

VETERINARIANS WITHOUT BORDERS USA

FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2025



**VETERINARIANS WITHOUT BORDERS USA
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YEAR ENDED MARCH 31, 2025**

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Veterinarians Without Borders USA
New York, NY

Opinion

We have audited the accompanying financial statements of Veterinarians Without Borders USA (a nonprofit organization), which comprise the statement of financial position as of March 31, 2025, and the related statements of activities 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 Veterinarians Without Borders USA as of March 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 Veterinarians Without Borders USA 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 Veterinarians Without Borders USA'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 Veterinarians Without Borders USA'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 Veterinarians Without Borders USA'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.

J. Miller & Associates, LLC

J. MILLER & ASSOCIATES, LLC

Philadelphia, Pennsylvania
August 20, 2025

VETERINARIANS WITHOUT BORDERS USA
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2025

ASSETS

Cash and cash equivalents	\$ 103,585
Accounts receivable	<u>1,136</u>
TOTAL ASSETS	<u>\$ 104,721</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 17,157
Deferred revenue	2,485
Loan payable VWB Canada	<u>184,764</u>

TOTAL LIABILITIES	<u>204,406</u>
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NET ASSETS

Without donor restrictions	<u>(99,685)</u>
TOTAL NET ASSETS	<u>(99,685)</u>

TOTAL LIABILITIES AND NET ASSETS	<u>\$ 104,721</u>
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VETERINARIANS WITHOUT BORDERS USA
STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2025

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE AND SUPPORT			
Grants	\$ 20,000	\$ -	\$ 20,000
Contributions	593,908	-	593,908
Net assets released from time restrictions	<u>200,000</u>	<u>(200,000)</u>	<u>-</u>
Total Revenue and Support	<u>813,908</u>	<u>(200,000)</u>	<u>613,908</u>
EXPENSES			
Program services	233,601	-	233,601
Supporting services			
Management and general	446,808	-	446,808
Fundraising	<u>153,384</u>	<u>-</u>	<u>153,384</u>
Total Expenses	<u>833,793</u>	<u>-</u>	<u>833,793</u>
CHANGE IN NET ASSETS	(19,885)	(200,000)	(219,885)
NET ASSETS, BEGINNING OF YEAR	<u>(79,800)</u>	<u>200,000</u>	<u>120,200</u>
NET ASSETS, END OF YEAR	<u><u>\$ (99,685)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (99,685)</u></u>

See accompanying Notes to Financial Statements.

VETERINARIANS WITHOUT BORDERS USA
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2025

	Program Services					Supporting services			
	Ukraine	South Sudan	Response	Companion Animal	Other	Total Program Services	Management and General	Fundraising	Total Expenses
Salaries and benefits	\$ -	\$ -	\$ 1,804	\$ -	\$ -	\$ 1,804	\$ 179,309	\$ 29,790	\$ 210,903
Payroll taxes	-	-	-	-	-	-	6,278	1,562	7,840
Total salary and related expenses	-	-	1,804	-	-	1,804	185,587	31,352	218,743
Grant Disbursement	14,778	200,000	5,442	9,525	\$ -	229,745	-	-	229,745
Management Fees	-	-	-	-	-	-	206,973	-	206,973
Advertising and Promotion	-	-	-	-	-	-	-	12,228	12,228
Audit	-	-	-	-	-	-	14,500	-	14,500
Consultants	-	-	-	-	-	-	6,221	94,301	100,522
Information Technology	-	-	-	-	-	-	1,811	3,856	5,667
Legal	-	-	-	-	-	-	20,557	333	20,890
Occupancy	-	-	-	-	-	-	3,201	-	3,201
Office Expenses	-	-	-	-	-	-	436	923	1,359
Other	263	-	156	-	1,633	2,052	4,261	10,391	16,704
Travel	-	-	-	-	-	-	3,261	-	3,261
Total	\$ 15,041	\$ 200,000	\$ 7,402	\$ 9,525	\$ 1,633	\$ 233,601	\$ 446,808	\$ 153,384	\$ 833,793

See accompanying Notes to Financial Statements.

VETERINARIANS WITHOUT BORDERS USA
STATEMENT OF CASH FLOWS
MARCH 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ (219,885)
Adjustments to reconcile change in net assets to net cash provided by operating activities	
(Increase) decrease in current assets	
Grants receivable	200,000
Accounts receivable	(1,136)
Deposit	13,740
Increase (decrease) in current liabilities	
Accounts payable	16,985
Grants payable	(10,000)
Deferred revenue	2,154
Net cash provided by operating activities	<u>1,858</u>

Cash Flows from Financing Activities

Payments on loan payable VWB Canada	(190,000)
Proceeds from loan payable VWB Canada	239,658
Net cash provided by financing activities	<u>49,658</u>

NET INCREASE IN CASH AND CASH EQUIVALENTS 51,516

CASH AND CASH EQUIVALENTS

Beginning of year	<u>52,069</u>
End of year	<u><u>\$ 103,585</u></u>

VETERINARIANS WITHOUT BORDERS USA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025

NOTE 1 NATURE OF ORGANIZATION

Veterinarians Without Borders USA (the “Organization”) was founded and incorporated in 2023 in the State of Minnesota as a nonprofit, tax exempt corporation. The Organization’s mission is to strengthen animal health and welfare to build more resilient communities. This is done by enhancing veterinary care, bolstering community disaster response and recovery, championing sustainable livelihoods, and improving the well-being of animals, humans, and ecosystems worldwide. The Organization’s primary support is from grants and contributions.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Organization prepares their financial statements on the accrual basis in accordance with accounting principles generally accepted in the United States (GAAP) established by the Financial Accounting Standards Board (FASB). Revenues are recognized when earned and expenses are recognized when incurred.

Use of Estimates

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

Cash and Cash Equivalents

Cash and highly liquid financial instruments with original maturities of three months or less are considered to be cash and cash equivalents.

Accounts Receivable

Accounts receivable is stated at the amount management expects to collect from outstanding balances. It is the organization’s policy to charge off uncollectible accounts receivable when management determines that the accounts receivable will not be collectible. As of March 31, 2025, management has determined that no allowance for doubtful accounts is necessary.

Deferred Revenue

Deferred revenue consists of donations received from various sources to support charitable activities. These contributions are to be distributed as grants. Contributions revenue and grant distribution expense are recognized when the grants are disbursed.

Net Assets

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

Net Assets without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

VETERINARIANS WITHOUT BORDERS USA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025

NOTE 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Net Assets (Continued)

Net Assets with Donor Restrictions – Net assets subject to donor (or certain grantor) restrictions. Donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. The Organization had no net assets with donor restrictions as of March 31, 2025.

Revenue and Revenue Recognition

Grants and contributions are recognized as revenue when cash, securities, other assets, or an unconditional promise to give is received. Conditional grants and promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. There were no conditional grants or promises to give as of March 31, 2025.

Functional Expenses

The statement of activities reports the functional classification of expenses. The statement of functional expenses presents the natural classification of expenses by function. Directly identifiable expenses are charged to programs and supporting services. The financial statements contain certain categories of indirect expenses that are attributable to program and supporting functions; therefore, these expenses require allocation on a reasonable basis that is consistently applied. Indirect expenses related to more than one function are allocated based on the basis of time and effort of personnel.

Income Taxes

The Organization is organized as a nonprofit corporation as described under Section 501(c)(3) of the Internal Revenue Code (the “Code”) and is exempt from federal income taxes on its exempt income under Sections 509(a)(1) and 170(b)(1)(A)(vi) of the Code. Contributions to the Organization are deductible to the extent permitted by law.

The Organization follows the accounting guidance for uncertain tax positions and believes that it has appropriate support for any tax positions taken. As of March 31, 2025, the Organization had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. Additionally, the Organization had no interest and penalties accrued for income taxes.

NOTE 3 **CONCENTRATION OF CREDIT RISK**

The Organization maintains its cash balances at two financial institutions, one in Canada and one in the United States. The United States account is FDIC insured up to \$250,000. The Canadian account is insured by CDIC for up to \$100,000. As of March 31, 2025, the Organization had no uninsured balances.

VETERINARIANS WITHOUT BORDERS USA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025

NOTE 4 NET ASSETS

Net assets released from donor restrictions as of March 31, 2025, were as follows:

Time restriction	\$200,000
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NOTE 5 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Cash and cash equivalents	\$ 103,585
Accounts receivable	1,136
Total financial assets available to meet cash	
needs for general expenditures within one year	<u>\$ 104,721</u>

The Organization manages its liquidity following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The Organization regularly monitors liquidity to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds.

NOTE 6 LOAN PAYABLE VWB CANADA

On November 1, 2023, the Organization entered into a loan agreement with Veterinarians Without Borders/Vétérinaires Sans Frontières Canada, a related party, (the "Lender") in the amount of \$50,000 for the purpose of starting up operations in the United States. The loan is noninterest bearing and payable within two years of the date of the loan agreement.

On February 14, 2024, the Organization entered into a loan agreement with the Lender for the purpose of funding its operations until such time as it generates enough revenue to become self-sustaining. The existing indebtedness under the loan agreement dated November 1, 2023, was rolled into and considered extended under this agreement. The Lender agrees to lend up to \$280,000 to the Organization. The loan is to be advanced in amounts and at times requested by the Organization at any time before March 31, 2025, and is noninterest bearing. The agreement requires compliance with certain financial and non-financial covenants. The loan is payable as follows: One quarter of the payable amount is due during each of the Lender's fiscal years beginning 2026-27 through 2029-2030 fiscal year. Advances during the year ended March 31, 2025, amounted to \$239,658 while payments totaled \$190,000. The loan balance as of March 31, 2025, is \$184,764.

NOTE 7 RELATED PARTY TRANSACTIONS

The Organization and Veterinarians Without Borders/Vétérinaires Sans Frontières Canada are related by having common members of the Board of Directors. During the year ended March 31, 2025, the Organization distributed grants to Veterinarians Without Borders/Vétérinaires

VETERINARIANS WITHOUT BORDERS USA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025

NOTE 7 **RELATED PARTY TRANSACTIONS (CONTINUED)**

Sans Frontières Canada, totaling \$225,492 and are included in Grant Disbursement on the statement of functional expenses.

The Organization entered into a resource sharing agreement with Veterinarians Without Borders/Vétérinaires Sans Frontières Canada during the fiscal year 2024 for certain employees and contractors to provide services to the Organization. The agreement also provides for the use of facilities, equipment and supplies provided by Veterinarians Without Borders/Vétérinaires Sans Frontières Canada. The agreement term is for one year and automatically renews for an additional one year unless terminated as provided for in the agreement. During the year ended March 31, 2025, expenses under this agreement totaled \$206,973 and are recorded as Management Fees on the statement of functional expenses.

NOTE 8 **RETIREMENT PLAN**

The Organization has a 401k plan covering its eligible employees. The Organization contributes 5% of gross salaries for participating employees. Total contributions for the year ended March 31, 2025 made by the Organization were \$4,394 and are included in salaries and benefits in the statement of functional expenses.

NOTE 9 **SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events through August 20, 2025 which is the date the financial statements were available to be issued.