West Suburban
Humane Society

AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2025

Selden Fox
Accounting for your future

West Suburban Humane Society
Audit Report
For the Year Ended December 31, 2025

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
West Suburban Humane Society
Downers Grove, Illinois

Opinion

We have audited the accompanying financial statements of **West Suburban Humane Society** which comprise the statement of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses and cash flows for the years 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 West Suburban Humane Society as of December 31, 2025 and 2024, and the changes in its net assets, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 West Suburban Humane Society and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 West Suburban Humane Society'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 West Suburban Humane Society'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 West Suburban Humane Society'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.

Other Information Included in the Entity's Annual Report

Management is responsible for the other information included in the Entity's Annual Report. The other information comprises of pages 1 – 12 of the 2025 annual report but it does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance on it.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Selden Fox, Ltd.

July 15, 2026

West Suburban Humane Society
Statement of Financial Position

	2025	2024
Assets		
Cash	**$ 143,138**	$ 125,447
Contributions receivable	**25,915**	12,965
Prepaid expenses	**11,469**	10,327
Investments	**1,599,353**	1,564,232
Property and equipment at cost less accumulated depreciation of $706,626 in 2025 ($581,254 in 2024)	**3,783,931**	3,909,004
Other assets	**500**	500
Beneficial interest in assets held by others	**412,974**	386,468
Total assets	**$ 5,977,280**	$ 6,008,943
Liabilities and Net Assets		
Liabilities:		
Accounts payable	**$ 45,112**	$ 76,822
Accrued expenses	**12,601**	7,997
Total liabilities	**57,713**	84,819
Net assets:		
Without donor restrictions:		
Undesignated	**5,119,567**	5,124,124
Board designated	**800,000**	800,000
Total net assets	**5,919,567**	5,924,124
Total liabilities and net assets	**$ 5,977,280**	$ 6,008,943

See accompanying notes.

West Suburban Humane Society
Statement of Activities
For the Year Ended December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	**Total**
Revenues:			
Adoption fees	$ 118,539	$ -	**$ 118,539**
Events	287,629	-	**287,629**
Newsletter and mail appeals	210,187	-	**210,187**
Contributions of cash and other financial assets	585,994	22,000	**607,994**
In kind contributions	96,025	-	**96,025**
Bequests	66,474	-	**66,474**
Interest income	242	-	**242**
Net investment income	128,828	-	**128,828**
	1,493,918	22,000	**1,515,918**
Net assets released from restrictions	22,000	(22,000)	**-**
Total revenues	1,515,918	-	**1,515,918**
Expenses:			
Program services	1,162,670	-	**1,162,670**
Management and general	128,189	-	**128,189**
Fund-raising	229,616	-	**229,616**
Total expenses	1,520,475	-	**1,520,475**
Change in net assets	(4,557)	-	**(4,557)**
Net assets, beginning of the year	5,924,124	-	**5,924,124**
Net assets, end of the year	$ 5,919,567	$ -	**$ 5,919,567**

See accompanying notes.

West Suburban Humane Society
Statement of Activities
For the Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues:			
Adoption fees	$ 94,905	$ -	$ 94,905
Events	307,467	-	307,467
Newsletter and mail appeals	153,662	-	153,662
Contributions of cash and other financial assets	488,073	26,000	514,073
In kind contributions	88,619	-	88,619
Bequests	37,775	-	37,775
Interest income	916	-	916
Net investment income	101,420	-	101,420
	1,272,837	26,000	1,298,837
Net assets released from restrictions	26,000	(26,000)	-
Total revenues	1,298,837	-	1,298,837
Expenses:			
Program services	1,130,388	-	1,130,388
Management and general	102,058	-	102,058
Fund-raising	201,023	-	201,023
Total expenses	1,433,469	-	1,433,469
Change in net assets	(134,632)	-	(134,632)
Net assets, beginning of the year	6,058,756	-	6,058,756
Net assets, end of the year	$ 5,924,124	$ -	$ 5,924,124

See accompanying notes.

West Suburban Humane Society
Statement of Functional Expenses
For the Year Ended December 31, 2025

	Program Services	Management and General	Fund-raising	**Total**
Expenses:				
Salaries	$ 296,371	$ 19,339	$ 129,813	**$ 445,523**
Payroll taxes	26,561	1,733	11,634	**39,928**
Benefits	11,231	1,881	5,476	**18,588**
Administration	9,622	5,863	3,919	**19,404**
Animal costs	15,740	-	-	**15,740**
Animal supplies	67,139	-	-	**67,139**
Animal training and boarding	29,322	-	-	**29,322**
Bank service fees	14,235	-	-	**14,235**
Depreciation and amortization	125,372	-	-	**125,372**
Dues and subscriptions	10,479	1,906	417	**12,802**
Events and newsletters	10,097	-	70,496	**80,593**
Food	115,129	-	-	**115,129**
Insurance	-	27,739	-	**27,739**
Medical supplies	74,571	-	-	**74,571**
Office and building maintenance	38,766	7,844	7,204	**53,814**
Office supplies	466	3,676	-	**4,142**
Postage	1,500	98	657	**2,255**
Professional fees	-	55,420	-	**55,420**
Sales tax	-	2,690	-	**2,690**
Spay and neuter	61,667	-	-	**61,667**
Utilities	34,080	-	-	**34,080**
Veterinary care	219,381	-	-	**219,381**
Volunteer education	941	-	-	**941**
Total expenses	$ 1,162,670	$ 128,189	$ 229,616	**$ 1,520,475**

See accompanying notes.

West Suburban Humane Society
Statement of Functional Expenses
For the Year Ended December 31, 2024

	Program Services	Management and General	Fund-raising	Total
Expenses:				
Salaries	$ 311,290	$ 18,600	$ 105,537	$ 435,427
Payroll taxes	25,139	1,502	8,523	35,164
Benefits	14,379	1,569	2,354	18,302
Administration	6,971	5,899	3,740	16,610
Animal costs	8,260	-	-	8,260
Animal supplies	60,218	-	-	60,218
Animal training and boarding	24,114	-	-	24,114
Bank service fees	13,792	-	-	13,792
Depreciation and amortization	130,786	-	-	130,786
Dues and subscriptions	9,790	1,781	390	11,961
Events and newsletters	9,926	-	73,155	83,081
Food	100,772	-	-	100,772
Insurance	-	22,285	-	22,285
Medical supplies	61,715	-	-	61,715
Office and building maintenance	27,518	8,265	6,973	42,756
Office supplies	-	4,766	-	4,766
Postage	1,034	62	351	1,447
Professional fees	-	35,421	-	35,421
Sales tax	-	1,908	-	1,908
Spay and neuter	69,332	-	-	69,332
Utilities	31,317	-	-	31,317
Veterinary care	222,131	-	-	222,131
Volunteer education	1,904	-	-	1,904
Total expenses	$ 1,130,388	$ 102,058	$ 201,023	$ 1,433,469

See accompanying notes.

West Suburban Humane Society
Statement of Cash Flows
For the Year Ended December 31,

	2025	2024
Cash flows from operating activities:		
Change in net assets	$ (4,557)	$ (134,632)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Net gain on mutual fund investments	(20,968)	(74,849)
Depreciation	125,372	130,786
Change in beneficial interest in assets held by others	(43,706)	(26,572)
Changes in operating assets and liabilities:		
Receivables	(12,950)	(2,094)
Prepaid expenses	(1,142)	658
Accounts payable and accrued expenses	(27,106)	16,489
Net cash from operating activities	14,943	(90,214)
Cash flows from investing activities:		
Proceeds from the sale of investments	52,575	25,000
Purchases of investments	(66,728)	-
Distribution from assets held by others	17,200	16,800
Purchase of equipment	(299)	-
Net cash from investing activities	2,748	41,800
Net change in cash	17,691	(48,414)
Cash, beginning of the year	125,447	173,861
Cash, end of the year	143,138	$ 125,447

See accompanying notes.

1. **Summary of Significant Accounting Policies**

Organization and Purpose – West Suburban Humane Society (WSHS) is an animal shelter, first incorporated in 1973, that provides animals with shelter, food and veterinary care. WSHS's purpose is to operate as a no-kill animal shelter that finds permanent homes for cats and dogs in its care. Within this role, it has programs that educate the public on spaying and neutering and encourage the charitable treatment and care of animals.

Basis of Accounting – WSHS maintains its accounts on the accrual basis in accordance with generally accepted accounting principles. WSHS classifies net assets and transactions into two classes:

> **Net Assets Without Donor Restrictions** – Net assets not subject to donor-imposed stipulations.
>
> **Net Assets With Donor Restrictions** – Net assets restricted by donors to be maintained by the WSHS in perpetuity and net assets subject to donor-imposed stipulations that may or will be met by actions of the WSHS or the passage of time.

Revenues are reported as increases in net assets without donor restrictions, unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions, unless their use is restricted by explicit donor stipulation or by law. Expiration of donor restrictions on net assets (i.e., the donor imposed stipulated purpose has been fulfilled or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Conditional promises to give are reported at fair value at the date the gift is received, or as soon as the promise becomes unconditional. Subsequent adjustments to the fair value are recognized as public support consistent with the initial recording of the gift. Bequests are considered unconditional when the probate court declares the testamentary instrument valid and the proceeds are measurable. Intentions to give which are not legally enforceable are recorded as contribution revenue when collected.

Contributions of exhaustible long-lived assets, or of cash or other assets used to acquire them, without donor-imposed stipulations concerning the use of such long-lived assets, are reported as revenues with donor restrictions. Unless donor stipulations limit the use of contributed assets for a period of time or for a particular purpose, the restrictions are considered to be released when the contributed asset is placed in service.

WSHS did not have any net assets with donor restrictions that must be maintained in perpetuity at December 31, 2025 or 2024.

1. **Summary of Significant Accounting Policies** (cont'd)

Use of Estimates – The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and activities at the date of the financial statements and during the reporting period. Actual results could differ from those estimates.

Certain significant estimates used in the preparation of these financial statements include investments being recorded at fair value and the determination of useful lives for property and equipment. The ultimate realization of investments is based upon future economic factors. It is reasonably possible that the recorded amounts or related disclosures could significantly change in the near future as new information is available.

Fair Value Measurements – Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value is categorized in three levels based on the reliability of observable inputs as follows:

Level 1 – Valuations are based on quoted prices in active markets for identical assets or liabilities that WSHS has the ability to access at the measurement date.

Level 2 – Valuations are based on quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and model-derived valuations whose significant inputs are observable.

Level 3 – Valuations are based on unobservable inputs for the asset or liability that reflect the reporting entity's own data and assumptions that market participants would use in pricing the asset or liability.

Following is a description of the valuation methodologies used for investments measured at fair value, including the beneficial interest in assets held by others, as well as the general classification of such investments pursuant to the valuation hierarchy.

Mutual funds and US Treasuries are valued using quoted market prices. Accordingly, these assets are categorized in Level 1 of the fair value hierarchy, see Note 2.

The fair value of the beneficial interest in assets held by others is based on a percentage interest of the underlying assets held as reported by the DuPage Foundation. Accordingly, these assets are categorized in Level 2 of the fair value hierarchy, see Note 4.

1. **Summary of Significant Accounting Policies** (cont'd)

Cash – For the purpose of the statement of cash flows, the WSHS considers all cash on hand and in banks to be cash. Money market funds at brokerages are considered investments.

Contributions Receivable – Contributions receivable primarily consist of contributions that are considered to be promises to give and are recorded in the year the promise is made and conditions, if any, are met. Management believes all amounts will be collected within one year and, accordingly, no discount or allowance is present. Management determines the allowance for credit losses based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Contributions receivable are written off when deemed uncollectible.

Property and Equipment – Property and equipment are stated at cost if purchased or constructed and fair value for contributed items. Depreciation of buildings and equipment is provided by the straight-line method over the estimated useful life of the assets. Buildings at 40 years, improvements at 15 years, and equipment at 3 – 7 years. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

Revenue Recognition – The primary sources of program revenue streams are as follows:

The main purpose of the organization is to find permanent homes for cats and dogs in its care. Adoption fees for these animals fall under ASC 606 guidance. The performance obligation is satisfied at the point in time when the animal is given to the owner. Adoption fees are paid at the time of adoption.

The WSHS holds various fund-raising events including Barkapalooza, a golf outing and a plant sale. For event fees, the performance obligation is satisfied at the point in time when these events have occurred. Most of the revenue from these events are contributions, which are outside ASC 606 guidance. Event fees are paid in advance or at the time of the event.

The remaining revenue on the statement of activities includes various contributions (including those from newsletters and mail appeals), donations, and investment income. These revenues do not fall under ASC 606 guidance.

Donated Services – A substantial number of volunteers have donated significant amounts of time toward the program activities of the WSHS; however, no amount has been reflected in the financial statements. These services did not satisfy the criteria for recognition under generally accepted accounting principles.

1. **Summary of Significant Accounting Policies** (cont'd)

In Kind Contributions – The WSHS accepts gifts of tangible personal property to help fulfill their mission. Such items to be used by the WSHS are valued by type, based on an average fair market value at the date of the donation, using estimated retail prices of identical or similar products using pricing data under a “like-kind” methodology considering the goods’ condition and utility for use at the time of the contribution. They are recorded in contribution revenue and are expensed, based on their natural classification. All items are utilized by WSHS and none are sold.

Income Taxes – WSHS is tax exempt under Section 501(c)(3) of the Internal Revenue Code, except for income not related to its exempt purpose. WSHS had no income unrelated to its exempt purpose. Accordingly, no provision for income taxes has been provided for in the financial statements. WSHS’s federal and state tax returns for the years ended December 31, 2022 through 2024, remain subject to examination.

Functional Allocation of Expenses – Expenses have been summarized by function and nature on the statement of functional expenses. Salaries, payroll taxes and benefits are allocated based on estimates of time and effort incurred by each employee. The same allocation is used to allocate postage and delivery expenses. Dues and subscriptions and equipment rental expense, which is a component of office and building maintenance, are allocated based on an estimate of each function’s use of the related services.

All other expenses can be specifically identified to a function and do not require allocation.

2. **Investments**

Investments in mutual funds are held at a single investment brokerage firm. Fair values of investments measured on a recurring basis at December 31, 2025, are as follows:

	Level 1	Level 2	Level 3	**Total**
Mutual funds-				
Money market	$ 865,144	$ -	$ -	**$ 865,144**
Equities	90,918	-	-	**90,918**
Bonds	386,210	-	-	**386,210**
Commodities	6,981	-	-	**6,981**
U.S Treasury securities	250,100	-	-	**250,100**
	$ 1,599,353	$ -	$ -	**$ 1,599,353**

2. **Investments** (cont'd)

Fair values of investments measured on a recurring basis at December 31, 2024, are as follows:

	Level 1	Level 2	Level 3	Total
Mutual funds-				
Money market	$ 309,636	$ -	$ -	$ 309,636
Equities	93,247	-	-	93,247
Bonds	157,836	-	-	157,836
Commodities	2,525	-	-	2,525
U.S Treasury securities	1,000,988	-	-	1,000,988
	$ 1,564,232	$ -	$ -	$ 1,564,232

Net investment income, including activity of the beneficial interest in assets held for others, for the years ended December 31, consists of the following:

	2025	2024
Interest and dividend income	**$ 76,292**	$ 92,841
Net realized and unrealized gains	**59,753**	15,361
Investment fees	**(7,217)**	(6,782)
Net investment income	**$ 128,828**	$ 101,420

3. **Property and Equipment**

Property and equipment consist of the following at December 31:

	2025	2024
Land	**$ 523,684**	$ 523,684
Building and improvements	**3,846,549**	3,846,549
Equipment	**120,324**	120,025
	4,490,557	4,490,258
Less accumulated depreciation	**(706,626)**	(581,254)
	$ 3,783,931	$ 3,909,004

Depreciation expense totaled $125,372 for the year ended December 31, 2025 ($130,786 for the year ended December 31, 2024).

4. **Beneficial Interest in Assets Held by Others – DuPage Foundation**

WSHS established an Agency Fund (Fund) in 2013, with the DuPage Foundation (Foundation) to strengthen the future of the WSHS. The Fund was created with an original gift of $300,000. The Board of Directors designates the use of the monies in the Fund. The intent of the Board is to maintain this amount as a long-term investment as part of the Board designated operating reserve discussed in Note 6. WSHS understands that the Foundation's Board of Trustees shall have ultimate control over the assets deposited in the Fund, excepting and providing that if WSHS's Board determines that it is in the WSHS's best interest, it may elect to withdraw any funds transferred to the Foundation upon written notice, not less than three months in advance of the date needed.

The Fund had a balance of $412,974 at December 31, 2025 ($386,468 at December 31, 2024). Net gain on the Fund for 2025 was $26,506, of which $31,148 is included in the investment gain, and $4,642 was for investment fees. Net gain on the Fund for 2024 was $9,772, of which $14,118 is included in the investment gain, and $4,346 was for investment fees. The Foundation maintains an investment pool for all its funds which consists primarily of marketable equity securities (common stock and mutual funds), fixed income securities, funds of hedge funds, real estate funds and commodity funds. No specific securities are designated for a specific fund. Realized gains/losses, unrealized gains/losses, and dividend and interest income net of fees are divided monthly on a prorated basis across all funds of the Foundation.

5. **Concentration of Credit Risk**

The WSHS maintains cash with one financial institution. WSHS periodically has deposits in excess of federally insured limits. WSHS has not experienced any loss in such accounts. At December 31, 2025, WSHS did not have any uninsured cash deposits. WSHS believes it is not exposed to any significant credit risk on its cash and deposits.

6. **Board Designated Net Assets**

At both December 31, 2025 and 2024, the Board has designated $800,000 as an operating reserve from its net assets without donor restrictions.

7. Liquidity and Availability

Assets available to meet cash needs for general expenditures within one year, without contractual or donor restrictions, consist of the following:

	2025	2024
Cash	$ 143,138	$ 125,447
Contributions receivable	25,915	12,965
Investments	1,599,353	1,564,232
Beneficial interest in assets held by others	412,974	386,468
	2,181,380	2,089,112
Less:		
Board designated net assets:		
Operating reserve	(800,000)	(800,000)
	$ 1,381,380	$ 1,289,112

Although it is not the Board's intention, the operating reserve Board designated net assets above could be used for general expenditures in the next year if the Board approved such an action.

As part of WSHS's liquidity management, it has a policy to place most of its financial assets in highly liquid, short-term investments. See Note 2.

8. In Kind Contributions

For the years ended December 31, 2025 and 2024, in kind contributions recognized within the statements of activities included the following:

	2025	2024
Food	$ 28,023	$ 31,210
Animal-related costs	15,554	7,508
Animal supplies	44,026	42,231
Medical supplies	8,203	7,450
Postage	219	220
	$ 96,025	$ 88,619

The items above were provided by individuals and businesses in the community and were utilized for program services.

9. **Retirement Plan**

WSHS has a 403(b) plan that covers all employees. Employees may elect deferrals from their eligible compensation immediately after being hired. The Plan was amended effective January 1, 2023, to provide for a 2% employer matching contribution for directors of WSHS who have completed one year of service with at least 1,000 hours. Related expense for the year ended December 31, 2025, was $1,905 ($5,177 for year ended December 31, 2024).

10. **Subsequent Events**

WSHS received a bequest of $185,239 in March 2026.

Subsequent to year end, WSHS was notified of two other bequests whose amounts have yet to be finalized. Revenue is expected to be recognized in 2026 when the bequests are received.

Subsequent events have been evaluated through July 15, 2026, which is the date the financial statements were available to be issued.