RENEGADE PAWS RESCUE, INC.

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2025 AND 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
of Renegade Paws Rescue, Inc.

Opinion

We have audited the accompanying financial statements of Renegade Paws Rescue, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expense, 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 Renegade Paws Rescue, Inc. as of December 31, 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. 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 Renegade Paws Rescue, 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 Renegade Paws Rescue, 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 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 Renegade Paws Rescue, 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 Renegade Paws Rescue, 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.

Report on Summarized Comparative Information

We have previously audited the Renegade Paws Rescue, Inc.’s 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 31, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Coomer, Coomer & Routhier, P.C.

Coomer, Coomer & Routhier, P.C.
Savannah, GA
February 13, 2026

Renegade Paws Rescue, Inc.
Statements of Financial Position
December 31, 2025 and 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 177,552	$ 49,038
Restricted cash	17,431	200,000
Payroll deposits	6,375	-
Total current assets	201,358	249,038
PROPERTY AND EQUIPMENT, NET	893,264	740,655
OTHER ASSETS		
Right of use lease assets	32,294	-
Security deposit	1,000	1,000
Total other assets	33,294	1,000
TOTAL ASSETS	$ 1,127,916	$ 990,693
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$ 42,856	$ -
Credit card payable	35,431	28,323
Accrued expenses	6,376	6,622
Current portion long-term debt	6,754	6,315
Current portion right of use lease liability	4,645	-
Total current liabilities	96,062	41,260
LONG-TERM LIABILITIES		
Long-term debt, net of current portion	325,973	332,728
Right of use lease liability, net of current portion	27,649	-
Total long-term liabilities	353,622	332,728
TOTAL LIABILITIES	449,684	373,988
NET ASSETS		
Without donor restrictions	660,801	416,705
With donor restrictions	17,431	200,000
TOTAL NET ASSETS	678,232	616,705
TOTAL LIABILITIES AND NET ASSETS	$ 1,127,916	$ 990,693

See Independent Auditor's Report.

Renegade Paws Rescue, Inc.
Statements of Activities
For the years ended December 31, 2025 and 2024

	Without Donor Restrictions	With Donor Restrictions	Total 2025	Summarized 2024
REVENUES AND SUPPORT				
Program service	$ 344,823	$ -	$ 344,823	$ 250,870
Contributions	936,128	95,000	1,031,128	888,068
Fundraising events	303,354	-	303,354	231,414
Grants	144,475	-	144,475	221,160
In-kind contributions	5,000	-	5,000	25,000
Investment income	320	-	320	841
Net assets released from restrictions	277,569	(277,569)	-	-
Total revenues and support	2,011,669	(182,569)	1,829,100	1,617,353
EXPENSES				
Program services	1,341,323	-	1,341,323	1,157,856
Supporting services	378,723	-	378,723	393,921
Fundraising expenses	47,527	-	47,527	34,544
Total expenses	1,767,573	-	1,767,573	1,586,321
CHANGE IN NET ASSETS	244,096	(182,569)	61,527	31,032
NET ASSETS, BEGINNING OF YEAR	416,705	200,000	616,705	585,673
NET ASSETS, END OF YEAR	$ 660,801	$ 17,431	$ 678,232	$ 616,705

See Independent Auditor's Report.

Renegade Paws Rescue, Inc.
Statements of Functional Expenses
For the year ended December 31, 2025 and 2024

	Program Services	Supporting Services	Fundraising Expenses	Total 2025	Summarized 2024
Advertising	$ 10,780	$ -	$ -	$ 10,780	$ 16,102
Auto	-	23,356	-	23,356	27,155
Bank charges	-	4,353	-	4,353	484
Boarding	14,635	-	-	14,635	849
Burial	17,316	-	-	17,316	8,265
Community food and medical	51,945	-	-	51,945	7,458
Contractual services	-	35,601	-	35,601	86,977
Depreciation	5,472	32,218	-	37,690	29,513
Donations	-	2,110	-	2,110	-
Dues and subscriptions	-	16,797	-	16,797	14,484
Employee benefits	-	3,901	-	3,901	2,154
Foster expenses	108,851	-	-	108,851	128,463
Incubator grant	100,000	-	-	100,000	-
Insurance	-	50,885	-	50,885	41,790
Interest	-	22,666	-	22,666	23,139
Laundry	7,355	-	-	7,355	2,205
Licenses and permits	60	1,200	-	1,260	2,780
Meals	9,278	-	-	9,278	8,371
Medical, spay and neuter costs	319,289	-	-	319,289	212,005
Miscellaneous	430	276	-	706	5,297
Office	-	6,969	-	6,969	8,088
Payroll expenses	-	-	-	-	4,285
Payroll taxes	27,970	5,726	-	33,696	27,548
Pest control	-	2,490	-	2,490	390
Professional fees	-	9,200	-	9,200	11,083
Property taxes	-	-	-	-	6,540
Repairs and maintenance	-	45,008	-	45,008	29,056
Salaries	259,646	71,493	-	331,139	299,771
Security	-	3,398	-	3,398	7,700
Small equipment	-	1,075	-	1,075	2,895
Special events	-	-	47,527	47,527	34,544
Storage	-	181	-	181	-
Supplies	34,774	-	-	34,774	39,351
Training	23,399	-	-	23,399	44,170
Travel	3,290	-	-	3,290	9,986
Utilities	-	39,820	-	39,820	34,406
Veterinary costs	333,851	-	-	333,851	396,414
Website	12,982	-	-	12,982	12,603
	$ 1,341,323	$ 378,723	$ 47,527	$ 1,767,573	$ 1,586,321

See Independent Auditor's Report.

Renegade Paws Rescue, Inc.
Statements of Cash Flows
For the years ended December 31, 2025 and 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 61,527	$ 31,032
Adjustments to reconcile change in net assets to cash provided by (used in) operating activities:		
Depreciation	37,690	29,513
Payroll deposits	(6,375)	-
Accounts payable	42,856	-
Credit card payable	7,108	28,323
Accrued expenses	(246)	4,547
Net cash provided by (used in) operating activities	142,560	93,415
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(190,299)	(33,700)
Net cash provided by (used in) investing activities	(190,299)	(33,700)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of long-term debt	(6,316)	(5,841)
Net cash provided by (used in) financing activities	(6,316)	(5,841)
INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(54,055)	53,874
CASH, CASH EQUIVALENTS AND RESTRICTED CASH:		
BEGINNING OF YEAR	249,038	195,164
END OF YEAR	$ 194,983	$ 249,038
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid for:		
Interest paid	$ 22,666	$ 23,139
Non-cash activities:		
In-kind contributions	$ 5,000	$ 25,000
Operating lease ROU assets and liabilities	$ 32,294	$ -

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Organization
Renegade Paws Rescue, Inc. (the Organization) is a nonprofit organization incorporated on March 5, 2019, under the laws of the State of Georgia. The Organization operates a pet rescue center specializing in health and welfare of dogs in Savannah, Georgia and surrounding areas. The Organization is funded primarily through various donor contributions and grants.

Income Taxes
The Organization is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

Basis of Accounting
The financial statements of the Organization are prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). Revenues are recognized when earned and expenses are recognized when incurred.

Basis of Presentation
The Organization is required to report information regarding its financial position and activities according to the following classes of net assets:

> <u>Net Assets without Donor Restrictions</u> – Net assets that are not subject to donor-imposed stipulations.
>
> <u>Net Assets with Donor Restrictions</u> – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time or maintained permanently by the Organization. Generally, the donors of these assets permit the use of all or part of the income earned on related investments for unrestricted purposes.

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

Liquidity
Assets are presented chronologically in the accompanying statement of financial position based on ease of conversion to cash and liabilities according to the nearness of their maturity and resulting use of cash.

Cash and Cash Equivalents
For the purpose of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less, and all restricted cash balances, to be cash equivalents.

Property and Equipment
It is the Organization's policy to capitalize property with a useful life greater than one year and costs over $1,000. Lesser amounts are expensed. Purchased property is capitalized at cost. Donations of property are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose.

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment (continued)
Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies “net assets with donor restrictions” to “net assets without donor restrictions” at that time.

Contributions
Contributions received are recorded as “without donor restrictions” or “with donor restrictions” net assets depending on the existence or nature of any donor restrictions.

Conditional Promises to Give
The Organization does not recognize as revenue conditional promises to give. Recognition only occurs when the conditions on which the promise to give have been substantially met, that is, when the conditional promise to give becomes unconditional.

Grants Receivable
The Organization recognizes a grant receivable when a documented grant has been received from a donor.

In-kind Contributions
Contributed goods and services are recognized as contribution revenue if the amounts received create or enhance long-lived assets or require specialized skills and would typically need to be purchased if not provided by donation. Donated assets are either utilized within the various programs or monetized if there is not a foreseeable need or use for the item. In-kind contributions are recorded separately on the statement of activities.

Advertising
The Organization charges the costs of advertising to expense as incurred.

Functional Expenses
The financial statements report certain categories of expenses that are attributable to more than one program or supporting activity. The Organization allocates these expenses on a reasonable basis that is consistently applied.

Leases
In February 2016, FASB issued ASU 2016-02, *Leases* (Topic 842), which requires the recognition of right of use lease assets and lease liabilities on the statement of financial position for operating leases, along with the disclosure of other key components of leasing arrangements. This new reporting standard applies to leases with a term of greater than twelve months. Leases with a term of twelve months or less will continue to be accounted for as rent expense on the statement of activities.

Comparative and Summarized Financial Information
The financial statements include certain prior year comparative and summarized financial information. Some of this summarized information does not include enough detail to constitute a complete comparative presentation under generally accepted accounting principles. Some of the amounts presented have been reclassified to conform to the current year’s presentation.

NOTE 2 – UNINSURED DEPOSITS

The Organization maintains its cash balances at several financial institution. The Federal Deposit Insurance Corporation insures up to $250,000 of accounts held at these financial institutions. There were no uninsured balances as of December 31, 2025 and 2024.

NOTE 3 – PROPERTY

Property and equipment are depreciated using the straight-line method. Depreciation expense for the years ending December 31, 2025 and 2024 totaled $37,690 and 29,513. Asset groups and their estimated useful lives are as follows:

Vehicles	7 Years
Machinery and equipment	7 Years
Building and improvements	15–39 Years

NOTE 4 – NOTES PAYABLE

Notes payable at December 31, 2025 consist of the following:

Note payable to Georgia's Own Credit Union due in monthly installments of $2,415 plus interest at 6.65%, maturing January 2028, with final balloon payment to include all unpaid principal and interest. Collateralized by real and personal property.	$	332,727
Less current portion		6,754
Long-term debt	$	325,973

As of December 31, 2025, annual maturities of long-term debt are as follows:

2026	$	6,754
2027		7,224
2028		318,749
2029		-
2030		-
Thereafter		-
	$	332,727

NOTE 5 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are subject to time and/or purposes limitations stipulated by the donor and are available for the following program services:

		2025		2024
PetSmart incubator grant, community veterinary services	$	-	$	100,000
Donations, capital projects		17,431		100,000
	$	17,431	$	200,000

NOTE 6 – COMMITMENTS

The Organization leases certain laundry equipment under a non-cancellable, operating lease through February 2032. Management has recorded right of use lease assets and right of use lease liabilities for this commitment and has discounted the future minimum lease payments at the risk-free rate of 4.53%. Future minimum lease payments are as follows:

2026	$	6,012
2027		6,012
2028		6,012
2029		6,012
2030		6,012
Thereafter		7,014
Total undiscounted cash flows		37,074
Less: imputed interest		4,780
Lease liabilities	$	32,294

NOTE 7 – LIQUIDITY AND AVAILABILTY OF FINANCIAL ASSETS

Financial assets (cash and receivables) available to meet cash requirements reduced by amounts not available for general use because of contractual or donor-imposed restrictions for the next twelve months are as follows:

		2025		2024
Financial assets at year-end	$	194,983	$	249,038
Less those unavailable for general expenditures within one year, due to:				
Restricted by donors with time or purpose restrictions		17,431		200,000
Financial assets available to meet cash needs for general expenditures within one year	$	177,552	$	49,038

NOTE 8 – UNCERTAINTY IN INCOME TAXES

The Organization has not recognized any interest or penalties in its income statement that are related to any of its tax positions.

As of December 31, 2025, the Organization does not have any unrecognized tax benefits that will significantly increase or decrease within the next twelve months.

Tax years 2023 through 2025 remain open for examination by taxing authorities.

NOTE 9 – MANAGEMENT'S REVIEW OF SUBSEQUENT EVENTS

Per Management's review of subsequent events for the period from January 1, 2026, through February 13, 2026, there are no events that should be recognized in these financial statements or disclosed in these notes. The date of February 13, 2026 is the issuance date of these financial statements.