C.H.A.M.P. ASSISTANCE DOGS, INC.

AUDITED BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(WITH AUDITOR'S REPORT THEREON)

C.H.A.M.P. ASSISTANCE DOGS, INC.
ST. LOUIS, MISSOURI
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Gregg S. Bossen
CPA, PC

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
C.H.A.M.P. Assistance Dogs, Inc.
St. Louis, Missouri

Opinion

We have audited the accompanying financial statements of C.H.A.M.P. Assistance Dogs, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2025, and the related statements of activities, functional expenses, changes in net assets, 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 C.H.A.M.P. Assistance Dogs, Inc. as of September 30, 2025, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of C.H.A.M.P. Assistance Dogs, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 C.H.A.M.P. Assistance Dogs, Inc.'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, 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.

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Gregg S. Bossen
CPA, PC

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 C.H.A.M.P. Assistance Dogs, Inc.'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 C.H.A.M.P. Assistance Dogs, Inc.'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.

Gregg S. Bossen, CPA, PC
Atlanta, Georgia
February 19, 2026

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C.H.A.M.P. ASSISTANCE DOGS, INC.
ST. LOUIS, MISSOURI
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2025

ASSETS	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
CURRENT ASSETS:			
Cash and Cash Equivalents	$452,117	$46,953	$499,070
Pledges Receivable	13,920		13,920
Accounts Receivable	9,986		9,986
Prepaid Expenses	2,202		2,202
Total Current Assets	478,225	46,953	525,178
LONG-TERM FIXED ASSETS:			
Long-Term Fixed Assets	16,769		16,769
Less: Accumulated Depreciation	(15,448)		(15,448)
Total Long-Term Fixed Assets, Net	1,321	-0-	1,321
OTHER ASSETS:			
Right-of-Use Asset – Office Lease, net of amortization	9,178		9,178
Security Deposit	2,805		2,805
Total Other Assets	11,983	-0-	11,983
TOTAL ASSETS	$491,529	$46,953	$538,482
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Accounts Payable	64,448		64,448
Accrued Payroll Liabilities	147		147
Credit Card Payable	1,648		1,648
Unearned Revenue	250		250
Lease Liability – Office Lease, current portion	9,497		9,497
Total Current Liabilities	75,990	-0-	75,990
NET ASSETS:			
Without Donor Restrictions	415,539		415,539
With Donor Restrictions		46,953	46,953
Total Net Assets	415,539	46,953	462,492
TOTAL LIABILITIES AND NET ASSETS	$491,529	$46,953	$538,482

C.H.A.M.P. ASSISTANCE DOGS, INC.
ST. LOUIS, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
PUBLIC SUPPORT & REVENUE:			
Public Support:			
Contributions – Foundations, Organizations, Individuals & Corporations	$363,627	$40,144	$403,771
Special Events Income, Net of Costs	247,806		247,806
Government Grants	64,640		64,640
In-Kind Contributions	26,153		26,153
Federal Bureau of Prisons Contract	12,240		12,240
Net Assets Released from Restrictions	29,813	(29,813)	
Total Public Support	744,279	10,331	754,610
Other Revenue:			
Investment Income, Net of Costs	27,053		27,053
Class Fees	12,030		12,030
Education Presentations & Birthday Party Fees	4,840		4,840
Application Fees	400		400
Total Other Revenue	44,323	-0-	44,323
Total Public Support and Revenue	788,602	10,331	798,933
EXPENSES:			
Program Services:			
Assistance Dog Program	412,775		412,775
Therapy Dog Program	84,012		84,012
Education Program	54,338		54,338
Total Program Services	551,125	-0-	551,125
Supporting Services:			
Management & General	59,297		59,297
Fundraising	63,714		63,714
Total Supporting Services	123,011	-0-	123,011
Total Expenses	674,136	-0-	674,136
CHANGES IN NET ASSETS	$114,466	$10,331	$124,797

C.H.A.M.P. ASSISTANCE DOGS, INC.
ST. LOUIS, MISSOURI
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	PROGRAM SERVICES			SUPPORTING SERVICES		
	ASSISTANCE DOG PROGRAM	THERAPY DOG PROGRAM	EDUCATION PROGRAM	MANAGEMENT & GENERAL	FUNDRAISING	TOTAL
Salaries & Wages	$219,584	$67,656	$43,694	$24,541	$40,356	$395,831
Veterinary Expenses	64,754					64,754
Occupancy Costs	33,505	4,778	3,336	1,909	2,428	45,956
Fringe Benefits	28,147	978	2,503	4,223	2,506	38,357
Professional Services	1,337	297	295	22,124	10,745	34,798
Payroll Taxes	16,150	5,152	3,295	1,657	3,041	29,295
Supplies	18,825	1,983	608	305	542	22,263
Dog Acquisitions	9,400					9,400
Vehicle Expenses	6,184	293				6,477
Travel, Meals & Conferences	5,690	37		218	289	6,234
Insurance	3,016	1,955	279	644	167	6,061
Dues & Subscriptions	2,149	746	191	217	1,792	5,095
Staff Education & Training	3,300			278		3,578
Bank & Credit Card Fees				2,082	94	2,176
Printing & Publications	670	137	137	27	1,134	2,105
Depreciation				849		849
Postage & Shipping	64			18	620	702
Licences & Permits				205		205
TOTAL EXPENSES	$412,775	$84,012	$54,338	$59,297	$63,714	$674,136

C.H.A.M.P. ASSISTANCE DOGS, INC.
ST. LOUIS, MISSOURI
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
BALANCE, SEPTEMBER 30, 2024	$301,073	$36,622	$337,695
CHANGES IN NET ASSETS	114,466	10,331	124,797
BALANCE, SEPTEMBER 30, 2025	$415,539	$46,953	$462,492

C.H.A.M.P. ASSISTANCE DOGS, INC.
ST. LOUIS, MISSOURI
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES:	
Changes in Net Assets	$124,797
Adjustments to reconcile Excess to net cash provided by operating activities:	
Amortization of Right-of-Use Asset – Office Space	35,753
Depreciation	849
Donation of Stock	(51,591)
Realized Gains on Investments	(1,642)
(Increase) in Receivables	(16,002)
Decrease in Prepaid Expenses	108
Increase in Accounts Payable	15,820
(Decrease) in Credit Card Payable	(7,372)
(Decrease) in Payroll Liabilities	(8,705)
(Decrease) in Unearned Revenue	(750)
Reduction of Lease Liabilities	(36,709)
Net cash provided by operating activities	54,556
CASH FLOWS FROM INVESTING ACTIVITIES:	
Securities Sold	53,233
Net cash provided by investing activities	53,233
NET CHANGE IN CASH	107,789
CASH AT BEGINNING OF YEAR	391,281
CASH AT END OF YEAR	$499,070

NOTE 1: ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(A) Nature of organization and operations:

C.H.A.M.P. Assistance Dogs, Inc. ("CHAMP") is a 501(C)3 nonprofit organization that was founded in January of 1998, with thirteen founders. It is the mission of CHAMP Assistance Dogs, Inc. to improve and enhance life skills and promote companionship through the placement of specially selected service dogs with qualified individuals, and further, to always celebrate the mystery and joy inherent in the canine/human bond. It is CHAMP's vision that both partners, dog and human, will have a better life because of the other.

For the year ended September 30, 2025, C.H.A.M.P. Assistance Dogs, Inc. operated the following programs:

ASSISTANCE DOG PROGRAM

CHAMP trains and places assistance dogs to enhance life skills and increase the independence of individuals (children, adults, and veterans) with physical and/or cognitive disabilities. It costs CHAMP up to $40,000 to train and place an assistance dog. However, CHAMP's assistance dogs were placed free of charge.

In the fiscal that ended September 30, 2025, CHAMP place one home service dog, and three facility dogs. CHAMP placed the facility dogs at a child advocacy center, a camp for children and adults with disabilities, and the very first National Soccer League Facility Dog was placed at STL City SC.

CHAMP facility dogs work with professional caregivers who serve as their handler. Facility Dogs help motivate a client or patient while helping them achieve their goals. In a child advocacy center or a courtroom, a facility dog is available to comfort a child as they face a frightening or stressful procedure in the criminal justice system.

During the year, a portion of the training of CHAMP's assistance dogs was done through CHAMP'S partnership with the Federal Bureau of Prisons in Greenville, IL. Through this partnership, women offenders in a prison camp help to train CHAMP's assistance dogs. This win-win program helps the women experience positive interactions and increase their self-confidence as they practice teamwork and gain job-related skills. The experience provides a sense of accomplishment as the women give back to the community and experience success.

THERAPY DOG PROGRAM

CHAMP Therapy Dog Teams visit children and adults in hospitals, assisted living centers, hospice centers, medical facilities, and schools. Interactions with a CHAMP Therapy Dog Team can relieve stress, lower heart rates, provide comfort during a stressful procedure or simply bring a comforting presence to students preparing for final exams. The CHAMP Therapy Dog Program is a free service that serves CHAMP's community. Throughout the year, CHAMP Therapy Dog teams visited approximately 83,000 children and adults. That was a 34% increase in visits over the previous year.

EDUCATION PROGRAM

CHAMP Education Programs are delivered by engaging speakers accompanied by service dogs-in-training and CHAMP Therapy Dogs. These community programs promote public education, focus on ability awareness, and provide demonstrations of service dog skills while increasing awareness of the health benefits dogs provide to people of all ages. Throughout the year, CHAMP touched the lives of approximately 6,000 children and adults through CHAMP's education presentations.

NOTE 1: ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(B) Basis of Presentation:

These financial statements are presented on the accrual basis of accounting in accordance with generally accepted accounting principles. These statements reflect the application of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Under these standards, all contributions are immediately recognized as revenue as soon as pledged (or if not pledged when received) regardless of any restrictions on use placed by the contributor. The basic financial statements are then shown divided into two net asset groups. These are:

Without Donor Restrictions:
All assets that either have no imposed restrictions on use or whose restrictions have been met by September 30, 2025.

With Donor Restrictions:
All contributions by foundations, organizations, individuals, and businesses with restrictions on use that have not been met by September 30, 2025. A donor restriction expires when a stipulated time restriction ends or when a purpose restriction is accomplished. Upon expiration of the time and/or purpose of the restrictions, donor restricted net assets are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions.

(C) Support and Revenues:

C.H.A.M.P. Assistance Dogs, Inc. recognizes the contributions and exchange transactions based on the FASB ASU 2018-08, Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The ASU clarifies and improves guidance for contributions received and contributions made, and provides guidance to organizations on how to account for certain exchange transactions. Also, ASU 2018-08 clarifies whether to account for transactions as contributions or as exchange transactions. In addition, it clarifies whether a contribution is conditional.

Additionally, the Organization recognizes exchange transactions based on ASC 606, *Revenue from Contracts with Customers*, which follows the five-step framework listed below to determine the amount and timing of revenue recognition:

- Identify the contract(s) with the customer.
- Identify the performance obligations in the contract.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations.
- Recognize revenue when (or as) the entity satisfies a performance obligation.

NOTE 1: ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(C) Support and Revenues – (continued):

The Support and Revenue for the organization are as follows:

Contributions – Foundations, Organizations, Individuals & Corporations:
Support from these sources is recognized in the accounting period during which the contribution is pledged (or if not pledged, when received). Additionally, contributions with conditions are not recognized until the conditions have been met.

Special Events Income, Net of Costs (Contributions & Exchange Transactions):
The Special Events Income consists of Donations which are contributions and recognized in the accounting period during which the contribution is pledged (or if not pledged, when received). Also, the sponsorships, auction sales, ticket sales, raffle tickets, 50/50 drawing tickets are exchange transactions in which the revenue is recognized in the accounting period in which the fees are earned, at the time of the special event.

Government Grants – Contributions:
These government grants are considered a contribution based on FASB ASU 2018-08, Not-for-Profit Entities (Topic 958). Support from this source is recognized in the accounting period during which the contribution is pledged (or if not pledged, when received).

In-Kind Contributions:
Support from this source is recognized in the accounting period during which the contribution is pledged (or if not pledged, when received).

Federal Bureau of Prisons Contract (Contribution):
This government contract is considered a contribution based on FASB ASU 2018-08, Not-for-Profit Entities (Topic 958). Support from this source is recognized in the accounting period during which the contribution is pledged (or if not pledged, when received).

Investment Income:
Revenue from this source is recognized in the accounting period during which revenues are earned in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC).

Class Fees (Exchange Transactions):
CHAMP receives payments for basic obedience classes and therapy dog classes. Revenue from this source is recognized in the accounting period in which the services were performed.

Education Presentations (Exchange Transactions):
CHAMP receives payments for education presentations. Revenue from this source is recognized in the accounting period in which the fees are earned, at the time of the presentation.

Application Fees (Exchange Transactions):
Fees received for the applications for assistance dogs. Revenue from this source is recognized in the accounting period in which the fees are earned, at the time the application was filled out.

NOTE 1: ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(D) Fixed Assets:

C.H.A.M.P. Assistance Dogs, Inc. follows the practice of capitalizing, at cost, all expenditures for fixed assets. Depreciation is computed on the straight-line method over 3 to 7 years for furniture and equipment. Leasehold improvements are being depreciated on the straight-line method over 7 years.

(E) Receivables:

C.H.A.M.P. Assistance Dogs, Inc. has two kinds of receivables. The pledges receivable consists of pledged promises to give made by individuals. The accounts receivable consists of unpaid invoices for Federal Bureau of Prisons contract, Gala Bourbon Pull and Mystery Bag, unpaid travel expenses and amounts due from vendors. C.H.A.M.P. Assistance Dogs, Inc carries its receivables at an amount equal to uncollected but earned revenue less an allowance for doubtful accounts. C.H.A.M.P. Assistance Dogs, Inc. uses the allowance method to determine uncollectible receivables. Also, C.H.A.M.P. Assistance Dogs, Inc uses the direct write-off method for receivables that have been determined to be uncollectible. On a periodic basis, C.H.A.M.P. Assistance Dogs, Inc evaluates its receivables and establishes an allowance for doubtful accounts based on its past experience and current credit conditions. Based on management's evaluation of the collectability of the receivables, no allowance for doubtful accounts was recorded for the year ended September 30, 2025.

The receivables for C.H.A.M.P. Assistance Dogs, Inc are expected to be collected as follows as of September 30, 2025:

	Pledges Receivable	Accounts Receivable	Total
Due within one year	$13,920	$9,986	$23,906
Total Receivables	$13,920	$9,986	$23,906

NOTE 1: ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(F) Income Taxes

C.H.A.M.P. Assistance Dogs, Inc. is exempt from income taxes under Section 501 (c) (3) of the United States Internal Revenue Code and is classified as an organization which is not a private foundation under Section 509 (a) of the United States Internal Revenue Code. Donations to the organization qualify for the charitable contributions' deduction. During the year ended September 30, 2025, C.H.A.M.P. Assistance Dogs, Inc. had no unrelated business income as defined by Section 512 of the Code and, therefore no provision for income tax is necessary.

FASB ASC topic 740, *Income Taxes*, requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Organization's tax returns to determine whether the tax positions would "more-likely-than-not" be sustained if challenged by an applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense in the current year. The Organization evaluates its uncertain tax positions using the provisions of FASB ASC topic 450, *Contingencies.* Management believes there are no material estimates that should be accrued as of September 30, 2025. The Organization believes it is no longer subject to income tax examinations for years prior to fiscal year 2022.

(G) Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(H) Functional Allocation of Expenses:

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those that are not directly identifiable with any other specific function but provide for the overall support and direction of C.H.A.M.P. Assistance Dogs, Inc.

(I) Concentration of Credit Risk:

C.H.A.M.P. Assistance Dogs, Inc. maintains bank accounts with financial institutions whose balances are insured by the Federal Deposit Insurance Corporation (FDIC) within limits. Periodically, bank account balances may exceed FDIC coverage. No credit risk is expected from uninsured deposits

NOTE 1: ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(J) Evaluation of Subsequent Events:

On December 15, 2025, C.H.A.M.P. Assistance Dogs, Inc. amended the operating lease agreement with CP1, LLC for office space moving from 1968 Craig Rd., Suite 200, Maryland Heights, Missouri to the new space located at 1950 Craig Rd, Suite 200 Maryland Heights, Missouri consisting of 5,477 rentable square feet (increased from 2,550 rentable square feet at the previous location). The lease term has been extended for 36 months commencing on January 1, 2026, and ending on December 31, 2028. The monthly installments of rent will be paid as detailed below:

Period	Monthly Rent	Annual Rent
1/1/2026 to 12/31/2026	$7,530.88	$90,370.50
1/1/2027 to 12/31/2027	$7,718.01	$92,616.07
1/1/2028 to 12/31/2028	$7,909.70	$94,916.41

Management considered all events through February 19, 2026, the date the financial statements were available for release, in preparing the financial statements and the related disclosures. Management is not aware of any significant events other than the preceding paragraph (i.e. amendment to operating lease agreement) that occurred subsequent to September 30, 2025, but prior to the issuance of this report, that would have a material impact on the financial statements.

NOTE 2: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

The following represents C.H.A.M.P. Assistance Dogs, Inc.'s financial assets at September 30, 2025:

Financial assets at year-end, net of current liabilities:	
Cash and Cash Equivalents	$499,070
Pledges Receivable	13,920
Accounts Receivable	9,986
Prepaid Expenses	2,202
Less: Current Liabilities	(75,990)
Total financial assets, net of current liabilities	449,188
Financial assets available to meet cash needs for general expenditures over the next twelve months	$449,188

C.H.A.M.P. Assistance Dogs, Inc.'s goal is to maintain financial assets to meet 90 days of operating expenses (approximately $170,000). As a part of its liquidity plan, excess cash is invested in money market investment bank accounts.

NOTE 3: LONG-TERM FIXED ASSETS:

Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets. At September 30, 2025, the value of such assets is as follows:

Furniture & Equipment	$14,573
Leasehold Improvements	2,196
Less: Accumulated Depreciation	(15,448)
Total Long-Term Fixed Assets	$1,321

NOTE 4: RIGHT-OF-USE ASSET AND LEASE LIABILTY:

Right-of-Use Asset - Office Space Lease:

On January 1, 2023, CHAMP amended the operating lease agreement with CP1, LLC for office space located at 1968 Craig Rd., Suite 200, Maryland Heights, Missouri consisting of 2,550 rentable square feet. The lease term has been extended for 36 months commencing on January 1, 2023, and ending on December 31, 2025. The monthly installments of rent will be paid as detailed below:

Period	Monthly Rent	Annual Rent
1/1/2023 to 12/31/2023	$2,975.00	$35,700.00
1/1/2024 to 12/31/2024	$3,081.25	$36,975.00
1/1/2025 to 12/31/2025	$3,187.50	$38,250.00

The Organization adopted ASC 842 and recognized a right-of-use asset (the office space) and a corresponding lease liability for the operating lease associated with the use of the office space. Using a 4.125 % discount rate, the net present value of the lease was $104,427. The discount rate was based on the United States Treasury rate for 3-year treasury notes on January 1, 2023. The right-of-use asset of $104,427 is being amortized over 36 months. For the year ended September 30, 2025, the right-of-use asset for the office space, net of amortization is $9,178 shown on the Statement of Financial Position as a Right-of-Use asset under Other Assets.

Lease Liability – Office Space Lease:

The lease liability of $104,427 will be paid over the 36-month period with an effective interest rate of 4.125%. Under ASC 842 both the interest portion of the lease liability and the amortization of the right-of-asset are considered rent expense. For the year ended September 30, 2025, the remaining lease liability of $9,497 is shown on the Statement of Financial Position as the current portion of $9,497 in the current liabilities.

The cash requirements for the office lease for the next year are as follows:

Year ended	Payment Amount	Discount	Lease Liability
September 30, 2026	$9,562	$65	$9,497
	$9,562	$65	$9,497

NOTE 5: IN-KIND CONTRIBUTIONS:

C.H.A.M.P. Assistance Dogs, Inc. receives in-kind contributions from veterinarians and other donors for veterinary services, supplies, and dog acquisitions. Contributions and the corresponding expenses are booked at fair market value in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) and consist of the following:

Supplies	$15,343
Dog Acquisitions	3,900
Veterinary Services	6,910
Total In-Kind Contributions	$26,153

NOTE 6: DONOR RESTRICTIONS ON NET ASSETS:

Donor restrictions on net assets are available for the following purposes:

For The Tigger Fund	$16,911
For a service dog for a child, or a facility dog that serves children	10,000
For Creation of a Development Director position	10,000
For The Client Angel Fund	6,737
For Training Equipment, Enrichment Toys and Grooming Supplies	3,000
For assistance dog program	263
For dog breeding	42
Total Net Assets with Donor Restrictions	$46,953

NOTE 7: SPECIAL EVENTS:

During the year ended September 30, 2025, CHAMP held four special events whose primary purpose was to raise funds for CHAMP.

Tee It Up For CHAMP: On April 27, 2025, CHAMP Assistance Dogs hosted the Third Annual "**Tee It Up For CHAMP**" event, which took place at Topgolf in Chesterfield. The event raised funds to support CHAMP's mission and programs. Event participants enjoyed 3 hours of Topgolf play, including contests, as well as a buffet. Several CHAMP Therapy Dogs were on hand to visit with our guests.

Paws for Fashion: CHAMP's Second Annual **"Paws for Fashion"** event took place on May 21, 2025. This event featured a fashion show in which the models wore fashions from a local boutique. Each model in the show was accompanied by a CHAMP program dog. Before the show, guests enjoyed a luncheon and also learned about CHAMP's work through a video and presentation. The event raised funds to support CHAMP's mission and programs.

CHAMP's Best Friend Gala: On September 20, 2025, CHAMP Assistance Dogs hosted "**CHAMP's Best Friend Gala: Puppy Vibes"**. This event raised funds to support CHAMP's mission and programs, while celebrating the magic of puppies - wrinkly fur, floppy ears, sharp teeth and the incredible potential to change lives. The night included silent and live auctions, a seated dinner, and a video presentation.

Rock the Dock: This was a new 2-day event which took place August 30-31, 2025 at Purina Farms. This event was planned, organized, and run by a CHAMP volunteer and her team. The event featured dock diving for dogs of all skill levels. There were also fun water-based games for dogs. The winners of the friendly competitions were awarded with ribbons. Participants paid entry fees to CHAMP, and they also had the opportunity to purchase event t-shirts and enter drawings for prizes. This event provided a fun weekend for participants and their dogs, while also raising money to support CHAMP's programs and services.

In accordance with generally accepted accounting principles, these special events are shown net of costs on the Statement of Activities, and their specific revenues and costs are detailed on the next page:

NOTE 7: SPECIAL EVENTS - continued:

	Tee It Up For CHAMP	Paws for Fashion	CHAMP's Best Friend GALA	Rock the Dock	Total
REVENUE:					
Sponsorships	$4,635	$26,275	$135,950	$-0-	$166,860
Donations	539	7,375	88,397	1,102	97,413
Auction Sales	-0-	-0-	35,085	-0-	35,085
Ticket Sales	3,375	1,650	30,920	2,705	38,650
Raffle & Drawing Tickets	660	-0-	12,500	760	13,920
Donated Supplies & Services	1,986	155	54,055	-0-	56,196
Other Income	30	-0-	7,350	940	8,320
Total Revenue	11,225	35,455	364,257	5,507	416,444
COSTS:					
Auction, Raffle & Prize Costs			54,906	736	55,642
Food & Beverage	3,297	2,998	35,487	161	41,943
Event Planning			12,500		12,500
Audio/Visual		250	7,192		7,442
Venue Rental	4,127				4,127
Printing & Graphic Design	505	265	21,734		22,504
Event Decorations & Rentals		1,520	4,605		6,125
Credit Card Processing	151		5,081		5,232
Information Technology Costs			2,645		2,645
Video Production		2,351	1,500		3,851
Valet Parking		560			560
Supplies	383	22	110	926	1,441
Postage	104	47	321	79	551
Contract Labor	75		4,000		4,075
Total Expenses	8,642	8,013	150,081	1,902	168,638
Special Events Income, Net of Costs	$2,583	$27,442	$214,176	3,605	$247,806