



TENTH LIFE CAT RESCUE

Financial Statements and Independent Accountants
Review Report

YEARS ENDED DECEMBER 31, 2024 AND 2023



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Independent Accountants' Review Report

Board of Directors
Tenth Life Cat Rescue
St. Louis, Missouri

We have reviewed the accompanying financial statements of Tenth Life Cat Rescue (a not-for-profit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

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

We are required to be independent of Tenth Life Cat Rescue and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

Accountants' Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.



July 11, 2025
St. Louis, Missouri

**Tenth Life Cat Rescue
Statements of Financial Position
December 31, 2024 and 2023**

Assets

	<u>2024</u>	<u>2023</u>
Current Assets		
Cash	\$ 238,498	\$ 253,451
Prepaid expenses and other current assets	<u>22,975</u>	<u>4,176</u>
Total Current Assets	261,473	257,627
Operating Right-of-Use Asset	58,311	78,317
Deposits	<u>10,000</u>	<u>8,425</u>
Total Assets	<u><u>\$ 329,784</u></u>	<u><u>\$ 344,369</u></u>

Liabilities and Net Assets

Current Liabilities		
Current maturity of operating lease liability	\$ 20,699	\$ 19,718
Accounts payable	8,995	6,223
Accrued expenses	<u>27,986</u>	<u>23,186</u>
Total Current Liabilities	57,680	49,127
Long-term Operating Lease Liability	<u>37,996</u>	<u>58,696</u>
Total Liabilities	<u>95,676</u>	<u>107,823</u>
Net Assets		
Without donor restrictions	<u>234,108</u>	<u>236,546</u>
Total Net Assets	<u>234,108</u>	<u>236,546</u>
Total Liabilities and Net Assets	<u><u>\$ 329,784</u></u>	<u><u>\$ 344,369</u></u>

**Tenth Life Cat Rescue
Statement of Activities
Year Ended December 31, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Other Support			
Contributions	\$ 301,996	\$ -	\$ 301,996
Special events	95,601	-	95,601
Adoption income	34,821	-	34,821
In-kind contributions	11,663	-	11,663
Other	9,254	-	9,254
Total Revenues and Other Support	<u>453,335</u>	<u>-</u>	<u>453,335</u>
Expenses			
Program Services	<u>351,835</u>	<u>-</u>	<u>351,835</u>
Supporting Activities			
Management and general	37,716	-	37,716
Fundraising	66,222	-	66,222
Total Supporting Activities	<u>103,938</u>	<u>-</u>	<u>103,938</u>
Total Expenses	<u>455,773</u>	<u>-</u>	<u>455,773</u>
Change in Net Assets	(2,438)	-	(2,438)
Net Assets, Beginning of Year	<u>236,546</u>	<u>-</u>	<u>236,546</u>
Net Assets, End of Year	<u>\$ 234,108</u>	<u>\$ -</u>	<u>\$ 234,108</u>

**Tenth Life Cat Rescue
Statement of Activities
Year Ended December 31, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Other Support			
Contributions	\$ 218,780	\$ -	\$ 218,780
Special events	94,839	-	94,839
Adoption income	37,574	-	37,574
In-kind contributions	13,099	-	13,099
Other	<u>47,162</u>	<u>-</u>	<u>47,162</u>
Total Revenues and Other Support	<u>411,454</u>	<u>-</u>	<u>411,454</u>
Expenses			
Program Services	<u>336,186</u>	<u>-</u>	<u>336,186</u>
Supporting Activities			
Management and general	29,979	-	29,979
Fundraising	<u>62,149</u>	<u>-</u>	<u>62,149</u>
Total Supporting Activities	<u>92,128</u>	<u>-</u>	<u>92,128</u>
Total Expenses	<u>428,314</u>	<u>-</u>	<u>428,314</u>
Change in Net Assets	(16,860)	-	(16,860)
Net Assets, Beginning of Year	<u>253,406</u>	<u>-</u>	<u>253,406</u>
Net Assets, End of Year	<u><u>\$ 236,546</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 236,546</u></u>

**Tenth Life Cat Rescue
Statement of Functional Expenses
Year Ended December 31, 2024**

	Program Services	Supporting Activities			Total Expenses
		Management and General	Fundraising	Total	
Salaries and wages	\$ 104,667	\$ 7,497	\$ 39,862	\$ 47,359	\$ 152,026
Payroll taxes	7,452	465	2,837	3,302	10,754
Veterinary care	182,326	-	-	-	182,326
Program related cost	23,345	-	-	-	23,345
Promotions	-	-	4,836	4,836	4,836
Supplies	3,311	35	186	221	3,532
Insurance	6,774	482	2,561	3,043	9,817
Professional fees	-	24,379	-	24,379	24,379
Office expenses	1,472	1,774	557	2,331	3,803
Bank fees	1,744	60	3,902	3,962	5,706
Miscellaneous	391	1,581	3,805	5,386	5,777
Occupancy	20,353	1,443	7,676	9,119	29,472
Total Expenses	<u>\$ 351,835</u>	<u>\$ 37,716</u>	<u>\$ 66,222</u>	<u>\$ 103,938</u>	<u>\$ 455,773</u>
Percent of Total	<u>77.20 %</u>	<u>8.28 %</u>	<u>14.52 %</u>	<u>22.80 %</u>	<u>100.00 %</u>

Tenth Life Cat Rescue
Statement of Functional Expenses
Year Ended December 31, 2023

	Program Services	Supporting Activities			Total Expenses
		Management and General	Fundraising	Total	
Salaries and wages	\$ 92,222	\$ 6,739	\$ 35,827	\$ 42,566	\$ 134,788
Payroll taxes	6,734	403	2,589	2,992	9,726
Veterinary care	181,411	-	-	-	181,411
Program related cost	18,145	-	-	-	18,145
Promotions	-	-	5,616	5,616	5,616
Supplies	4,039	321	97	418	4,457
Insurance	8,325	607	3,230	3,837	12,162
Professional fees	-	17,400	-	17,400	17,400
Office expenses	1,818	2,531	2,969	5,500	7,318
Bank fees	2,238	60	3,814	3,874	6,112
Miscellaneous	1,011	537	153	690	1,701
Occupancy	20,243	1,381	7,854	9,235	29,478
Total Expenses	<u>\$ 336,186</u>	<u>\$ 29,979</u>	<u>\$ 62,149</u>	<u>\$ 92,128</u>	<u>\$ 428,314</u>
Percent of Total	<u>78.49 %</u>	<u>7.00 %</u>	<u>14.51 %</u>	<u>21.51 %</u>	<u>100.00 %</u>

**Tenth Life Cat Rescue
Statements of Cash Flows
Years Ended December 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Cash Flows From Operating Activities		
Change in net assets	\$ (2,438)	\$ (16,860)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Noncash lease expense	287	97
(Increase) decrease in assets:		
Prepaid expenses and other current assets	(18,799)	11,135
Deposits	(1,575)	(8,425)
Increase in liabilities:		
Accounts payable	2,772	4,473
Accrued expenses	4,800	1,838
Net Cash Used in Operating Activities	<u>(14,953)</u>	<u>(7,742)</u>
Net Decrease in Cash	(14,953)	(7,742)
Cash, Beginning of Year	<u>253,451</u>	<u>261,193</u>
Cash, End of Year	<u>\$ 238,498</u>	<u>\$ 253,451</u>

Supplemental Disclosure of Cash Flow Information

Noncash Operating Activities

During 2023, the Organization capitalized a right-of-use asset totaling \$84,776 for an asset under an operating lease with a corresponding lease liability for the same amount.

**Tenth Life Cat Rescue
Notes to Financial Statements
December 31, 2024 and 2023**

1. Nature of Operations and Basis of Presentation

Organization

Tenth Life Cat Rescue (the "Organization") is a not-for-profit organization whose mission and principal activities are to provide veterinary care, foster homes, and adoptive placement to stray cats and kittens, prioritizing those with special needs. The Organization works to end unnecessary euthanasia and cat homelessness through educational outreach, community programs, and collaborative partnerships.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with the provisions of the Financial Accounting Standards Board ("FASB"), Accounting Standards Codification (the "FASB ASC"), which is the source of authoritative, non-governmental accounting principles generally accepted in the United States of America ("GAAP"). All references to authoritative accounting guidance contained in our disclosures are based on the general accounting topics within the FASB ASC.

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

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

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that may be satisfied by specific activities or the passage of time, or are required to be maintained in perpetuity by the Organization. As of December 31, 2024 and 2023, there were no net assets with donor restrictions.

2. Summary of Significant Accounting Policies

Use of Estimates

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

Donated Materials (In-kind)

Donated noncash assets are recorded as contributions at their fair values at the date of donation.

**Tenth Life Cat Rescue
Notes to Financial Statements
December 31, 2024 and 2023**

Support and Revenue

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions received that are designated for future periods or restricted by the donor for specific purposes are reported as support with donor restrictions that increases the net asset class. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions in which the restrictions are met in the same reporting period as received are reported as support without donor restrictions. Adoption income is recognized at the time of adoption.

Functional Expense Allocation

The costs of program services and supporting activities have been summarized on a functional basis in the statements of functional expenses. The statements of functional expenses present the natural classification detail of expenditures by function. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

Leases

The Organization leases office space. The Organization assesses whether an arrangement qualifies as a lease (conveys the right to control the use of an identified asset for a period of time in exchange for consideration) at inception and only reassesses its determination if the terms and conditions of the arrangement are modified. The Organization has recognized a liability representing the future lease payments and a right-of-use ("ROU") asset representing its right to use the underlying asset for the lease term. The lease does not provide an implicit rate, therefore the Organization elected to use the practical expedient to use risk-free rate of return at the commencement date in determining the present value of lease payments. The Organization has elected to treat leases with a lease term of 12 months or less as short term leases and are not recorded on the statements of financial position. Lease expense is recognized on a straight-line basis over the lease term for short term leases, and variable lease expenses are recognized in the period in which they are incurred.

The Organization's leases includes an option to renew, with renewal terms that can extend the lease term by 2 years. The exercise of the lease renewal option is at the Organization's sole discretion. The Organization has determined the lease renewal option will be exercised, and has included it in the ROU asset and lease liability. In determining which renewal options the Organization is likely to execute, management reviewed the need for the location, the leasehold improvements at that location, the cost to move operations at that facility, and the possibility of relocation.

Tenth Life Cat Rescue
Notes to Financial Statements
December 31, 2024 and 2023

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code"), except on net income derived from unrelated business activities as defined in the Code. Accordingly, the Organization files as a tax exempt organization.

The Organization follows guidance issued by the FASB on accounting for income taxes and has evaluated its tax positions, expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings, and believes that no provision for income taxes is necessary to cover any uncertain tax positions. The Organization's returns for tax years 2021 and later remain subject to examination by taxing authorities.

Subsequent Events

The Organization has evaluated subsequent events through July 11, 2025, the date the financial statements were available to be issued.

3. Leases

In September 2023 the Organization entered into an operating lease for office space. Prior to then the Organization leased office space on month-to-month terms. The following summarizes the weighted average remaining lease term and discount rate for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Weighted Average Remaining Lease Term		
Operating lease	2.7 years	3.7 years
Weighted Average Discount Rate		
Operating lease	4.87 %	4.87 %

The maturities of the lease liability as of December 31, 2024 are as follows:

<u>Years Ending December 31,</u>	
2025	\$ 23,100
2026	23,485
2027	<u>16,170</u>
Total Lease Payments	62,755
Less: Present Value Discount	<u>4,060</u>
Present Value of Lease Liability	<u><u>\$ 58,695</u></u>

Tenth Life Cat Rescue
Notes to Financial Statements
December 31, 2024 and 2023

The components of lease expense for the years ended December 31, are as follows:

	<u>2024</u>	<u>2023</u>
Operating lease expense	\$ 23,100	\$ 7,797
Short-term lease expense	-	13,959
Variable lease expense	<u>6,372</u>	<u>7,722</u>
Total lease expense	<u>\$ 29,472</u>	<u>\$ 29,478</u>

The following summarizes cash flow information related to the operating lease for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Cash paid for amounts included in the measurement of lease liability:		
Operating cash flows from operating lease	<u>\$ 22,813</u>	<u>\$ 7,700</u>

4. Contributed Nonfinancial Assets

The Organization received the following contributions of nonfinancial assets for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Donated food and supplies	<u>\$ 11,663</u>	<u>\$ 13,099</u>

The Organization recognized contributed nonfinancial assets within revenues, including contributed animal food and supplies. No donor imposed restrictions exist on any contributed nonfinancial assets for the years ended December 31, 2024 and 2023. The Organization utilizes donated food and supplies to support the health and wellbeing of the cats. The Organization values the contributed food and supplies at their fair values.

5. Liquidity and Availability of Financial Assets

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

	<u>2024</u>	<u>2023</u>
Cash	\$ 238,498	\$ 253,451
Other current assets	<u>21,183</u>	<u>3,506</u>
Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	<u>\$ 259,681</u>	<u>\$ 256,957</u>

The Organization's primary sources of revenues are contributions, special events, and adoption income. From time-to-time, some contributions are required to be used in accordance with the purpose restrictions imposed by the donors.

**Tenth Life Cat Rescue
Notes to Financial Statements
December 31, 2024 and 2023**

6. Risks and Uncertainties

Concentration of Credit Risk

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist of cash. The Organization maintains its cash primarily with one financial institution. Deposits at this bank are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. At December 31, 2024, there were no cash balances in excess of federally insured limits

Concentrations

Revenues from one special event were approximately 10 percent and 12 percent of the Organization's total revenues for the years ended December 31, 2024 and 2023, respectively.