect quoted market prices in active markets for the same or identical assets and liabilities at the reporting date.

Level 2: Valuations are based on (i) quoted prices for similar investments in active markets, or (ii) quoted prices for those investments, or similar investments, in markets that are not active, or (iii) pricing inputs other than quoted prices that are directly or indirectly observable at the reporting date. Level 2 assets include those investments, or similar investments that are redeemable at or near the statement of financial position date and for which a model was derived for valuation.

Level 3: Valuations are based on pricing inputs that are unobservable and include situations where (i) there is little, if any, market activity for the investments, (ii) the investments cannot be independently valued, or (iii) the investments cannot be immediately redeemed at or near the fiscal year-end.

NOTE 3 – INVESTMENTS (continued)

The availability of market data is monitored to assess the appropriate classification of financial instruments within the fair-value hierarchy. Changes in economic conditions or valuation techniques may require the transfer of financial instruments from one level to another. In such instances, the transfer is reported at the beginning of the reporting period. During the year ended September 30, 2025, there were no transfers among the fair-value hierarchy levels.

The fair value of Bideawee's investments and beneficial interest in trusts by major security type and level are as follows as of September 30, 2025:

	Level 1	Level 2	Level 3	Total
Money market funds	$ 18,705	$ -	$ -	$ 18,705
Mutual funds	18,957,267	-	-	18,957,267
Beneficial interest in trusts	-	-	680,779	680,779
Total investments	$ 18,975,972	$ -	$ 680,779	$ 19,656,751

Money market funds are valued at the net asset value ("NAV") at a constant $1.00 per share, of which, only the yield goes up and down. Mutual funds are valued at quoted market prices determined in an active market.

Investment income consists of the following for the year ended September 30, 2025:

Interest and dividends	$ 732,346
Realized gain on investment	719,218
Unrealized gain on investment	339,068
Investment fees	(50,282)
Investment income, net of investment fees	$ 1,740,350

NOTE 4 – PROPERTY AND EQUIPMENT

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

Land and air rights	$ 3,056,285
Buildings and improvements	27,835,722
Furniture, equipment, and vehicles	2,128,986
Other	61,775
Total property and equipment at cost	33,082,768
Less: accumulated depreciation	(10,165,639)
Construction-in-progress	140,282
Net property and equipment	$ 23,057,411

NOTE 5 – LOANS PAYABLE

On November 6, 2020, Bideawee purchased a building in the amount of $7,680,000 and as of August 1, 2024, this is Bideawee's Manhattan facility located at 152 W 24th Street. The purchase was financed on a short-term basis with a Goldman Sachs' Margin Loan (the "Margin Loan") for $6,978,816 with an annual interest rate of 190 basis points. The Margin Loan was repaid during the year ended September 30, 2021.

The Margin Loan agreement is a continuing lending vehicle with Goldman Sachs and remains available whenever Bideawee needs to add to their liquidity to be borrowed against Bideawee's investment portfolio. The Margin Loan was used during the year ended September 30, 2025 to provide short-term operating reserves. During the year ended September 30, 2025, Bideawee drew down $3,780,000 and made repayments of $1,727,789. As of September 30, 2025, the Margin Loan payable balance totaled $5,552,211. The Margin Loan is payable on demand and is classified as a current liability on the accompanying statement of financial position.

On March 1, 2021, Bideawee entered into a building loan agreement with the Build NYC Resource Corporation and TD Bank for the purchase and renovation of Bideawee's Manhattan facility, located at 152 W 24th Street. The loan was through the issuance of $12,100,000 of tax-exempt revenue bonds series 2021 (the "Bonds") by the Build NYC Resource Corporation. TD Bank is the registered holder for 100% of the outstanding Bonds. The Bonds' stated maturity date is February 1, 2046, and bear interest of 2.98%. The loan provided to Bideawee by TD Bank is for ten years and bears interest of 2.98%.

The loan is being amortized over 25 years. There is no prepayment penalty. The entire loan proceeds were disbursed to and held by The Bank of New York Mellon as Trustee ("BNY Mellon" or "Trustee"). Bideawee draws down the loan proceeds as construction expenses are incurred and approved by TD Bank for disbursement. The loan was secured by Bideawee's facility located at 410 East 38th Street, New York, and the new facility located at 152 West 24th Street, New York.

Upon sale of this property in May 2024, Bideawee was required to deposit the sales proceeds, as well as additional collateral, with TD Bank. The restricted cash held as collateral amounted to $5,638,450 as of September 30, 2025.

Bideawee is subject to a debt service coverage ratio and liquidity ratio. As of September 30, 2025, Bideawee was in compliance with all compliance and reporting covenants.

As of September 30, 2025, Bideawee had an outstanding balance of $11,611,774 with BNY Mellon. The remaining available balance of $16,476 as of September 30, 2025 was held by the Trustee and will be released to Bideawee as construction expenses are incurred.

NOTE 5 – LOANS PAYABLE (*continued*)

The future minimum payments related to the TD loan are as follows for the years ending September 30,:

2026	$ 308,625
2027	318,080
2028	326,911
2029	337,839
2030	348,189
Thereafter	9,988,606
Total	11,628,250
Less: unamortized debt issuance costs	(383,843)
Loan payable, net of unamortized debt issuance costs	$ 11,244,407

During the year ended September 30, 2025, Bideawee entered into a retail installment financing agreement with Mercedes-Benz Financial Services for the purchase of a vehicle. Under the terms of the agreement, legal title to the vehicle transferred to Bideawee at inception, subject to a security interest held by the lender.

The total purchase price of the vehicle was approximately $44,755, of which $15,500 was satisfied through a trade-in allowance. The remaining balance of $36,212 was financed under the agreement. The financing bears interest at a stated annual percentage rate of 3.90% and is repayable in 36 monthly installments of $1,068, beginning in September 2025, with a scheduled maturity in September 2028. The financing agreement does not provide for a residual value obligation or a mandatory balloon payment upon maturity. Bideawee may prepay the obligation at any time without penalty.

The financing obligation is secured by the underlying vehicle. The future minimum payments related to the loan are as follows for the years ending September 30,:

2026	$ 12,810
2027	12,810
2028	9,587
Total vehicle loan payable	$ 35,207

NOTE 6 – FINANCE LEASES

Bideawee leases various office equipment under multiple long-term non-cancelable finance lease agreements ranging from June 2021 to May 2026 for which the expense is recognized on a straight-line basis over the lease term.

As of September 30, 2025, the right-of-use asset on the statement of financial position totaled $3,164 with a related lease liability of $4,485. The weighted average of the remaining lease term for finance leases is .62 years and the weighted average discount rate for finance leases is 5.55%. Future minimum payments for the year ending September 30, 2026, for the finance leases, are $5,312.

NOTE 7 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions for specific purposes are restricted by donors for the following purposes as of September 30, 2025 are as follows:

Specific Purposes:	
Veterinary medical assistance fund	$ 5,000
Adoption center	2,361
Park beautification	15,086
Pet therapy	8,367
Restricted for future operations	1,000
Unappropriated endowment earnings	5,566,053
Other	5,735
Total net assets with donor restrictions for specific purposes	$ 5,603,602

Bideawee maintains net assets with donor restrictions to be held in perpetuity which consists of donor restricted endowment funds restricted as to principal, with current income available for general purposes of Bideawee. The funds as of September 30, 2025 are as follows:

A.T Jones	$ 880,000
J.B. Merrill	30,000
E. Blashfield	10,875
A. Allen	5,474
M.B. Scanlon	179,795
Vandivert	140,000
T. Richter	568,550
Total	$ 1,814,694

Bideawee maintains funds that function as endowments restricted as to principal, with current income available for general purposes after deducting for costs of the perpetual care and maintenance of the cemetery. Additionally, Bideawee maintains funds in the form of beneficial interest in perpetual trust, and beneficial interest in charitable remainder trusts, both of which are restricted funds that function as endowments.

The balances of these funds as of September 30, 2025, are as follows:

Cemetery perpetual fund	$ 10,664,788
Beneficial interest in perpetual trust	679,742
Beneficial interest in charitable remainder trusts	1,037
Total	$ 11,345,567

NOTE 7 – NET ASSETS WITH DONOR RESTRICTIONS (*continued*)

Bideawee recognizes that New York State adopted as law the New York Prudent Management of Institutional Funds Act ("NYPMIFA") on September 17, 2010. NYPMIFA replaced the prior law, which was the Uniform Management of Institutional Funds Act ("UMIFA"). In addition, NYPMIFA created a rebuttable presumption of imprudence if an organization appropriates more than 7% of a donor-restricted permanent endowment fund's fair value (averaged over a period of not less than the preceding five years) in any year. Any unappropriated earnings that would otherwise be considered without donor restrictions will be reflected as donor restricted until appropriated.

Bideawee's Board has interpreted NYPMIFA as allowing Bideawee to appropriate for expenditure or accumulate so much of an endowment fund as Bideawee determines is prudent for the uses, benefits, purposes and duration for which the endowment fund was established, subject to the intent of the donor as expressed in the gift instrument. Unless stated otherwise, the assets in a donor-restricted endowment fund shall be donor-restricted assets until appropriated for expenditure by the Board.

Funds functioning as endowments include perpetual care funds. These funds are invested for long-term appreciation and current income. Perpetual care funds are reported as net assets with donor restrictions, and investment earnings on these funds are reported as net assets with donor restrictions for the perpetual care and maintenance of the pet cemetery.

In accordance with U.S. GAAP, organizations are required to disclose any deterioration of the fair value of assets associated with donor restricted funds that fall below the level the donor requires Bideawee to retain in perpetuity. The deficiencies may result from unfavorable market fluctuations that occurred in the economy as a whole that may have affected the donor restricted fund where the fair value of the donor restricted fund fell below the amount that is required to be retained permanently. Any deterioration of the fair value of assets associated with donor-restricted endowment funds that falls below the level the donor requires Bideawee to retain in perpetuity is to be reported in net assets with donor restrictions. As of September 30, 2025, Bideawee had not incurred a deficiency in its donor-restricted endowment funds.

Bideawee's endowment investment policy is to invest primarily in a mix of equities and fixed-income securities based on an asset allocation to satisfy its overall endowment financial and investment objectives, such as to preserve the principal, protect against inflation, receive stable returns, and achieve long-term growth. Bideawee relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

NOTE 7 – NET ASSETS WITH DONOR RESTRICTIONS (*continued*)

The following table summarizes donor-restricted endowment activities of Bideawee for the year ended September 30, 2025:

	Endowment Earnings	Endowment Corpus	Total
Endowment assets at October 1, 2024	$ 716,407	$ 1,545,269	$ 2,261,676
Contributions	-	269,425	269,425
Investment earnings	206,260	-	206,260
Earnings appropriated for expenditures	(80,444)	-	(80,444)
Endowment assets at September 30, 2025	$ 842,223	$ 1,814,694	$ 2,656,917

The following table summarizes funds functioning as endowment activities of Bideawee for the year ended September 30, 2025:

	Endowment Earnings	Endowment Corpus	Total
Balance at October 1, 2024	$ 4,826,235	$ 10,462,505	$ 15,288,740
Cemetery maintenance fees received	-	202,283	202,283
Interfund transfers	(950,000)	-	(950,000)
Investment earnings on Perpetual Care	1,389,520	-	1,389,520
Earnings appropriated for expenditures	(541,926)	-	(541,926)
Balance at September 30, 2025	$ 4,723,829	$ 10,664,788	$ 15,388,617

Endowment net assets are included in investments on the accompanying statement of financial position as of September 30, 2025.

Fair value for the beneficial interest in trusts is measured using the fair value of the assets held in trusts as reported by the trustee as of September 30, 2025. Bideawee considers the measurement of its beneficial interest in trusts to be a Level 3 measurement within the fair value hierarchy because the valuation is based on information provided by the trustee and Bideawee does not have the ability to directly observe or independently price the underlying investment inputs.

The following is a summary of the changes in the balance of the beneficial interest in the trust for the year ended September 30, 2025:

Balance at October 1, 2024	$ 688,507
Change in fair value of investments	(7,728)
Balance at September 30, 2025	$ 680,779

The Board of Directors reviews and approves Bideawee's fair value measurement policies and procedures annually. At least annually, the audit committee and the Board determine if the valuation techniques used in fair value measurements are still appropriate.

NOTE 8 – RETIREMENT PLAN

Bideawee maintains a defined contribution retirement plan covering all eligible employees. Under the retirement plan, each employee who is regularly scheduled to perform services for Bideawee, on at least a part-time basis, may participate on the first entry date after six months of service. Participants may contribute up to 3% of their salaries, on a pre-tax basis, which will be matched by Bideawee. Participants can make additional contributions, which cannot exceed the Internal Revenue Service limit as defined in the regulations, and which are unmatched by Bideawee.

Each participant is fully vested after five years in all contributions made on that participant's behalf. Bideawee's expenses related to the employee retirement plan amounted to $119,201 for the year ended September 30, 2025.

NOTE 9 – CONCENTRATIONS

From time to time, Bideawee has cash and cash equivalents on deposit and investments held with financial institutions that are in excess of Federal Deposit Insurance Corporation and Securities Investor Protection Corporation limits.

For the year ended September 30, 2025, 50% of bequests were received from one estate. As of September 30, 2025, 99% of gross bequests, contributions, and other receivables was due from one estate.

NOTE 10 – IN-KIND DONATIONS

For the year ended September 30, 2025, contributed nonfinancial assets recognized within the statement of activities as in-kind donations included the following:

Cat food	$ 52,882
Dog food	54,662
Total in-kind donations	$ 107,544

These donations comprised primarily of pet food and supplies dedicated to the feeding and well-being of cats and dogs under Bideawee's care. The donations were directly utilized for operational purposes, specifically in supporting their mission to care for animals at Bideawee's Adoption Center and Animal Hospitals. The valuation of these in-kind donations has been determined based on the fair market value of the goods received at the time of the donation. In valuing food, Bideawee estimated the fair value based on the cost of the food, had Bideawee purchased the product. In-kind donations of pet food and supplies are included in pet supplies within adoption center and animal hospital program services in the statement of functional expenses.