

The American Society for the Prevention of Cruelty to Animals

Consolidated Financial Statements
and Supplemental Information
Years Ended December 31, 2025 and 2024

The report accompanying these financial statements was issued by BDO USA, P.C., a Virginia professional corporation, and the U.S. member of BDO International Limited, a UK company limited by guarantee.

The American Society for the Prevention of Cruelty to Animals

Consolidated Financial Statements and Supplemental Information
Years Ended December 31, 2025 and 2024

The American Society for the Prevention of Cruelty to Animals

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Independent Auditor's Report

The Board of Directors
The American Society for the Prevention of Cruelty to Animals
New York, New York

Opinion

We have audited the consolidated financial statements of The American Society for the Prevention of Cruelty to Animals (the ASPCA), which comprise the consolidated statements of financial position as of December 31, 2025 and 2024, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the ASPCA 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 audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the ASPCA 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the ASPCA's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

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Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 GAAS 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 consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 the ASPCA'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the ASPCA'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.

Supplemental Information

Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating schedule of financial position is presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

BDO USA, P.C.

May 28, 2026

The American Society for the Prevention of Cruelty to Animals

Consolidated Statements of Financial Position

December 31,	**2025**	2024
Assets		
Cash and cash equivalents	**$ 89,380,053**	$ 61,703,474
Bequests and contributions receivable, net of discount of approximately $61,000 and $159,000 in 2025 and 2024, respectively	**21,390,100**	29,521,659
Other receivables, net of allowance of approximately $153,000 and $190,000 in 2025 and 2024, respectively	**4,054,252**	5,499,976
Prepaid expenses and other assets	**5,851,784**	5,018,766
Investments	**548,689,056**	466,823,932
Beneficial interest in trusts held by others	**27,916,633**	25,196,818
Land, buildings, and equipment, net	**114,497,694**	112,568,418
Right-of-use assets	**17,725,691**	17,589,228
Total Assets	**$ 829,505,263**	$ 723,922,271
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	**$ 31,801,720**	$ 33,563,557
Other liabilities	**1,703,162**	1,664,253
Annuity obligations	**6,206,918**	6,126,452
Operating leases liabilities	**19,165,946**	20,761,040
Loan payable	**21,803,882**	22,759,700
Total Liabilities	**80,681,628**	84,875,002
Commitments and Contingencies		
Net Assets		
Net assets without donor restrictions:		
Operating	**632,786,547**	560,414,894
Board designated	**56,647,345**	-
Net Assets Without Donor Restrictions	**689,433,892**	560,414,894
Net assets with donor restrictions	**59,389,743**	78,632,375
Total Net Assets	**748,823,635**	639,047,269
Total Liabilities and Net Assets	**$ 829,505,263**	$ 723,922,271

See notes to consolidated financial statements.

The American Society for the Prevention of Cruelty to Animals

Consolidated Statements of Activities and Changes in Net Assets (With Summarized Comparative Totals for 2024)

Year ended December 31,

	Without Donor Restrictions	With Donor Restrictions	Total	
			2025	2024
Operating Support and Revenues				
Contributions, memberships, grants, and sponsorships	$ 272,719,757	$ 13,527,869	**$ 286,247,626**	$ 286,803,279
Shelter and veterinary service fees	29,649,269	-	**29,649,269**	26,971,133
Bequests and trusts	99,487,136	20,983,149	**120,470,285**	103,712,221
Royalties, licenses, and other	11,030,255	-	**11,030,255**	10,135,945
Net assets released from donor restrictions	57,947,678	(57,947,678)	-	-
Total Operating Support and Revenues	470,834,095	(23,436,660)	**447,397,435**	427,622,578
Operating Expenses				
Program expenses:				
Shelter and veterinary services	158,321,895	-	**158,321,895**	141,721,060
Public education and communications	89,973,675	-	**89,973,675**	85,615,804
Policy, response, and engagement	67,520,912	-	**67,520,912**	62,440,124
Total Program Expenses	315,816,482	-	**315,816,482**	289,776,988
Supporting expenses:				
Membership development and fundraising	85,739,823	-	**85,739,823**	79,797,126
Management and general	20,221,831	-	**20,221,831**	18,922,807
Total Supporting Expenses	105,961,654	-	**105,961,654**	98,719,933
Total Operating Expenses	421,778,136	-	**421,778,136**	388,496,921
Change in Net Assets from Operating Activities	49,055,959	(23,436,660)	**25,619,299**	39,125,657
Non-Operating Activities				
Net investment return	79,999,260	1,458,263	**81,457,523**	45,750,093
Net appreciation on beneficial interest in trusts held by others	-	2,735,765	**2,735,765**	1,745,236
Contributions related to endowment	-	-	**-**	197,200
Other nonoperating expenses	(36,221)	-	**(36,221)**	(299,437)
Total Non-Operating Activities	79,963,039	4,194,028	**84,157,067**	47,393,092
Change in Net Assets	129,018,998	(19,242,632)	**109,776,366**	86,518,749
Net Assets, beginning of year	560,414,894	78,632,375	**639,047,269**	552,528,520
Net Assets, end of year	$ 689,433,892	$ 59,389,743	**$ 748,823,635**	$ 639,047,269

The American Society for the Prevention of Cruelty to Animals

Consolidated Statements of Activities and Changes in Net Assets

Year ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Support and Revenues			
Contributions, memberships, grants, and sponsorships	$ 264,777,101	$ 22,026,178	$ 286,803,279
Shelter and veterinary service fees	26,971,133	-	26,971,133
Bequests and trusts	76,409,961	27,302,260	103,712,221
Royalties, licenses, and other	10,135,945	-	10,135,945
Net assets released from donor restrictions	48,793,420	(48,793,420)	-
Total Operating Support and Revenues	427,087,560	535,018	427,622,578
Operating Expenses			
Program expenses:			
Shelter and veterinary services	141,721,060	-	141,721,060
Public education and communications	85,615,804	-	85,615,804
Policy, response, and engagement	62,440,124	-	62,440,124
Total Program Expenses	289,776,988	-	289,776,988
Supporting expenses:			
Membership development and fundraising	79,797,126	-	79,797,126
Management and general	18,922,807	-	18,922,807
Total Supporting Expenses	98,719,933	-	98,719,933
Total Operating Expenses	388,496,921	-	388,496,921
Change in Net Assets from Operating Activities	38,590,639	535,018	39,125,657
Non-Operating Activities			
Net investment return	44,826,426	923,667	45,750,093
Net appreciation on beneficial interest in trusts held by others	-	1,745,236	1,745,236
Contributions related to endowment	-	197,200	197,200
Other nonoperating expenses	(299,437)	-	(299,437)
Total Non-Operating Activities	44,526,989	2,866,103	47,393,092
Change in Net Assets	83,117,628	3,401,121	86,518,749
Net Assets, beginning of year	477,297,266	75,231,254	552,528,520
Net Assets, end of year	$ 560,414,894	$ 78,632,375	$ 639,047,269

See notes to consolidated financial statements.

The American Society for the Prevention of Cruelty to Animals

Consolidated Statements of Functional Expenses
(With Summarized Comparative Totals for 2024)

Year ended December 31,

	Program Expenses				Supporting Expenses			Total Expenses	
	Shelter and Veterinary Services	Public Education and Communications	Policy, Response, and Engagement	Total Program Expenses	Membership Development and Fundraising	Management and General	Total Supporting Expenses	**2025**	2024
Compensation	$ 72,442,721	$ 7,199,414	$ 29,639,804	$ 109,281,939	$ 10,734,509	$ 8,833,967	$ 19,568,476	**$ 128,850,415**	$ 116,075,122
Employee benefits	22,544,261	2,258,940	9,250,361	34,053,562	3,394,244	2,735,383	6,129,627	**40,183,189**	37,092,698
Supplies	2,055,542	99,783	1,758,340	3,913,665	43,014	49,568	92,582	**4,006,247**	4,389,039
Telephone	666,824	54,750	306,784	1,028,358	145,311	62,593	207,904	**1,236,262**	1,254,681
Postage and shipping	108,774	7,454,696	118,045	7,681,515	6,009,599	254,833	6,264,432	**13,945,947**	12,683,322
Rent	1,482,474	164,513	1,533,031	3,180,018	602,461	1,101,406	1,703,867	**4,883,885**	5,604,451
Repairs and maintenance	1,215,037	3,559	658,144	1,876,740	12,399	23,824	36,223	**1,912,963**	1,874,444
Data processing	2,298,577	5,230,369	3,332,002	10,860,948	9,894,085	1,096,866	10,990,951	**21,851,899**	18,970,486
Printing	27,670	6,915,646	62,091	7,005,407	5,529,512	227,888	5,757,400	**12,762,807**	12,153,172
Auto expenses	660,604	609	255,670	916,883	1,626	3,924	5,550	**922,433**	906,041
Travel, conferences, and seminars	4,078,202	182,688	3,157,312	7,418,202	228,601	284,244	512,845	**7,931,047**	6,912,278
Insurance	1,138,927	23,044	1,291,162	2,453,133	81,002	175,230	256,232	**2,709,365**	2,499,268
Utilities	1,163,748	11,250	637,176	1,812,174	43,550	75,320	118,870	**1,931,044**	2,068,488
Veterinary and medical services	8,893,345	-	1,747,978	10,641,323	-	-	-	**10,641,323**	10,187,647
Media buys, promotion, and related costs	201,329	45,417,028	419,272	46,037,629	35,590,060	1,513,149	37,103,209	**83,140,838**	71,134,106
Professional services	8,285,762	13,918,973	4,031,861	26,236,596	11,449,427	3,413,931	14,863,358	**41,099,954**	43,764,343
Grants	22,067,756	-	7,058,201	29,125,957	-	-	-	**29,125,957**	23,297,754
Other	3,220,974	1,022,038	153,684	4,396,696	8,187	278,425	286,612	**4,683,308**	9,291,039
Total Expenses, before depreciation and amortization	152,552,527	89,957,300	65,410,918	307,920,745	83,767,587	20,130,551	103,898,138	**411,818,883**	380,158,379
Depreciation and amortization	5,769,368	16,375	2,109,994	7,895,737	1,972,236	91,280	2,063,516	**9,959,253**	8,338,542
Total Expenses	$ 158,321,895	$ 89,973,675	$ 67,520,912	$ 315,816,482	$ 85,739,823	$ 20,221,831	$ 105,961,654	**$ 421,778,136**	$ 388,496,921

The American Society for the Prevention of Cruelty to Animals

Consolidated Statements of Functional Expenses

Year ended December 31, 2024

	Program Expenses				Supporting Expenses			
	Shelter and Veterinary Services	Public Education and Communications	Policy, Response, and Engagement	Total Program Expenses	Membership Development and Fundraising	Management and General	Total Supporting Expenses	Total Expenses
Compensation	$ 65,984,661	$ 6,766,021	$ 24,337,198	$ 97,087,880	$ 10,345,327	$ 8,641,915	$ 18,987,242	$ 116,075,122
Employee benefits	21,096,799	2,132,953	7,820,768	31,050,520	3,317,898	2,724,280	6,042,178	37,092,698
Supplies	1,960,505	106,955	2,197,549	4,265,009	66,452	57,578	124,030	4,389,039
Telephone	681,373	58,841	277,473	1,017,687	163,786	73,208	236,994	1,254,681
Postage and shipping	110,916	6,813,872	176,643	7,101,431	5,385,381	196,510	5,581,891	12,683,322
Rent	1,561,609	230,512	2,016,511	3,808,632	704,538	1,091,281	1,795,819	5,604,451
Repairs and maintenance	1,582,685	11,304	193,745	1,787,734	33,193	53,517	86,710	1,874,444
Data processing	2,122,557	5,486,335	940,887	8,549,779	9,537,480	883,227	10,420,707	18,970,486
Printing	23,644	6,638,806	125,902	6,788,352	5,184,066	180,754	5,364,820	12,153,172
Auto expenses	669,760	785	229,271	899,816	2,122	4,103	6,225	906,041
Travel, conferences, and seminars	3,546,336	129,111	2,849,361	6,524,808	157,722	229,748	387,470	6,912,278
Insurance	1,045,563	27,185	1,191,249	2,263,997	75,536	159,735	235,271	2,499,268
Utilities	1,177,408	28,768	631,772	1,837,948	93,761	136,779	230,540	2,068,488
Veterinary and medical services	8,410,639	1,666	1,602,500	10,014,805	172,657	185	172,842	10,187,647
Media buys, promotion, and related costs	88,800	39,338,010	749,747	40,176,557	29,874,989	1,082,560	30,957,549	71,134,106
Professional services	6,731,824	16,794,704	3,900,716	27,427,244	13,585,456	2,751,643	16,337,099	43,764,343
Grants	18,124,881	-	5,172,873	23,297,754	-	-	-	23,297,754
Other	1,285,130	1,025,569	6,405,207	8,715,906	65,861	509,272	575,133	9,291,039
Total Expenses, before depreciation and amortization	136,205,090	85,591,397	60,819,372	282,615,859	78,766,225	18,776,295	97,542,520	380,158,379
Depreciation and amortization	5,515,970	24,407	1,620,752	7,161,129	1,030,901	146,512	1,177,413	8,338,542
Total Expenses	$ 141,721,060	$ 85,615,804	$ 62,440,124	$ 289,776,988	$ 79,797,126	$ 18,922,807	$ 98,719,933	$ 388,496,921

See notes to consolidated financial statements.

The American Society for the Prevention of Cruelty to Animals

Consolidated Statements of Cash Flows

Year ended December 31,	**2025**	2024
Cash Flows from Operating Activities		
Change in net assets	**$ 109,776,366**	$ 86,518,749
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	**9,959,253**	8,338,542
Loss on write-off of land, buildings, and equipment	**2,279,753**	6,014,345
Net realized and unrealized gains	**(60,227,931)**	(26,788,051)
Change in annuity obligations	**80,466**	(832,189)
Unrealized gain on beneficial interests in perpetual trusts held by others	**(2,719,815)**	(1,745,236)
Net accretion of operating leases	**(1,731,557)**	(827,393)
Contributions restricted for endowments	**-**	(197,200)
Change in discount for bequests and contributions receivable	**(97,446)**	143,976
Change in allowance for credit losses on other receivables	**(36,959)**	27,503
Changes in assets and liabilities:		
Bequests and contributions receivable	**8,229,005**	(4,607,619)
Other receivables	**1,482,683**	(822,858)
Prepaid expenses and other assets	**(833,018)**	(635,969)
Accounts payable and accrued expenses	**(1,767,304)**	6,905,303
Other liabilities	**38,909**	232,678
Net Cash Provided by Operating Activities	**64,432,405**	71,724,581
Cash Flows from Investing Activities		
Additions to land, buildings, and equipment	**(14,168,282)**	(39,504,703)
Purchases of investments	**(173,701,649)**	(105,346,546)
Proceeds from sales of investments	**152,064,456**	41,954,883
Increase in accounts payable related to land, buildings, and equipment	**5,467**	254,370
Net Cash Used in Investing Activities	**(35,800,008)**	(102,641,996)
Cash Flows from Financing Activities		
Contributions restricted for endowments	**-**	197,200
Repayments of loan payable	**(955,818)**	(919,578)
Net Cash Used in Financing Activities	**(955,818)**	(722,378)
Net Change in Cash and Cash Equivalents	**27,676,579**	(31,639,793)
Cash and Equivalents, beginning of year	**61,703,474**	93,343,267
Cash and Equivalents, end of year	**$ 89,380,053**	$ 61,703,474
Supplemental Disclosures		
Cash paid during the year for interest	**$ 808,015**	$ 844,256
Right-of-use asset write-off due to lease termination	**3,155,000**	3,051,000

See notes to consolidated financial statements.

1. Description of the Organization

The American Society for the Prevention of Cruelty to Animals (the ASPCA) believes that animals are entitled to kind and respectful treatment at the hands of humans and deserve protection under the law. Founded in 1866, the ASPCA was the first animal welfare organization to be established in North America, and today, is a leading voice for animals, addressing critical issues to prevent the cruelty to and suffering of dogs, cats, equines, and farm animals in the United States. The ASPCA's programs—direct care, legislative efforts, research, and training and outreach—protect and save animal lives by increasing access to affordable veterinary care, advancing animal behavioral rehabilitation, securing legislative protections, supporting animal adoption and fostering, and assisting animal victims of cruelty, neglect or disaster.

As a 501(c)(3) not-for-profit corporation with more than two million supporters nationwide, the ASPCA is headquartered in New York City, where it maintains a strong local presence and numerous facilities. The ASPCA also operates facilities throughout the country including in Los Angeles, Miami, North Carolina, Washington, D.C., Illinois, Ohio, and Oklahoma. The ASPCA's programs and activities are grouped within five main areas: (1) shelter and veterinary services, including grants to other animal welfare organizations; (2) policy, response, and engagement programs, including grants to other animal welfare organizations; (3) public education and communications; (4) membership development and fundraising; and (5) management and general operations.

ASPCA Carson, LLC, is a California limited liability company, created in February 2023, which is organized and operated exclusively for charitable purposes and is operated exclusively to further the charitable purposes of its sole member, the ASPCA. ASPCA Carson, LLC holds property in California to be used by the ASPCA.

ASPCA Columbus, LLC, is an Ohio limited liability company, created in November 2024, which is organized and operated exclusively for charitable purposes and is operated exclusively to further the charitable purposes of its sole member, the ASPCA. ASPCA Columbus, LLC holds property in Ohio to be used by the ASPCA.

ASPCA Veterinary Services of North Carolina, P.C. is a professional corporation that provides the veterinary services of qualified, licensed veterinarians exclusively to the ASPCA in North Carolina, by way of a professional services agreement. These services include the veterinary services needed to operate a high-volume, high-quality companion animal sterilization training clinic in order to alleviate shelter pet overpopulation. This corporation was formed pursuant to the North Carolina Veterinary Practice Act. The ASPCA provides management services to ASPCA Veterinary Services of North Carolina, P.C. per a management services agreement.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) applicable to not-for-profit entities and include the accounts of the ASPCA; ASPCA Carson, LLC; ASPCA Columbus, LLC; and ASPCA Veterinary Services of North Carolina, P.C. (the ASPCA) in which the ASPCA has a controlling and economic interest. All significant intercompany balances and transactions have been eliminated in the consolidated financial statements.

Net Asset Classifications

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

Net Assets Without Donor Restrictions – This class consists of resources that are available for the general support of the ASPCA's operations and are not subject to donor-imposed restrictions. Within this category and separately identified are resources designated for specific use by the ASPCA's Board of Directors, referred to as Board Designated funds.

Net Assets With Donor Restrictions – This class consists of net assets of which the use has been restricted by donors to specific purposes and/or the passage of time. In addition, net assets with donor restrictions also includes endowment gains, which have not been appropriated for expenditure. When a donor -imposed restriction expires—that is, when a stipulated time restriction ends or a purpose is accomplished, or endowment funds are appropriated through an action of the Board—those net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying consolidated statements of activities and change in net assets as net assets released from donor restrictions. Net assets with donor restrictions also include the assets whereby donors have stipulated that the principal contributed be invested and retained in perpetuity, with investment return available for expenditure according to the restrictions, if any, imposed by those donors. Such resources also include the ASPCA's beneficial interests in perpetual trusts held by others.

Cash and Cash Equivalents

Cash equivalents are defined as short-term highly liquid investments with original maturities of three months or less, except for those cash equivalents included in the ASPCA's investment portfolio that are held for long-term investment purposes.

Fair Value

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances.

The ASPCA measures the fair value of its financial assets using a fair value hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available. The hierarchy is categorized into three levels using the following guidelines:

Level 1 - Inputs are quoted prices in active markets for identical assets, which are directly observable at year-end.

Level 2 - Inputs are other than quoted prices in active markets, which may be directly or indirectly observable at year-end.

Level 3 – This level consists of holdings that have little or no pricing observability at year-end. These are measured using management's best estimate of fair value, where inputs to determine fair value are not observable and require significant management judgment and estimation.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used as of December 31, 2025 and 2024:

Short-Term Investments - Cash and cash equivalents held for long-term purposes.

Common Stocks - Publicly traded in active markets.

Fixed Income Securities - Primarily publicly traded in active markets.

Mutual Funds – These funds are valued at the daily closing price as reported by the fund. Mutual funds held by the ASPCA are open-end mutual funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to publish their daily NAV and to transact at that price.

The mutual funds held by the ASPCA are deemed to be actively traded.

Alternative Investments - These funds do not make known, nor do they advertise their value and their performance data is not readily available. They do not have a readily determinable fair value and are valued at net asset value (NAV), which is assessed for reasonableness by ASPCA management.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the ASPCA believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Overall challenges to the economic environment have created significant financial market volatility and illiquidity. The ASPCA is not immune to the impacts of these market conditions. It should be noted that it is possible that fair values could change rapidly.

The carrying value of cash and cash equivalents approximates fair value as of December 31, 2025 and 2024. The carrying amounts of the ASPCA's investments and beneficial interest in trusts held by others approximate fair value and are presented in the fair value hierarchy in Notes 3 and 5, respectively.

Investments

Investment transactions are accounted for on the dates the purchases or sales are executed (trade date). Dividend income is recorded on the ex-dividend date; interest income is recorded as earned on the accrual basis. Investment returns are presented net of external investment expenses/fees and internal investment expenses, when applicable.

Split-Interest Agreements

The ASPCA has recognized the following types of split-interest agreements:

Beneficial Interests in Perpetual Trusts Held by Others

Donors have established and funded trusts that are administered by third-party trustees. Under the terms of these trusts, the ASPCA has the irrevocable right to receive all or a portion of the income earned on the trust assets either in perpetuity or for the life of the trust. The ASPCA does not control the assets held by the respective third-party trustees. Accordingly, the ASPCA recognizes its interest in such trusts, based on the fair value of the trusts.

Charitable Remainder Trusts

Donors have established and funded trusts under which specified distributions are to be made to a designated beneficiary or beneficiaries over the trusts' terms. Upon termination of the trusts' terms, the ASPCA receives their interest in the assets remaining in those trusts. Trusts are recorded as increases to net assets at the fair value of trust assets, less the present value of the estimated future payments to be made under the specific terms of the trusts.

Charitable Gift Annuities

Donors have contributed assets to the ASPCA in exchange for a promise by the ASPCA to pay a fixed amount or percentage for a specified period of time to such donors or to individuals or organizations designated by those donors. Under the terms of such agreements, no trusts exist as the assets received are held by, and the annuity liability is an obligation of, the ASPCA. The discount rates used to measure the liabilities ranged from 4.6% to 5.4% as of December 31, 2025 and from 4.40% to 5.60% as of December 31, 2024.

Split-interest agreements are recognized as revenue when notification of an irrevocable split-interest agreement occurs and when fair value can reasonably be determined.

Land, Buildings, and Equipment, Net

Land owned by the ASPCA is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation that is calculated using the straight-line method over the estimated useful lives of the assets. It is the ASPCA's policy to capitalize purchases in excess of $15,000 with useful lives greater than one year. Prior to January 1, 2024, the capitalization threshold was $5,000.

Land, buildings, and equipment contributed to the ASPCA are reported at fair value in the consolidated financial statements at the time of the contribution. Depreciation is calculated on buildings and equipment using the straight-line method over the estimated useful lives of the assets.

The ASPCA reports gifts of property, plant, and equipment as unrestricted by donors unless explicit donor stipulations specify how the donated assets should be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the ASPCA reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Impairment of Long-Lived Assets

The ASPCA reviews long-lived assets, including property and equipment, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. For the years ended December 31, 2025 and 2024, there have been no such losses.

Leases

The ASPCA leases office space and equipment used in operations. For many of these leases, the ASPCA is responsible for paying property taxes, insurance, as well as maintenance and repair costs. The ASPCA's real estate leases generally have initial lease terms of five to ten years or more and typically include one or more options to renew, with renewal terms that generally extend the lease term for an additional five to ten years or more. The ASPCA assesses renewal options using a "reasonably certain" threshold, which is understood to be a high threshold, and therefore the majority of its leases' terms do not include renewal periods for accounting purposes. For leases where the ASPCA is reasonably certain to exercise its renewal option, the option periods are included within the lease term and, therefore, the measurement of the right-of-use asset and lease liability. The payment structure of the ASPCA's leases generally include annual escalation clauses that are either fixed or variable in nature, some of which are dependent upon published indices.

Certain leases include an option to terminate the lease, the terms and condition of which vary by contract. These options allow the parties to the contract to terminate their obligations typically in return for an agreed upon financial consideration amount. The ASPCA's lease agreements do not contain material residual value guarantees.

Subsequent to the lease commencement date, the ASPCA reassesses lease classification when there is a contract modification that is accounted for as a separate contract, a change in the lease term or a change in the assessment of whether the lessee is reasonably certain to exercise an option to purchase the underlying asset or terminate the lease.

In August 2025, the ASPCA terminated its building lease for the 8th Ave in New York. In connection with this termination, the ASPCA derecognized the related operating lease right-of-use asset and lease liability which amounted to approximately $3,155,000 and $4,707,000, respectively. The termination also resulted in the write-off of approximately $2,284,000 of leasehold improvements, net of accumulated depreciation.

In 2024, the ASPCA terminated its building lease in Columbus, Ohio. Upon termination, the ASPCA derecognized the related operating lease right-of-use asset and lease liability in the approximate amounts of $3,051,000 and $3,208,000, respectively. The termination also resulted in the write-off of approximately $5,936,000 of leasehold improvements, net of accumulated depreciation.

Accrued Vacation

Employees accrue vacation based on tenure and salary band. Unused vacation balances carry over to future years, subject to a cap. As of December 31, 2025 and 2024, accrued vacation obligations were approximately $8,108,000 and $7,357,000, respectively.

The ASPCA's obligation for accrued vacation is included as a liability in the accompanying consolidated statements of financial position and represents the cost of unused employee vacation time payable in the event of employee terminations.

Revenue Recognition

Contributions and Memberships

Contributions and memberships are nonreciprocal transactions and are considered to be available for use without donor restrictions, unless they are specifically restricted by the donor. Contributions are recognized as revenue, at their fair value, when they become unconditional promises to give. Contributions of securities and other tangible assets are recorded at fair value at the date of gift.

Conditional contributions, including conditional promises to give, are not recognized until they become unconditional, that is, when the conditions, such as a barrier and right of return or release, are substantially met. The ASPCA has no agreements that consist of conditional funding in future years at December 31, 2025 and 2024.

Contributed Non-Financial Assets

Donated services are considered contributed non-financial assets and are reported at fair value in the consolidated financial statements only when those services (1) create or enhance nonfinancial assets or (2) require specialized skills provided by individuals possessing those skills and are services which would be typically purchased if not provided by donation. The fair value is based on the number of hours of the service provided multiplied by the rate it would have otherwise been paid.

Donated materials are also considered contributed non-financial assets and are reported at fair value at the date of the donation.

The ASPCA received and reported revenue and related expense as follows:

December 31, 2025

		Revenue Recognized	Donor Restrictions	Valuation Techniques and Inputs
Pet supplies	$	264,374	Unrestricted	Valued at fair market value on the date of donation, based on observable market prices
Legal		1,038,512	Unrestricted	Valued using the provider's customary hourly billing rates multiplied by actual hours of specialized legal service
Other		20,000	Unrestricted	Valued at fair market value on the date of donation, based on the nature of the specialized services provided
Total	$	1,322,886		

December 31, 2024

		Revenue Recognized	Donor Restrictions	Valuation Techniques and Inputs
Pet supplies	$	909,760	Unrestricted	Valued at fair market value on the date of donation, based on observable market prices
Legal		1,039,542	Unrestricted	Valued using the provider's customary hourly billing rates multiplied by actual hours of specialized legal service
Other		243,000	Unrestricted	Valued at fair market value on the date of donation, based on the nature of the specialized services provided
Total	$	2,192,302		

There were no donor-imposed restrictions associated with the donated services or assets.

Contributed non-financial assets are included as part of contributions, memberships, grants, and sponsorships on the consolidated statements of activities and change in net assets.

Grants and Sponsorships

The ASPCA enters into various grant and sponsorship agreements. Revenue relating to these agreements is recognized in accordance with the terms and conditions included therein. Grants are evaluated to determine if they represent an exchange transaction or contribution. If determined to be an exchange transaction, the grant is recognized as expenses are incurred.

Shelter and Veterinary Service Fees

Shelter and Veterinary Services fee revenues from the Animal Hospital, Animal Poison Control Center, ASPCA Spay/Neuter Alliance, and Community Medicine are primarily recognized at the time services are delivered. Revenue derived from contracts for Shelter and Veterinary Services customer, mostly are from Animal Poison Control corporate clients and New York City Department of Health and Mental Hygiene. The performance obligations in these contracts are distinct and revenue is recognized when the performance obligations are satisfied. Customers are charged based on the corresponding standalone prices.

Bequests and Trusts

Bequests are recorded as revenue when notification of an irrevocable right to receive such assets exists and when a fair value can reasonably be determined.

Royalties and Licenses

ASPCA enters into various agreements that provide royalty and licensing revenues. Revenues relating to royalty contracts are recognized in accordance with the terms and conditions included therein.

Revenue Composition

Revenues from contracts with customers in accordance with Accounting Standards Codification (ASC) Topic 606 are comprised of the following:

Year ended December 31,	**2025**	2024
Shelter and veterinary service fees	**$ 29,649,269**	$ 26,971,133
Royalties, licenses, and other	**11,030,255**	10,135,945
Total Operating Support and Revenue Subject to Topic 606	**40,679,524**	37,107,078
Operating support and revenue not subject to Topic 606	**406,717,911**	390,515,500
Total Operating Support and Revenue	**$ 447,397,435**	$ 427,622,578

Allowance for Credit Losses

Management must make estimates of the collectability of receivables. Management specifically analyzes historical bad debts, current funding trends and changes in payment terms and rates when evaluating the allowance for credit losses. As of December 31, 2025 and 2024, there was an allowance recorded of $152,577 and $189,536, respectively.

Allocation of Expenses on a Functional Basis

The consolidated financial statements report certain categories of expenses that are attributable to one or more programs or supporting functions of the ASPCA. These include depreciation and amortization, administration, communications, media promotion, information technology, facilities operations, occupancy, and maintenance. Depreciation and amortization and occupancy costs are allocated on a square footage or units of service basis. Costs of other categories were allocated on estimates of time and effort.

Expenses are presented according to the program services for which they were incurred and are summarized on a functional basis in the accompanying consolidated statements of activities and change in net assets and functional expenses.

The various program services and supporting activities of the ASPCA are as follows:

Shelter and Veterinary Services - Includes the ASPCA Animal Hospital, Adoption Center, Animal Recovery Center, Canine Annex for Recovery & Enrichment and Kitten Nursery in New York City; Community Veterinary Clinics and spay/neuter facilities in New York City, Miami and Los Angeles; the ASPCA Spay/Neuter Alliance in Asheville, North Carolina; the Equine Transition & Adoption Center in Oklahoma; Relocation and Placement efforts nationwide; Shelter Medicine Services offered across the country; the Northern Tier Shelter Initiative; Shelter Services Operations; the Animal Poison Control Center, a 24-hour Animal Poison Control telephone hotline in Champaign, Illinois; and grant-making efforts to support other animal welfare organizations.

Public Education and Communications - Includes activities to create public awareness that engages audiences to support the ASPCA's mission on priority issues. It also includes ASPCA communications, including internal, external, and marketing communications, that drive public engagement with the ASPCA's many programs.

Policy, Response, and Engagement - Focuses on rescuing and rehabilitating animals, changing policies to improve animal welfare, ensuring enforcement of existing cruelty laws, and providing resources and support to keep pets and people together. This includes Legal Advocacy & Investigations and Humane Law Enforcement and Community Engagement in New York City; Forensic Sciences in New York and Florida, including the ASPCA Veterinary Forensic Science Center in Gainesville, Florida, which assists local, state, and federal agencies; Government Relations based in Washington, D.C. which focuses on national, state, and local legislative initiatives; the Behavioral Sciences Team and the Behavioral Rehabilitation Center in Weaverville, North Carolina; the Cruelty Recovery Center in Ohio; the Recovery & Rehabilitation Center in Pawling, New York; the National Field Response team, which conducts animal field investigations and response efforts nationwide; Farm Animal Welfare; and grant-making efforts to support other animal welfare organizations.

Membership Development and Fundraising - Involves the direction of the overall fundraising affairs of the ASPCA to support our lifesaving work, which includes engaging individuals and organizations to support our mission through cause partnerships and events, philanthropy, membership, legacy giving, and other development efforts.

Management and General Operations - Includes the direction of the overall affairs and management of the ASPCA, including finance functions, facilities operations, project management, real estate and capital projects, process improvement, information technology, legal operations, people management and development, and strategy and research.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. The more significant estimates relate to the valuation of alternative investments, annuity obligations, the beneficial interest in third-party trusts, the useful lives of fixed assets, the expense allocation on a functional basis, and the collectability of receivables. Actual results could differ from those estimates.

Advertising Expenses

The ASPCA uses advertising to educate the public and bring awareness to its programs and mission. The production costs of advertising are expensed as incurred. Advertising costs totaled approximately $83,141,000 and $71,134,000 for the years ended December 31, 2025 and 2024, respectively.

Measure of Operations

The ASPCA uses the change in net assets from operating activities as the measure of net assets that are available to support current and future programs and services. Operating activities include all revenues and expenses related to carrying out the ASPCA's mission. Nonoperating activities include contributions, bequest and trusts restricted for endowment, changes in beneficial interests in trusts held by others, and other activities considered to be of a more unusual or nonrecurring nature. In addition, the ASPCA has a spending policy under which a predetermined amount of investment return is authorized to fund operations. The difference between the actual investment return and the amount authorized and appropriated to fund operations is reported as nonoperating.

Income Taxes

The ASPCA; ASPCA Carson, LLC; ASPCA Columbus, LLC; and ASPCA Veterinary Services of North Carolina, P.C. qualify as tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code (IRC) and corresponding provisions of the laws in New York State, California, Ohio, and North Carolina, respectively, and are not subject to federal or state income taxes. Accordingly, donors are entitled to a charitable contribution deduction as defined in the IRC. Continued qualification of tax-exempt status is contingent upon compliance with the requirements of the IRC.

The ASPCA recognizes the effects of income tax positions only if those positions are more likely than not of being sustained. No provision for income taxes was required for 2025 or 2024.

Reclassifications

Certain prior years amounts have been reclassified to conform to the current year presentation. The reclassifications have no effect on net assets or operating results of the prior year.

3. Investments

Investments consist of the following:

December 31,	**2025**	2024
Cash and cash equivalents	**$ 4,076,771**	$ 7,802,921
Common stocks	**89,865**	64,204
Fixed income securities	**1,618,028**	1,500,502
Mutual funds	**460,146,850**	393,655,464
Alternative investments	**82,757,542**	63,800,841
Total Investments	**$ 548,689,056**	$ 466,823,932

The net return on investments and interest-bearing cash and cash equivalents consist of the following:

Year ended December 31,	**2025**	2024
Interest and dividends, net of expenses of approximately $841,000 and $708,000, respectively	**$ 21,229,592**	$ 18,962,042
Unrealized gains	**13,086,341**	26,759,520
Realized gains	**47,141,590**	28,531
Net Return on Investments	**$ 81,457,523**	$ 45,750,093

Spending Policy

The objective of the ASPCA's spending policy is to allocate in a reasonable and balanced manner the total earnings from the investment portfolio between current spending and reinvestment for future earnings and expenditures in order for the purchasing power of the investment portfolio to be maintained or enhanced. Such purchasing power is to provide a stable source of income to the operating fund of the ASPCA and to meet certain working capital and or capital expenditures needs. Budgeted annual spending is generally set at the lesser of 5% of the investment portfolio's average

five-year portfolio value or 5% of the beginning year balance and is subject to approval by the Finance Committee and the Board during the annual budget review and approval process. Any overage will reduce future spending by the amount of such overage (reduction implemented over subsequent one to three years). The Finance Committee and the Board approved a spending amount to be used for operations in 2025 and in 2024; however, due to favorable operating activities, the ASPCA did not need to utilize it.

The following tables present the ASPCA's fair value hierarchy for those investments measured at fair value on a recurring basis:

December 31, 2025

	Level 1	Level 2	Total
Common stocks	$ 89,865	$ -	$ 89,865
Fixed income securities	1,552,962	65,066	1,618,028
Mutual funds	454,047,281	6,099,569	460,146,850
Total Investments, in the fair value hierarchy	$ 455,690,108	$ 6,164,635	461,854,743
Alternative investments reported at NAV			82,757,542
Cash and cash equivalents			4,076,771
Total Investments			$ 548,689,056

December 31, 2024

	Level 1	Level 2	Total
Common stocks	$ 64,204	$ -	$ 64,204
Fixed income securities	1,435,461	65,041	1,500,502
Mutual funds	385,063,287	8,592,177	393,655,464
Total Investments, in the fair value hierarchy	$ 386,562,952	$ 8,657,218	395,220,170
Alternative investments reported at NAV			63,800,841
Cash and cash equivalents			7,802,921
Total Investments			$ 466,823,932

Investments with a fair value of $12,872,751 and $11,570,380 and cash equivalents of $304,649 and $522,292 as of December 31, 2025 and 2024, respectively, were held in investment accounts relating to charitable gift annuities, in compliance with the insurance laws of various states. The ASPCA maintains separate and distinct reserve funds adequate to meet the future payments of all outstanding charitable gift annuities administered by the ASPCA.

Certain information regarding the liquidity and redemption features of the ASPCA's alternative investments (measured at NAV) is as follows:

December 31, 2025

	NAV	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Fund of funds, private equity[(a)]	$ 4,868,402	$ 613,839	None	N/A
Private equity in liquidation[(b)]	2,406,957	760,478	None	N/A
Private equity[(c)]	26,153,279	745,863	Annual	60 days
Emerging markets[(d)]	21,277,236	-	Daily	3-5 days
Equity long[(e)]	28,051,668	-	Monthly	15 days
Total	$ 82,757,542	$ 2,120,180		

December 31, 2024

	NAV	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Fund of funds, private equity[(a)]	$ 169,271	$ 613,839	None	N/A
Private equity in liquidation[(b)]	2,821,889	760,478	None	N/A
Private equity[(c)]	22,382,558	745,863	Annual	60 days
Emerging markets[(d)]	13,689,122	-	Daily	3-5 days
Equity long[(e)]	24,738,001	-	Monthly	15 days
Total	$ 63,800,841	$ 2,120,180		

[(a)] This category includes investments in a fund that invests in a diversified portfolio of interests in private investment funds, principally established global buyout, mezzanine, and venture capital funds primarily through secondary market transactions.

[(b)] This category includes several private equity funds that invest in privately held corporations and domestic and international venture capital and private funds. Certain of these investments can never be redeemed by the ASPCA and, in these instances; distributions are received through the liquidation of the underlying assets of the fund. The ASPCA's ability to access these assets for operational or spending needs is therefore limited, and the fair value of these investments may not be realized until the fund's underlying positions are liquidated.

[(c)] This category includes several private equity funds that invest in privately held corporations and domestic and international venture capital and private funds.

[(d)] This category includes investments in a fund that invests in a diversified portfolio of emerging market securities.

[(e)] This category includes investments in a limited partnership that invests primarily in equity index option premiums.

4. Bequests and Contributions Receivable, Net

Bequests and contributions receivable are scheduled to be collected as follows:

December 31,	**2025**	2024
Within one year	**$ 19,663,076**	$ 25,803,749
In two to five years	**1,788,333**	3,876,665
In more than five years	**-**	-
	21,451,409	29,680,414
Less: discount to present value	**(61,309)**	(158,755)
Net Amount	**$ 21,390,100**	$ 29,521,659

Contributions expected to be collected in more than two years are reflected at the present value of estimated future cash flows using discount rates based on treasury bill rates which range from 3.55% to 3.73%.

Management expects all bequest and contributions receivable to be fully collected and, accordingly, no allowance for doubtful bequests and contributions has been provided as of December 31, 2025, or 2024.

5. Beneficial Interests in Trusts Held by Others

Beneficial interests in trusts held by others in the accompanying consolidated statements of financial position are remainder interests in several irrevocable trusts. The present value of the ASPCA's share of future interests in charitable remainder trusts amounted to approximately $659,000 and $628,000 as of December 31, 2025 and 2024, respectively, and has been included in net assets with donor restrictions. The present values of the trusts are calculated using discount rates between 4.2% and 4.9% as of December 31, 2025 and 4.6% and 4.9% as of December 31, 2024. Beneficial interests in perpetual third-party trusts of approximately $27,258,000 and $24,569,000 valued at the ASPCA's share of the fair value of the underlying trust assets, are included in net assets with donor restrictions as of December 31, 2025 and 2024, respectively.

As of December 31, 2025 and 2024, the ASPCA's beneficial interests in trusts held by third-party trustees were classified as Level 3 instruments within the fair value hierarchy. The underlying assets consist of a broad basket of securities, primarily including equities, bonds, and cash and are independently valued by a firm who custodies these assets. These assets are subject to a time restriction and thus the value is discounted back to the net present value as of December 31, 2025 and 2024. The underlying securities are subject to overall market risk that may result in the ultimate realized value of these assets being materially different from the stated balances as of December 31, 2025 and 2024.

The following table summarizes the changes in the ASPCA's Level 3 beneficial interests in trusts held by third party trustees:

	Charitable Remainder Trusts	Perpetual Trusts	Total
Balance, December 31, 2023	$ 726,215	$ 22,725,367	$ 23,451,582
Acquisitions	-	-	-
Dispositions	(102,355)	-	(102,355)
Net appreciation	3,944	1,843,647	1,847,591
Balance, December 31, 2024	627,804	24,569,014	25,196,818
Acquisitions	-	-	-
Dispositions	-	(15,950)	(15,950)
Net appreciation	30,683	2,705,082	2,735,765
Balance, December 31, 2025	$ 658,487	$ 27,258,146	$ 27,916,633

6. Land, Buildings, and Equipment, Net

Land, buildings, and equipment, net, consisted of the following:

December 31,

	2025	2024	Estimated Useful Lives (Years)
Land	**$ 15,963,822**	$ 15,963,823	-
Buildings	**71,932,332**	39,333,264	20-40
Building improvements	**45,547,240**	49,367,871	3-25
Leasehold Improvements	**14,571,905**	16,879,975	3-20
Furniture, fixtures, and equipment	**19,496,529**	20,253,787	3-10
Transportation equipment	**10,281,470**	10,343,996	4-6
Construction in progress	**8,402,695**	30,201,967	N/A
Total Cost	**186,195,993**	182,344,683	
Less: accumulated depreciation and amortization	**(71,698,299)**	(69,776,265)	
Net Land, Buildings, and Equipment	**$ 114,497,694**	$ 112,568,418	

For the years ended December 31, 2025 and 2024, the ASPCA recorded depreciation and amortization expense of $9,959,253 and $8,338,542, respectively. As of December 31, 2025 and 2024, future commitments of approximately $1,801,012 and $6,232,000, respectively, relate to signed construction contracts.

7. Loan Payable

On June 1, 2022, the ASPCA entered into a loan agreement with a financial institution in the amount of $25,000,000 for the purchase of land and the development of a building. The loan bears interest at 3.57% per annum. The loan requires monthly payments of principal and interest, based on a -20-

year amortization schedule with a maturity date of May 1, 2042. The loan does not require the ASPCA to maintain collateral.

Scheduled future principal payments of loan payable are as follows:

Year ending December 31	
2026	$ 990,993
2027	1,027,465
2028	1,063,280
2029	1,104,410
2030	1,145,055
Thereafter	16,472,679
	$ 21,803,882

Interest expense on the loan payable for the years ended December 31, 2025 and 2024 was approximately $808,000 and $844,000, respectively.

The ASPCA is subject to certain covenant requirements with respect to certain organizational and operational restrictions as defined in the Term Sheet. In addition, the ASPCA is required to maintain a ratio of unrestricted liquidity to total funded debt, including capitalized operating leases, of no less than 1:1 measured at December 31st of each year and each second fiscal quarter of each fiscal year. As of December 31, 2025, the ASPCA is in compliance with this financial covenant.

8. Pension and Deferred Compensation Plans

Defined Contribution Plan

The ASPCA sponsors a 401(k) defined contribution retirement plan. Substantially all employees paid through the ASPCA's payroll are eligible to participate. The ASPCA matches 100% of pretax employee contributions up to 4% of eligible compensation in each pay period for employees who complete one year of eligibility service. Employee and matching employer contributions are immediately 100% vested. Additional employer contributions are also made as a percentage of compensation in each pay period for eligible employees. These additional contributions are fully vested for employees who have attained at least three years of vesting service. Employer contributions, representing matching employee contributions plus additional employer contributions, totaled approximately $7,452,000 and $7,112,000 in 2025 and 2024, respectively.

Deferred Compensation Plan

During 2019, the ASPCA adopted a 457(b) deferred compensation plan (the B Plan) for certain highly compensated executive employees. The B Plan permits only employer-funded discretionary contributions. Pursuant to the B Plan document, the B Plan's assets are considered general assets of the ASPCA until the assets are distributed to the respective participants or beneficiaries. As a result, the B Plan's net assets available for benefits of approximately $1,650,000 and $1,265,000 as of December 31, 2025 and 2024, respectively, are included in prepaid expenses and other assets and other liabilities in the ASPCA's consolidated statements of financial position. For the years ended December 31, 2025 and 2024, the ASPCA contributed $188,000 and $184,000, respectively, into the B Plan.

During 2020, the ASPCA adopted a 457(f) deferred compensation plan (the F Plan) for the President and Chief Executive Officer. The F Plan accrues an annual employer-funded amount of $50,000 that remains unvested until the end of a five-year employment term, at which point the vested amount is distributed and the F Plan renews in five year increments contingent on continuous employment and employment and contract renewal. In 2025, $250,000 was distributed to the President and Chief Executive Officer pursuant to the provisions of the F Plan and a new, award cycle was begun.

9. Allocation of Joint Costs

Direct appeal joint costs incurred in connection with mailing educational and informational materials are allocated to program and supporting services on the basis of the content of the respective materials. These costs were allocated as follows:

Year ended December 31,	**2025**	2024
Program services	**$ 73,347,667**	$ 70,258,157
Membership development and fundraising	**66,897,132**	61,933,627
Management and general	**2,533,397**	1,981,319
Total	**$ 142,778,196**	$ 134,173,103

10. Net Assets

The ASPCA's net assets without donor restrictions are comprised of undesignated and board-designated amounts and summarized as follows:

December 31,	**2025**	2024
Without donor restrictions:		
Operating	**$ 632,786,547**	$ 560,414,894
Board Designated Endowment	**56,647,345**	-
Total Without Donor Restrictions	**689,433,892**	560,414,894
With donor restrictions:		
Restricted in perpetuity	**36,001,403**	33,296,320
Restricted for use in future periods	**15,853,081**	23,046,266
Purpose restricted, shelter and veterinary services	**1,571,320**	14,996,309
Purpose restricted, policy, response and engagement	**2,180,841**	2,282,350
Purpose restricted, grants and sponsorships	**3,566,639**	4,789,670
Purpose restricted, other	**216,459**	221,460
Total With Donor Restrictions	**59,389,743**	78,632,375
Total Net Assets	**$ 748,823,635**	$ 639,047,269

In June 2025, the Board of Directors established a Board-designated endowment fund in the amount of $50,000,000 to support the ASPCA Scholarship Program. The purpose of the fund is to provide scholarships to qualifying veterinary and veterinary technician students, with awards and related program administration costs funded by earnings on the corpus. Consistent with its Board-designated nature, the endowment balance is classified as unrestricted and is included in net assets without donor restrictions—board-designated and invested within the investment portfolio consistent with policy.

During each year, net assets released from donor restrictions resulted from the satisfying of the following donor restrictions:

	2025	2024
Shelter and veterinary services	**$ 24,096,318**	$ 13,148,492
Policy, response, and engagement	**5,031,343**	6,317,750
Grants and sponsorships	**7,430,868**	12,744,118
Time restrictions	**21,359,149**	16,582,060
Other	**30,000**	1,000
Total	**$ 57,947,678**	$ 48,793,420

11. Liquidity and Availability of Resources

The ASPCA's financial assets available within one year of the consolidated statements of financial position dates for general expenditure such as operating expenses are as follows:

December 31,	2025	2024
Cash and cash equivalents	**$ 89,380,053**	$ 61,703,474
Other receivables, net	**4,054,252**	5,499,976
Bequests and contributions receivable, net	**19,663,076**	25,803,749
Short-term investments	**3,772,122**	7,280,629
Investments available for current use	**531,739,529**	447,450,631
Total	**648,609,032**	547,738,459
Less: amounts unavailable for general expenditures within one year	**(116,037,387)**	(78,632,375)
Total Financial Assets Available for General Expenditure	**$ 532,571,645**	$ 469,106,084

The financial assets in the table above have been reduced by amounts not available for general use because of contractual or donor restrictions within one year of the date of the consolidated statements of financial position. Income from donor-restricted endowments is also restricted for specific purposes and has not been appropriated, and therefore, is not available for general expenditures.

As part of the ASPCA's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, the ASPCA invests cash in excess of daily requirements in short-term investments. To help manage unanticipated liquidity needs, the ASPCA has a $25 million committed line of credit, which can be drawn upon to help manage unanticipated liquidity needs. However, the investment portfolio contains investments with lock-up provisions that would reduce the total investments that could be made available (see Note 3 for disclosures about investments).

12. Endowment Net Assets

Interpretation of Relevant Law

The ASPCA's endowment includes both donor-restricted endowment funds and funds designated by the Board to function as endowment. The ASPCA's endowment is subject to the provisions of the New York Prudent Management of Institutional Funds Act (NYPMIFA). Under NYPMIFA, the ASPCA manages an endowment fund consisting of donor-restricted funds that are not wholly expendable on a current basis and board-designated funds. The ASPCA maintains the historic value of each endowment fund and appropriates the appreciation of each fund, but not the original value. These funds are maintained in the ASPCA's investment portfolio, which is governed by the investment policy. Appropriation occurs in the form of the spending policy, which is approved by the board of directors of the ASPCA during the annual budget process.

Return Objectives and Risk Parameters

The Board has adopted investment and spending policies for the ASPCA's endowment assets that seek to provide a predictable stream of funding to programs supported by its endowment funds and maintain the purchasing power of the endowment over time.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the ASPCA relies on a total-return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The ASPCA targets a diversified asset allocation within prudent risk constraints.

Spending Policy

The ASPCA applies the spending policy described in Note 3 to its endowment funds.

Funds With Deficiencies

Due to unfavorable market fluctuations, from time-to-time the fair value of assets associated with individual donor-restricted endowment funds may decline below the historical dollar value of the donor's original, with restriction contribution. There were no such deficiencies in either 2025 or 2024.

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The following summarizes the ASPCA's endowment net assets:

December 31, 2025

Endowment Composition	Without Donor Restriction	With Donor Restriction: Unappropriated Endowment Earnings	With Donor Restriction: Perpetual Endowment	Total Endowment Funds
Donor-restricted endowment funds	$ -	$ 8,036,387	$ 8,727,305	$ 16,763,692
Board-designated endowment funds	56,647,345	-	-	56,647,345
Total Endowment Funds	$ 56,647,345	$ 8,036,387	$ 8,727,305	$ 73,411,037
Change in Endowment Net Assets				
Endowment Net Assets, beginning of year	$ -	$ 6,578,124	$ 8,727,305	$ 15,305,429
Contributions and bequests	50,000,000	-	-	50,000,000
Investment return	6,647,645	1,458,263	-	8,105,908
Endowment Net Assets, end of year	$ 56,647,645	$ 8,036,387	$ 8,727,305	$ 73,411,337

December 31, 2024

Endowment Composition	Without Donor Restriction	With Donor Restriction: Unappropriated Endowment Earnings	With Donor Restriction: Perpetual Endowment	Total Endowment Funds
Donor-restricted endowment funds	$ -	$ 6,578,124	$ 8,727,305	$ 15,305,429
Board-designated endowment funds	-	-	-	-
Total Endowment Funds	$ -	$ 6,578,124	$ 8,727,305	$ 15,305,429
Change in Endowment Net Assets				
Endowment Net Assets, beginning of year	$ -	$ 5,654,455	$ 8,530,105	$ 14,184,560
Contributions and bequests	-	-	197,200	197,200
Investment return	-	923,669	-	923,669
Endowment Net Assets, end of year	$ -	$ 6,578,124	$ 8,727,305	$ 15,305,429

The Board established $50,000,000 in 2025 with $6,647,645 return, ending board-designated endowment without donor restrictions totals $56,647,645.

For the year ended December 31, 2024, no endowment net assets without donor restrictions existed.

13. Operating Leases

The ASPCA has noncancelable operating leases, which expire in various years through 2041. Most of these leases generally contain renewal options and require the ASPCA to pay all executory costs (property taxes, maintenance and insurance). The ASPCA considers the renewal options in determining the lease term used to establish the right-to-use asset.

The ASPCA's right-of-use assets pertaining to these operating leases represent the right to use the facilities for their respective lease terms, and the corresponding operating leases liabilities represent the obligation to make lease payments arising from the respective leases. Such right-of-use assets and operating leases liabilities are recognized at each of the leases' commencement dates at the present value of lease payments over the lease term for leases with initial terms greater than a year. As these leases do not provide an implicit rate, the ASPCA utilized the incremental borrowing rate based on information available at the lease commencement date in determining the present value of lease payments. A right-of-use asset and operating lease liability are not recognized for leases with an initial term of 12 months or less, and the ASPCA recognizes lease expense for such leases over the lease term within occupancy expenses in the consolidated statements of functional expenses.

The components of lease cost included in the accompanying consolidated statements of functional expenses are as follows:

Year ended December 31,	**2025**	2024
Operating lease cost:		
Lease cost, leases with terms greater than one year	**$ 4,398,079**	$ 5,141,377
Short-term lease cost	**120,692**	283,118
Total Lease Cost	**$ 4,518,771**	$ 5,424,495

Other information related to the ASPCA's operating leases and supplemental cash flows are as follows:

Year ended December 31,	**2025**	2024
Operating cash flows from operating leases	**$ 5,061,150**	$ 5,811,565
Weighted-average remaining lease term for operating leases	**9.37 years**	8.90 years
Weighted-average discount rate on operating leases	**3.31%**	2.2%

* Cash flows relating to operating lease costs for leases with terms greater than one year. Excludes variable lease costs.

Future minimum lease payments as of December 31, 2025 were:

2026	$ 3,843,409
2027	3,265,185
2028	2,725,567
2029	2,750,582
2030	1,276,021
Thereafter	8,327,972
Total Minimum Lease Payments	22,188,736
Less: interest	(3,022,790)
Total	$ 19,165,946

Future minimum lease payments as of December 31, 2024 were:

2025	$	5,418,872
2026		5,525,653
2027		1,551,891
2028		1,027,331
2029		1,030,075
Thereafter		9,127,618
		23,681,440
Less: interest		(2,920,400)
Total	$	20,761,040

14. Commitments and Contingencies

Litigation

The ASPCA is a defendant in several lawsuits arising in the normal course of operations. All of the significant suits and many of the others involve insured risks, subject to deductibles and co-insurance requirements. While outside counsel cannot predict the outcome of such litigation, management does not expect the net financial outcome to have a material effect on the financial position, change in net assets and cash flows of the ASPCA.

Financing Activities

The ASPCA renegotiated its unsecured revolving line of credit with TD Bank on June 1, 2022 in the amount of $25,000,000 with an interest rate per annum of 1.36% percentage points in excess of the lower of the Secured Overnight Financing Rate (SOFR) or a fluctuating interest rate equal to prime. The purpose of the line of credit is for the short-term working capital needs of the ASPCA. There was no payable balance on the line of credit as of December 31, 2025 and 2024.

Concentration of Credit Risks

Financial instruments that potentially subject the ASPCA to concentrations of credit risk consist principally of cash, cash equivalents and investments. The ASPCA maintains its cash and cash equivalents in various bank deposit accounts that at times may exceed federally insured limits. To minimize risk, the ASPCA's cash accounts are placed with high-credit quality financial institutions, while the ASPCA's investment portfolio is diversified with several investment managers in a variety of asset classes. The ASPCA regularly evaluates its depository arrangements and investments, including performance thereof.

15. Subsequent Events

Subsequent events have been evaluated through May 28, 2026, which is the date the consolidated financial statements were available to be issued.

Supplemental Information

The American Society for the Prevention of Cruelty to Animals

Consolidating Statement of Financial Position

December 31, 2025

	ASPCA	ASPCA Veterinary Services of NC, PC	ASPCA Carson, LLC	ASPCA Columbus, LLC	Eliminations	ASPCA Consolidated
Assets						
Cash and cash equivalents	$ 89,255,705	$ 124,348	$ -	$ -	$ -	$ 89,380,053
Bequests and contributions receivable, net of discount of approximately $61,000	21,390,100	-	-	-	-	21,390,100
Other receivables, net of allowance of approximately $153,000	4,054,252	-	-	-	-	4,054,252
Due from related parties	1,119,876	-	-	-	(1,119,876)	-
Prepaid expenses and other assets	5,836,642	-	15,142	-	-	5,851,784
Investments	548,689,056	-	-	-	-	548,689,056
Beneficial interest in trusts held by others	27,916,633	-	-	-	-	27,916,633
Land, buildings and equipment, net	95,627,250	-	9,637,826	9,232,618	-	114,497,694
Right-of-use assets	17,725,691	-	-	-	-	17,725,691
Total Assets	$ 811,615,205	$ 124,348	$ 9,652,968	$ 9,232,618	$ (1,119,876)	$ 829,505,263
Liabilities and Net Assets						
Liabilities						
Accounts payable and accrued expenses	$ 31,368,187	$ -	$ 415,398	$ 18,135	$ -	$ 31,801,720
Due to related parties	-	1,093,504	-	26,372	(1,119,876)	-
Other liabilities	1,703,162	-	-	-	-	1,703,162
Annuity obligations	6,206,918	-	-	-	-	6,206,918
Operating leases liabilities	19,165,946	-	-	-	-	19,165,946
Loan payable	21,803,882	-	-	-	-	21,803,882
Total Liabilities	80,248,095	1,093,504	415,398	44,507	(1,119,876)	80,681,628
Net Assets						
Net assets without donor restrictions:						
Operating	615,331,107	(970,241)	9,237,570	9,188,111	-	632,786,547
Board designated	56,647,345	-	-	-	-	56,647,345
Net Assets Without Donor Restrictions	671,978,452	(970,241)	9,237,570	9,188,111	-	689,433,892
Net assets with donor restrictions	59,388,658	1,085	-	-	-	59,389,743
Total Net Assets	731,367,110	(969,156)	9,237,570	9,188,111	-	748,823,635
Total Liabilities and Net Assets	$ 811,615,205	$ 124,348	$ 9,652,968	$ 9,232,618	$ (1,119,876)	$ 829,505,263