Southeastern Guide Dogs, Inc. and
Southeastern Guide Dogs, Inc. Endowment Trust
d.b.a. Dogs Inc

Combined Financial Statements,
Supplemental Information and
Independent Auditor's Report
June 30, 2026 and 2025

KERKERING BARBERIO
ACCOUNTING ▪ TAX ▪ CONSULTING

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KERKERING BARBERIO
Kerkering, Barberio & Co.
Certified Public Accountants

Independent Auditor's Report

The Board of Directors
Southeastern Guide Dogs, Inc. d.b.a. Dogs Inc and
Southeastern Guide Dogs, Inc. Endowment Trust
Palmetto, Florida

Opinion

We have audited the combined financial statements of Southeastern Guide Dogs, Inc. d.b.a. Dogs Inc (the School) and Southeastern Guide Dogs, Inc. Endowment Trust (the Trust), collectively referred to as the Organization, which comprise the combined statements of financial position as of June 30, 2026 and 2025, the related combined statements of activities, cash flows and functional expenses for the years then ended, and the related notes to the combined financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2026 and 2025, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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 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 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 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 the Organization'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 the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has not been subjected to the auditing procedures applied in the audits of the financial statements. Accordingly, we do not express an opinion on the supplemental information referred to above.

Kukuing Barbosio & Co.

Sarasota, Florida
November 3, 2026

Southeastern Guide Dogs, Inc. and
Southeastern Guide Dogs, Inc. Endowment Trust
d.b.a. Dogs Inc

Combined Statements of Financial Position
June 30, 2026 and 2025

Assets	**2026**	**2025**
Cash and cash equivalents:		
Without donor restrictions	$ 1,388,501	$ 5,218,206
With donor restrictions - purpose and time	126,186	1,316,429
With donor restrictions - perpetual in nature	175,174	376,788
Total cash and cash equivalents	1,689,861	6,911,423
Accrued interest receivable	800,196	716,697
Promises to give, net (Note 4)	420,997	652,728
Prepaid expenses and other assets	109,711	119,428
Merchandise inventory	54,212	45,631
Investments (Note 5):		
Restricted for gift annuity liability	20,521	21,101
Without donor restrictions	58,805,985	57,170,006
With donor restrictions - purpose and time	4,847,958	4,456,966
With donor restrictions - perpetual in nature	15,116,166	14,318,606
Total investments	78,790,630	75,966,679
Bequests and estates receivable	2,504,711	385,601
Charitable trusts receivable	292,483	279,634
Mortgage receivable	74,831	78,659
Property and equipment, net (Note 7)	31,566,823	29,052,191
Total Assets	$ 116,304,455	$ 114,208,671
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	$ 1,983,927	$ 1,810,312
Gift annuity liability	20,521	21,101
Note payable (Note 8)	-	1,510,776
Total liabilities	2,004,448	3,342,189
Net Assets:		
Without donor restrictions:		
Undesignated	57,256,724	55,096,611
Investment in property and equipment	31,566,823	29,052,191
Total net assets without donor restrictions	88,823,547	84,148,802
With donor restrictions:		
Purpose and time restrictions	10,019,493	12,049,683
Perpetual in nature	15,456,967	14,667,997
Total net assets with donor restrictions (Note 10)	25,476,460	26,717,680
Total net assets	114,300,007	110,866,482
Total Liabilities and Net Assets	$ 116,304,455	$ 114,208,671

See accompanying notes to combined financial statements.

Southeastern Guide Dogs, Inc. and
Southeastern Guide Dogs, Inc. Endowment Trust
d.b.a. Dogs Inc

Combined Statement of Activities
Year Ended June 30, 2026
(With Summarized Totals for 2025)

	Without Donor Restrictions	With Donor Restrictions	Total	2025 Total
Support and Revenue:				
Individuals	$ 4,667,764	$ 3,579,435	$ 8,247,199	$ 7,593,042
Bequests	3,858,126	2,589,760	6,447,886	10,090,842
Lions Club	53,737	20,932	74,669	80,918
Service clubs	16,623	144,457	161,080	205,809
CFC project	33,098	-	33,098	40,698
Foundations	1,694,780	1,302,764	2,997,544	2,890,932
Corporate donations	140,769	517,822	658,591	1,086,452
Contributed services and nonfinancial assets (Note 2)	28,562,392	-	28,562,392	26,543,999
Marketing revenue	44,510	-	44,510	27,143
Other revenue	321,341	-	321,341	340,116
Merchandise sales, net of cost of sales of $30,026	7,672	-	7,672	8,100
Special events, net of direct costs of $273,547	418,935	-	418,935	421,594
Gain on disposal of assets	5,000	-	5,000	45,862
Realized gain (loss) on investments, net	(185,245)	724,238	538,993	11,501
Unrealized gain (loss) on investments, net	1,025,931	(10,437)	1,015,494	1,338,443
Investment income, net of investment expenses	2,919,263	139,520	3,058,783	3,118,732
Total support and revenue	43,584,696	9,008,491	52,593,187	53,844,183
Net assets released from restrictions	10,282,533	(10,282,533)	-	-
Total support, revenue and releases	53,867,229	(1,274,042)	52,593,187	53,844,183
Functional Expenses:				
Program services	43,508,546	-	43,508,546	41,338,178
Supporting services:				
Management and general	1,721,883	-	1,721,883	1,474,919
Fundraising	3,947,625	-	3,947,625	3,833,606
Total functional expenses	49,178,054	-	49,178,054	46,646,703
Change in net assets before change in value of split interest agreements	4,689,175	(1,274,042)	3,415,133	7,197,480
Change in value of split interest agreements	(14,430)	32,822	18,392	12,896
Change in net assets	4,674,745	(1,241,220)	3,433,525	7,210,376
Net assets - beginning of year	84,148,802	26,717,680	110,866,482	103,656,106
Net assets - end of year	$ 88,823,547	$ 25,476,460	$ 114,300,007	$ 110,866,482

See accompanying notes to combined financial statements.

Southeastern Guide Dogs, Inc. and
Southeastern Guide Dogs, Inc. Endowment Trust
d.b.a. Dogs Inc

Combined Statement of Activities
Year Ended June 30, 2025
(With Summarized Totals for 2026)

	Without Donor Restriction	With Donor Restrictions	Total	2026 Total
Support and Revenue:				
Individuals	$ 4,278,788	$ 3,314,254	$ 7,593,042	$ 8,247,199
Bequests	9,644,604	446,238	10,090,842	6,447,886
Lions Club	71,618	9,300	80,918	74,669
Service clubs	9,429	196,380	205,809	161,080
CFC project	40,358	340	40,698	33,098
Foundations	1,512,194	1,378,738	2,890,932	2,997,544
Corporate donations	551,854	534,598	1,086,452	658,591
Contributed services and nonfinancial assets (Note 2)	26,543,999	-	26,543,999	28,562,392
Marketing revenue	27,143	-	27,143	44,510
Other revenue	340,116	-	340,116	321,341
Merchandise sales, net of cost of sales of $44,593	8,100	-	8,100	7,672
Special events, net of direct costs of $412,682	421,594	-	421,594	418,935
Gain on disposal of assets	45,862	-	45,862	5,000
Realized gain (loss) on investments, net	908,646	(897,145)	11,501	538,993
Unrealized gain (loss) on investments, net	(212,150)	1,550,593	1,338,443	1,015,494
Investment income, net of investment expenses	2,934,957	183,775	3,118,732	3,058,783
Total support and revenue	47,127,112	6,717,071	53,844,183	52,593,187
Net assets released from restrictions	7,061,192	(7,061,192)	-	-
Total support, revenue and releases	54,188,304	(344,121)	53,844,183	52,593,187
Functional Expenses:				
Program services	41,338,178	-	41,338,178	43,508,546
Supporting services:				
Management and general	1,474,919	-	1,474,919	1,721,883
Fundraising	3,833,606	-	3,833,606	3,947,625
Total functional expenses	46,646,703	-	46,646,703	49,178,054
Change in net assets before change in value of split interest agreements	7,541,601	(344,121)	7,197,480	3,415,133
Change in value of split interest agreements	(15,320)	28,216	12,896	18,392
Change in net assets	7,526,281	(315,905)	7,210,376	3,433,525
Net assets - beginning of year	76,622,521	27,033,585	103,656,106	110,866,482
Net assets - end of year	$ 84,148,802	$ 26,717,680	$ 110,866,482	$ 114,300,007

See accompanying notes to combined financial statements.

Southeastern Guide Dogs, Inc. and
Southeastern Guide Dogs, Inc. Endowment Trust
d.b.a. Dogs Inc

Combined Statements of Cash Flows
Years Ended June 30, 2026 and 2025

	2026	2025
Cash Flows from Operating Activities:		
Change in net assets	$ 3,433,525	$ 7,210,376
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,401,095	1,349,730
Realized and unrealized gain on investments, net	(1,554,487)	(1,349,944)
Amortization of bond premium	132,414	141,106
Change in value of split interest agreements	(18,392)	(12,896)
Gain on disposal of assets	(5,000)	(45,862)
Contributions restricted for long-term investments	(280,098)	(209,523)
Donated investments	(669,324)	(317,420)
Change in operating assets:		
Accrued interest receivable	(83,499)	(192,759)
Prepaid expenses and other assets	9,717	29,387
Merchandise inventory	(8,581)	(11,944)
Promises to give, non-capital	8,839	9,059
Bequests and estates receivable, non-endowed	(2,119,110)	84,315
Charitable trusts receivable	12,758	12,328
Change in operating liabilities:		
Accounts payable and accrued expenses	173,615	166,091
Gift annuity liability	(7,795)	(8,239)
Total adjustments	(3,007,848)	(356,571)
Net cash provided by operating activities	425,677	6,853,805
Cash Flows from Investing Activities:		
Payments received on mortgage receivable	3,828	4,413
Purchase of property and equipment	(3,915,727)	(1,440,092)
Proceeds from disposals of assets	5,000	845,862
Purchases of investments	(40,783,622)	(30,743,124)
Proceeds from sales of investments	40,051,068	21,578,962
Net cash used in investing activities	(4,639,453)	(9,753,979)
Cash Flows from Financing Activities:		
Principal payments on note payable	(1,510,776)	-
Contributions, net of change in promises to give, restricted for long-term investments	502,990	443,115
Net cash provided by (used in) financing activities	(1,007,786)	443,115
Change in cash and cash equivalents	(5,221,562)	(2,457,059)
Cash and cash equivalents - beginning of year	6,911,423	9,368,482
Cash and cash equivalents - end of year	$ 1,689,861	$ 6,911,423
Supplemental Disclosure of Cash Flow Information:		
Cash paid for interest	$ 15,108	$ 110,989

See accompanying notes to combined financial statements.

Southeastern Guide Dogs, Inc. and
Southeastern Guide Dogs, Inc. Endowment Trust
d.b.a. Dogs Inc

Combined Statement of Functional Expenses
Year Ended June 30, 2026
(With Summarized Totals for 2025)

	Program Services	Management and General	Fundraising	Total	2025 Total
Salaries	$ 8,258,199	$ 597,553	$ 1,797,006	$ 10,652,758	$ 10,290,723
Employee benefits	865,229	62,607	188,277	1,116,113	1,157,980
Payroll taxes	616,365	44,263	133,112	793,740	725,094
Total personnel expense	9,739,793	704,423	2,118,395	12,562,611	12,173,797
Advertising and promotions	1,735,881	-	-	1,735,881	1,991,070
In-kind advertising and promotions	26,899,304	-	1,415,753	28,315,057	26,215,184
Breeding cost, kennel supplies and veterinary services	1,165,457	60	-	1,165,517	1,116,161
General insurance	270,397	19,411	58,376	348,184	333,945
Maintenance and equipment	686,692	22,177	46,245	755,114	738,402
Occupancy	255,162	26,323	20,217	301,702	286,844
Office	111,492	19,418	8,595	139,505	161,516
Other	219,793	224,341	106,391	550,525	643,728
Printing	198,926	5,040	17,611	221,577	292,290
Professional fees and contracted services	432,210	400,171	32,768	865,149	619,471
Student meals and other	83,964	-	357	84,321	65,688
Supplies	236,296	6,466	18,065	260,827	240,962
Telephone	29,088	6,859	7,294	43,241	44,653
Travel	323,140	7,050	97,558	427,748	373,262
Total functional expenses before depreciation	42,387,595	1,441,739	3,947,625	47,776,959	45,296,973
Depreciation	1,120,951	280,144	-	1,401,095	1,349,730
Total functional expenses - 2026	$ 43,508,546	$ 1,721,883	$ 3,947,625	$ 49,178,054	$ 46,646,703
Percent of Total - 2026	88.47%	3.50%	8.03%	100.00%	100.00%
Total functional expenses - 2025	$ 41,338,178	$ 1,474,919	$ 3,833,606	$ 46,646,703	
Percent of Total - 2025	88.62%	3.16%	8.22%	100.00%	

See accompanying notes to combined financial statements.

Southeastern Guide Dogs, Inc and
Southeastern Guide Dogs, Inc. Endowment Trust
d.b.a. Dogs Inc

Combined Statement of Functional Expenses
Year Ended June 30, 2025
(With Summarized Totals for 2026)

	Program Services	Management and General	Fundraising	Total	2026 Total
Salaries	$ 8,045,924	$ 624,894	$ 1,619,905	$ 10,290,723	$ 10,652,758
Employee benefits	905,381	70,317	182,282	1,157,980	1,116,113
Payroll taxes	566,978	44,016	114,100	725,094	793,740
Total personnel expense	9,518,283	739,227	1,916,287	12,173,797	12,562,611
Advertising and promotions	1,990,588	482	-	1,991,070	1,735,881
In-kind advertising and promotions	24,904,425	-	1,310,759	26,215,184	28,315,057
Breeding cost, kennel supplies and veterinary services	1,116,161	-	-	1,116,161	1,165,517
General insurance	257,463	23,957	52,525	333,945	348,184
Maintenance and equipment	682,286	19,941	36,175	738,402	755,114
Occupancy	237,823	28,005	21,016	286,844	301,702
Office	128,930	19,555	13,031	161,516	139,505
Other	206,207	251,717	185,804	643,728	550,525
Printing	235,109	11,863	45,318	292,290	221,577
Professional fees and contracted services	461,093	87,923	70,455	619,471	865,149
Student meals and other	65,688	-	-	65,688	84,321
Supplies	148,310	14,606	78,046	240,962	260,827
Telephone	32,672	4,952	7,029	44,653	43,241
Travel	273,356	2,745	97,161	373,262	427,748
Total functional expenses before depreciation	40,258,394	1,204,973	3,833,606	45,296,973	47,776,959
Depreciation	1,079,784	269,946	-	1,349,730	1,401,095
Total functional expenses - 2025	$ 41,338,178	$ 1,474,919	$ 3,833,606	$ 46,646,703	$ 49,178,054
Percent of Total - 2025	88.62%	3.16%	8.22%	100.00%	100.00%
Total functional expenses - 2026	$ 43,508,546	$ 1,721,883	$ 3,947,625	$ 49,178,054	
Percent of Total - 2026	88.47%	3.50%	8.03%	100.00%	

See accompanying notes to combined financial statements.

1. Organization

Southeastern Guide Dogs d.b.a. Dogs Inc (the School) transforms lives by creating and nurturing extraordinary partnerships between people and dogs. The School operates the most advanced training facilities of any service dog organization in the world. The School's experts breed, raise, and train elite working dogs - including guide dogs, service dogs, and skilled companion dogs - and provide life-changing services for people with vision loss, veterans with disabilities, and children with significant challenges such as vision loss or the loss of a parent in the military. The School has successfully created thousands of guide dog and service dog teams throughout the United States since our inception in 1982, and currently oversees the well-being of over 1,300 puppies and dogs.

All of the School's services – which include state-of-the-art research on canine health and development; selective breeding; expert dog training; comprehensive on-campus student instruction; and the most robust alumni support program in North America – are provided at no cost to our clients. Donations sustain our mission and give freedom and hope to people who need it most. Southeastern Guide Dogs d.b.a. Dogs Inc has the distinction of being dually accredited by the two premier global accreditation bodies: the International Guide Dog Federation and Assistance Dogs International. Learn more at www.dogsinc.org.

While the School and its supporters recognize the puppies and dogs as one of the Organization's most valuable assets, from a financial reporting perspective, the puppies and dogs are not classified as assets, and therefore are not reflected in the combined financial statements.

The School is situated in a peaceful setting on a 66-acre campus on the gulf coast of Florida in beautiful Manatee County. The facilities consist of a Student Center, a Student Fitness Center, a Veterinary Center, a Puppy Academy, a Canine University, a Canine Assessment Center, and a Canine Fitness Center.

The School is governed by a strong and independent, geographically diverse Board of Directors, which meets quarterly and conducts its business through several committees and taskforces that meet regularly between board meetings.

In 1989, Southeastern Guide Dogs Inc. Endowment Trust (the Trust) was created as a supporting organization to operate exclusively for the charitable, educational, and scientific purposes of the School, including for such purposes of making distributions solely to the School.

2. Summary of Significant Accounting Policies

Principles of Combination

The combined financial statements include the accounts of Southeastern Guide Dogs, Inc. d.b.a. Dogs Inc (the School), and Southeastern Guide Dogs, Inc. Endowment Trust (the Trust), collectively referred to as the Organization. Southeastern Guide Dogs, Inc. d.b.a. Dogs Inc holds an economic interest in Southeastern Guide Dogs, Inc. Endowment Trust. All significant inter-company transactions and accounts have been eliminated in the accompanying combined financial statements.

Financial Statements

The combined financial statements and notes are a representation of the Organization's management, which is also responsible for their integrity and objectivity. The accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the combined financial statements.

2. Summary of Significant Accounting Policies (Continued)

Use of Estimates and Assumptions

The preparation of combined financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the combined financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

Basis of Presentation

The accompanying combined financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions - net assets that are not subject to donor-imposed stipulations. Quasi-endowment funds and board designated funds, established by the Board of Directors, are classified as net assets without donor restrictions.

Net assets with donor restrictions - net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, these net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Other net assets are perpetual in nature. These net assets are subject to donor-imposed stipulations that the net assets be maintained in perpetuity by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investment for general or specific purposes.

Revenue Recognition

All contributions and bequests are considered available without donor restrictions unless specifically restricted by the respective donor or bequestor.

Contributions and bequests received with donor or bequestor stipulations that limit the use of donated assets are treated as net assets with donor restrictions. When the purpose of the restriction is accomplished, these net assets are reclassified to net assets without donor restrictions and reported in the combined statements of activities as net assets released from restrictions.

Contributions and bequests restricted for the purpose of acquiring or constructing long-lived assets are recorded as net assets with donor restrictions until the long-lived asset is acquired or constructed, at which time the net assets are released from the restriction and reclassified to net assets without donor restrictions.

Contributions restricted by the donor for endowment purposes are treated as net assets with donor restrictions. The principal of the contribution remains intact in perpetuity.

2. Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Conditional 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. The Organization does not have any conditional promises to give.

Special events revenue is comprised of an exchange element based upon the direct benefits donors receive and a contribution element for the difference. The Organization recognizes special events revenue equal to the fair value of direct benefits to donors when the special event takes place. The Organization recognizes the contribution element of special event revenue immediately, unless there is a right of return if the special event does not take place.

Income Tax Status

The School and Trust have been recognized by the Internal Revenue Service as tax-exempt organizations described in Section 501(c)(3) of the Internal Revenue Code. Income earned in furtherance of the School's and Trust's tax-exempt purpose is exempt from federal and state income taxes. Therefore, no provision for income taxes has been provided for.

Under the Income Taxes Topic of the FASB Accounting Standards Codification, the School and Trust have reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes and determined that there are no uncertain tax positions that would have a material impact on the combined financial statements.

The Organization files income tax returns in the U.S. federal jurisdiction. The tax periods open to examination by the major taxing jurisdictions to which the Organization is subject to include fiscal years ended June 30, 2023 through June 30, 2026.

Cash and Cash Equivalents

For purposes of the combined statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions, if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions.

Merchandise Inventory

Inventory is recorded at the lower of cost or net realizable value and consists of merchandise for resale and dog harnesses. The cost is determined using the first-in first-out method of valuing inventory.

2. Summary of Significant Accounting Policies (Continued)

Investments

Investments in debt securities and certain equity securities are reported at their fair values in the combined statements of financial position, which represents the value at the date of donation or cost on the date of purchase plus reinvested earnings and appreciation or depreciation. Investment income, net of investment expenses, and realized and unrealized gains and losses are included in the combined statements of activities. Investment income, net of investment expenses, and gains and losses restricted by a donor are reported as increases and decreases in net assets with donor restrictions as required by the Trust Indenture governing contributions to the School which are restricted in perpetuity. Investment income, net of investment expenses, is recognized as revenue in the period it is earned, and gains and losses are recognized as changes in net assets in the accounting period they occur. Investments are comprised of equities, fixed income bonds, real estate investment trusts (REITS) and commodities.

Split-Interest Agreements

The Organization has been named remainderman in several irrevocable charitable remainder trusts and gift annuities. The Organization's beneficial interest in the trusts' assets is measured at the present value of the estimated future distributions expected to be received. The discount rate utilized to measure the present value of future distributions is based upon the stated rate of return, ranging from five and eight-tenths percent (5.8%) to seven and four-tenths percent (7.4%) of the fair value of the trusts' investments, to be received by the designated beneficiaries over the term of the trusts.

Bequests and Estates Receivable

The Organization has been named beneficiary in a number of bequests. Bequests that have not been recorded in the accompanying combined financial statements are those where the donors' wills have not been declared valid by the probate court or the value of the amounts to be received are not yet determinable. All other bequests are reflected as bequests receivable in the accompanying combined financial statements.

Property and Equipment

Property and equipment are recorded at cost or at estimated fair value at the date of gift. Property and equipment exceeding $3,000 and a useful life of one year or longer are capitalized. Depreciation is calculated using the straight-line method over the estimated lives of the assets ranging from three to thirty-nine years. Other expenditures for maintenance and repairs are charged to operations in the year the costs are incurred.

Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When assets are impaired, asset values are reduced for this impairment. There was no impairment recognized on property and equipment for the years ended June 30, 2026 and 2025.

2. Summary of Significant Accounting Policies (Continued)

Functional Allocation of Expenses

The costs of providing the program and supporting services have been summarized on a functional basis in the combined statements of activities and in the combined statements of functional expenses. Costs are allocated between fundraising, management, and general or program services based on evaluations of the related benefits. Management and general expenses include expenses that are not directly identifiable with any specific function but provide for the overall support and direction of the Organization. The expenses that are allocated include salaries, employee benefits, payroll taxes, and other expenses for services which are allocated on the basis of estimated time and effort and depreciation which is allocated based on estimated square footage of space used.

Financial Instruments Not Measured at Fair Value

Certain of the Organization's financial instruments are not measured at fair value on a recurring basis but nevertheless certain financial instruments are recorded at amounts that approximate fair value due to their liquid or short-term nature. Such financial assets and financial liabilities include cash and cash equivalents, accrued interest receivable, prepaid expenses and other assets, and accounts payable and accrued expenses.

Advertising and Promotions

Advertising costs are expensed as incurred. For the years ended June 30, 2026 and 2025, advertising expense includes $28,315,057 and $26,215,184 of contributed services which consist of advertising and promotional services for special events and program support. Total advertising expense was $30,050,938 and $28,206,254 for the years ended June 30, 2026 and 2025, respectively.

Contributed Services and Nonfinancial Assets

Contributed services and nonfinancial assets are recognized at their estimated fair value when they create or enhance nonfinancial assets, they require specialized skills that would need to be purchased if they were not donated, or they are nonfinancial assets (such as advertising to the public communicating the Organization's mission) which are directed by the Organization for the Organization's benefit and have been provided at no cost. Unless otherwise noted, contributed services and nonfinancial assets did not have donor-imposed restrictions.

Contributed services and nonfinancial assets, reported in the accompanying combined financial statements, are comprised of the following as of June 30:

	2026	2025
Advertising	$ 28,315,057	$ 26,215,184
Veterinary services	50,382	97,091
Supplies and other office items	196,953	231,724
Total contributed services and nonfinancial assets:	$ 28,562,392	$ 26,543,999

2. Summary of Significant Accounting Policies (Continued)
Contributed Services and Nonfinancial Assets (Continued)

The Organization utilizes the services of an outside advertising agency that specializes in the broadcasting of public service announcements (PSAs) that promote the mission of the Organization. The advertising agency leverages their network to fill unsold advertising time slots with the Organization's PSA, at no cost to the Organization. The PSAs are broadcast across national, regional, and local television networks at various times. The advertising agency provides a statement to the Organization each month detailing the television networks utilized, which region the PSAs were broadcast to, the number of airings, the number of audience impressions, and the associated media value of the PSA based on these statistics. The monthly indicated media value is then recorded as contributed services and nonfinancial assets, within the advertising category. As of June 30, 2026 and 2025, the PSA advertising contributed services and nonfinancial assets revenue totaled $28,024,800 and $25,780,966, respectively. The remaining advertising contributed services and nonfinancial assets revenue is from various advertising sources and is recorded at market value, based on each advertising source's rates.

The Organization recognizes contributed services and nonfinancial assets revenue for veterinary services provided by individuals with the necessary specialized skillset. When some veterinary services are provided to the Organization, they are discounted by a percentage of what the regular services would cost if charged to a different customer, which is broken out on the invoice provided to the Organization. The discount amount is then recorded as contributed services and nonfinancial assets revenue.

The Organization recognizes contributed services and nonfinancial assets revenue for supplies and other office items when volunteers purchase the necessary supplies to raise the Organization's puppies. The Organization calculates the contributed services and nonfinancial assets revenue to be booked by identifying the number of puppies raised by volunteers each period multiplied by the fair value of the necessary supplies to raise the puppies. As of June 30, 2026 and 2025, this totaled $190,253 and $225,024, respectively. The remaining supplies and other office items contributed services and nonfinancial assets revenue is from various office items that are contributed to the Organization and are recorded at market value.

Additionally, many volunteers contributed numerous hours of general, program and fundraising services to the School. These hours do not meet the requirements to be recorded as revenue and expenses under accounting principles generally accepted in the United States of America.

3. Liquidity and Availability

Financial assets available for general expenditure within one year of the combined statements of financial position date, comprise the following:

	2026	2025
Cash and cash equivalents without donor restrictions	$ 1,388,501	$ 5,218,206
Promises to give, net - current portion	250,000	260,000
Investments without donor restrictions	58,805,985	57,170,006
Total financial assets available within one year	60,444,486	62,648,212
Less: Amounts unavailable for general expenditure due to:		
Promises to give, net, restricted for purpose and time	(250,000)	(260,000)
Total unavailable for general expenditure	(250,000)	(260,000)
Total financial assets available to management for general expenditure within one year	$ 60,194,486	$ 62,388,212

The Organization manages its liquid assets in accordance with regular budgeting processes developed through the coordinated efforts of management and the Board of Directors. Monthly reporting by management to those charged with governance ensures the results from operating activities are monitored closely.

4. Promises to Give

Promises to give consist of the following as of June 30:

	2026	2025
Promises to give	$ 500,000	$ 760,000
Less: discount to net present value (rates from .25% - 3.9%)	(79,003)	(107,272)
Promises to give, net	420,997	652,728
Less: current portion	(250,000)	(260,000)
Amount collectible in 1-5 years	$ 170,997	$ 392,728

Promises to give are discounted to net present value at the time of recognition using reasonable rates that align with the term of each promise.

5. Investments

Investments are presented in the combined financial statements at fair value. Unrealized gains and losses are reflected in the combined statements of activities in the accompanying combined financial statements. Following is a summary of investments at June 30, 2026:

	Cost	Fair Value	Accumulated Unrealized Gains (Losses)
Equities	$ 7,500,767	$ 8,520,339	$ 1,019,572
Fixed income	68,963,060	68,930,199	(32,861)
REITS	654,505	756,202	101,697
Commodities	513,582	583,890	70,308
Total investments	$ 77,631,914	$ 78,790,630	$ 1,158,716

For the year ended June 30, 2026, the Organization had realized and unrealized gains on investments of $538,993 and $1,015,494, respectively, and incurred investment broker fees of $229,047, which are presented net against investment income on the combined statement of activities.

Following is a summary of investments at June 30, 2025:

	Cost	Fair Value	Accumulated Unrealized Gains (Losses)
Equities	$ 6,782,788	$ 7,638,424	$ 855,636
Fixed income	67,878,819	67,077,622	(801,197)
REITS	654,505	735,787	81,282
Commodities	507,345	514,846	7,501
Total investments	$ 75,823,457	$ 75,966,679	$ 143,222

For the year ended June 30, 2025, the Organization had realized and unrealized gains on investments of $11,501 and $1,338,443, respectively, and incurred investment broker fees of $243,882, which are presented net against investment income on the combined statement of activities.

6. Fair Value of Financial Assets and Liabilities

The Organization values certain assets in accordance with the *Fair Value Measurements and Disclosures* Topic of the FASB Accounting Standards Codification. The *Fair Value Measurements and Disclosures* Topic provides enhanced guidance for using fair value to measure assets and liabilities and clarifies the principle that fair value should be based on the assumptions market participants would use when pricing the assets or liabilities and establishes a hierarchy that prioritizes the information used to develop those assumptions. The *Fair Value Measurements and Disclosure* Topic requires the Organization to present fair value measurements separately for each class of assets and liabilities as of June 30, 2026 and 2025.

6. Fair Value of Financial Assets and Liabilities (Continued)

The following tables present information about the Organization's classes of assets and liabilities that are measured at fair value on a recurring and non-recurring basis as of June 30, 2026 and 2025, and indicates the fair value hierarchy of the valuation techniques used to determine such fair value. The three levels for measuring fair value are based on the reliability of inputs and are as follows:

> Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities, such as publicly traded equity securities.
>
> Level 2 - inputs other than quoted prices included in Level 1 that are observable, either directly or indirectly. Such inputs may include quoted prices for similar assets, observable inputs other than quotes prices (interest rates, yield curves, etc.), or inputs derived principally from or corroborated by observable market data by correlation or other means.
>
> Level 3 - inputs are unobservable data points for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability. The inputs reflect the Organization's assumptions based on the best information available in the circumstance.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level of a financial instrument within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The following methods and assumptions were used by the Organization in estimating the fair value of its Level 2 and 3 financial instruments:

Fixed Income - The fair value is determined using a market approach which uses direct and indirect observable information including quoted prices for similar assets and interest rate information (Level 2).

Charitable trusts receivable - The fair value of these assets are estimated by discounting future cash flows and management's best estimate of collectability (Level 2).

Gift annuity liability - The fair value of these liabilities are estimated by discounting future cash flows using actuarial rates from mortality tables (Level 3).

The following table presents information about the Organization's assets and liabilities measured at fair value on a recurring and non-recurring basis as of June 30, 2026 and indicates the fair value hierarchy of the valuation techniques used to determine fair value.

6. Fair Value of Financial Assets and Liabilities (Continued)

Description	Total	Level 1	Level 2	Level 3
Equities:				
U.S. large cap	$ 4,613,891	$ 4,613,891	$ -	$ -
U.S. mid cap	937,519	937,519	-	-
U.S. small cap	17,757	17,757	-	-
Developed markets	2,136,635	2,136,635	-	-
Emerging markets	658,835	658,835	-	-
International	155,702	155,702	-	-
Total equities	8,520,339	8,520,339	-	-
Fixed Income:				
Investment grade taxable	43,768,359	-	43,768,359	-
Government securities	3,119,940	-	3,119,940	-
Developed markets	3,595,894	-	3,595,894	-
Municipal bonds	14,214,978	-	14,214,978	-
High yield	3,908,657	-	3,908,657	-
International	111,376	-	111,376	-
Mutual funds	169,039	-	169,039	-
Preferred	5,431	-	5,431	-
Securities	36,525	-	36,525	-
Total fixed income	68,930,199	-	68,930,199	-
REITS	756,202	756,202	-	-
Commodities	583,890	583,890	-	-
Total investments	78,790,630	9,860,431	68,930,199	-
Charitable trusts receivable	292,483	-	292,483	-
Total assets at fair value	$ 79,083,113	$ 9,860,431	$ 69,222,682	$ -
Gift annuity liability	$ 20,521	$ -	$ -	$ 20,521

The following is a reconciliation of the beginning and ending balances for assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) during the year ended June 30, 2026:

	Gift Annuity Liability
Beginning balance	$ 21,101
Change in value of split interest agreements	7,215
Annuity payments	(7,795)
Ending balance	$ 20,521

6. Fair Value of Financial Assets and Liabilities (Continued)

The following table presents information about the Organization's assets and liabilities measured at fair value on a recurring and non-recurring basis as of June 30, 2025 and indicates the fair value hierarchy of the valuation techniques used to determine fair value.

Description	Total	Level 1	Level 2	Level 3
Equities:				
U.S. large cap	$ 3,252,471	$ 3,252,471	$ -	$ -
U.S. mid cap	1,090,665	1,090,665	-	-
U.S. small cap	1,459,939	1,459,939	-	-
Developed markets	1,627,336	1,627,336	-	-
Emerging markets	196,105	196,105	-	-
International	808	808	-	-
Mutual funds	11,100	11,100	-	-
Total equities	7,638,424	7,638,424	-	-
Fixed Income:				
Investment grade taxable	32,453,312	-	32,453,312	-
Government securities	3,119,199	-	3,119,199	-
Developed markets	3,738,062	-	3,738,062	-
Municipal bonds	17,660,850	-	17,660,850	-
High yield	4,851,104	-	4,851,104	-
International	110,048	-	110,048	-
Mutual funds	5,124,184	-	5,124,184	-
Preferred	2,493	-	2,493	-
Securities	18,370	-	18,370	-
Total fixed income	67,077,622	-	67,077,622	-
REITS	735,787	735,787	-	-
Commodities	514,846	514,846	-	-
Total investments	75,966,679	8,889,057	67,077,622	-
Charitable trusts receivable	279,634	-	279,634	-
Total assets at fair value	$ 76,246,313	$ 8,889,057	$ 67,357,256	$ -
Gift annuity liability	$ 21,101	$ -	$ -	$ 21,101

The following is a reconciliation of the beginning and ending balances for assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) during the year ended June 30, 2025:

	Gift Annuity Liability
Beginning balance	$ 21,680
Change in value of split interest agreements	7,660
Annuity payments	(8,239)
Ending balance	$ 21,101

7. Property and Equipment

Property and equipment consisted of the following at June 30:

	2026	2025
Land	$ 4,479,503	$ 4,479,503
Buildings	31,179,560	30,983,693
Furniture and equipment	3,314,281	3,238,253
Transportation equipment	1,334,381	1,334,381
Freedom Walk	683,901	683,901
Construction in progress	4,063,508	448,417
	45,055,134	41,168,148
Less: accumulated depreciation	13,488,311	12,115,957
Property and equipment, net	$ 31,566,823	$ 29,052,191

Depreciation expense for the years ended June 30, 2026 and 2025 totaled $1,401,095 and $1,349,730, respectively.

8. Note Payable

On April 23, 2023, the School entered into a promissory note agreement with a donor for $2,800,000 to finance the purchase of vacant land adjacent to their primary location. The note is collateralized by property held by the School and includes monthly interest only payments until maturity, on March 23, 2038, at which point the entire outstanding principal balance becomes due. The note bears interest at 6% and contains no penalty for the prepayment of principal. During the year ended June 30, 2026, the School paid the principal balance in full. The balance outstanding on this note totaled $0 and $1,510,776 as of June 30, 2026 and 2025, respectively.

9. Retirement and Deferred Compensation Plan

Retirement Plan

The School provides a tax deferred annuity retirement plan for full-time eligible employees. The School's contributions to the plan were $203,322 and $267,609 for the years ended June 30, 2026 and 2025, respectively.

Deferred Compensation Plan

During 2015, the Organization adopted a Deferred Compensation Agreement for the CEO under Internal Revenue Code 457(f). The Organization maintains a bookkeeping account for the assets held in reserve under the deferred compensation plan. The bookkeeping account consists of book entries only and does not constitute a separate cash fund or other assets held in trust for or as security for the Organization's obligation to pay the amount of the account. The deferred compensation plan totaled $0 and $350,225 as of June 30, 2026 and 2025, respectively, and is included in cash and accrued expenses together with an amount representing investment earnings on the unpaid balance. The employee will have no rights nor will be paid until five years following each contribution date, provided the employee has been employed by the Organization continuously until that time. During the years ended June 30, 2026 and 2025, the Organization contributed $73,080 and $70,600, respectively. During the years ended June 30, 2026 and 2025, the Organization made distributions from plan assets in the amounts of $67,032 and $61,688, respectively. Per IRS rules and regulations, the deferred compensation is reported in Form 990 twice: initially when accrued and also when paid.

10. Net Asset Classifications

The Organization's net assets have been classified into the following categories as of June 30:

Subject to expenditure for specified purpose	2026	2025
Guide Dog Instruction	$ 3,013,707	$ 2,831,945
Veterans Program	2,109,026	4,581,695
Veterans Program - Service Dogs	210,125	150,000
Student Services Center	319,876	341,784
Alumni Support Program	769,272	866,282
Sustainability Fund	949,686	932,452
Veterans Courtyard	8,857	8,857
Scent Detection	1,571,170	48,773
Children & Teens Program	10,000	25,000
Nursery Renovation	13,000	13,000
Lakewood Ranch Property	687,636	1,933,530
Unappropriated Earnings on Maintenance Fund	10,151	1,832
Other	54,504	34,899
Total purpose restrictions	9,727,010	11,770,049
Subject to the passage of time		
Charitable Remainder Trusts	292,483	279,634
Total time restrictions	292,483	279,634
Total purpose and time restrictions	10,019,493	12,049,683
Charitable gift annuities	42,699	47,184
Endowments	15,414,268	14,620,813
Total perpetual in nature restrictions	15,456,967	14,667,997
Total net assets with donor restrictions	$ 25,476,460	$ 26,717,680

The primary purpose of the net assets held in perpetuity is to support the programs and services of the Organization and certain components of income are earmarked for purposes without restrictions.

11. Net Assets Released from Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by other events specified by donors. Purposes for which restrictions were accomplished during the year ended June 30 include the following:

	2026	2025
Expiration of time restrictions - Charitable Remainder Trusts	$ 12,757	$ 12,328
Satisfaction of purpose restrictions		
Guide Dog Instruction	85,314	77,020
Veterans Program	5,630,491	4,227,231
Veterans Program - Veterans Service	267,675	304,395
Online University	5,003	241,047
Puppy Raising Reimagined	-	446,238
Smart Glasses Pilot	9,725	-
Lakewood Ranch Property	3,179,895	944,019
Student Services Center	21,908	63,383
Alumni Support Program	135,419	273,930
Scent Detection	576,093	41,132
Canine Care Program	150,000	-
Children & Teens Program	152,754	199,538
Other	55,499	230,931
Total net assets released from restrictions	$ 10,282,533	$ 7,061,192

12. Endowment

The Organization's endowment consists of funds established for a variety of purposes. Their endowments include donor-restricted endowment funds. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretations of Relevant Law

When the Endowment Trust (Trust) was established in 1989, the Endowment Trustees approved a Trust Indenture, which describes how the Trust shall invest and preserve the value of donations received. The Trust classifies as net assets with donor restrictions that are perpetual in nature (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund, and (d) accumulations of net assets with donor restrictions that are perpetual in nature resulting from interpretation of the Trust Indenture.

The Trust Indenture further limits the use of unrealized or realized gains associated with endowment assets. Under the terms of the Trust Agreement, the Trust classifies dividends and interest, net of associated fees, as net assets without restriction available for use on a periodic basis.

12. Endowment (Continued)

Interpretations of Relevant Law (Continued)

Effective July 1, 2012, the Organization adopted Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA). The adoption of FUPMIFA resulted in no changes to net assets with donor restrictions that are perpetual in nature as the Trust Indenture remains the primary guidance on how to administer and account for endowment assets. There were no changes to the Trust Indenture during the years ended June 30, 2026 and 2025.

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level classified as net assets with donor restrictions that are perpetual in nature. These deficiencies result from unfavorable market fluctuations that occurred shortly after the investment of new contributions of net assets with donor restrictions that are perpetual in nature and continued appropriation for certain programs that was deemed prudent by the Board of Directors.

Deficiencies of this nature existed in two donor-restricted endowment funds as of June 30, 2026 and June 30, 2025 as follows:

	2026	2025
Fair value	$ 7,028,442	$ 7,277,187
Original gift value	7,651,796	7,854,339
Deficiencies	$ (623,354)	$ (577,152)

Changes in Endowment Net Assets

Changes in endowment net assets for the year ended June 30, 2026 are as follows:

	With Donor Restrictions
Endowment net assets, July 1, 2025	$ 14,667,997
Endowment investment return:	
Investment income, net of investment expenses	(11,837)
Realized and unrealized gain, net	513,495
Total endowment investment income	501,658
Contributions	280,097
Change in value of split-interest agreements	7,215
Total endowment activity	287,312
Endowment net assets, June 30, 2026	$ 15,456,967

12. Endowment (Continued)

Changes in Endowment Net Assets (Continued)

Changes in endowment net assets for the year ended June 30, 2025 are as follows:

		With Donor Restrictions
Endowment net assets, July 1, 2024	$	13,805,671
Endowment investment return:		
Investment income, net of investment expenses		16,692
Realized and unrealized gain, net		628,451
Total endowment investment income		645,143
Contributions		209,523
Change in value of split-interest agreements		7,660
Total endowment activity		217,183
Endowment net assets, June 30, 2025	$	14,667,997

Changes in endowment net assets for the years ended June 30, 2026 and 2025 are shown on the combining schedule of activities on pages 27 and 29 as part of the supplemental information to these combined financial statements.

Return Objectives and Risk Parameters

The Trust has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Trust must hold in perpetuity or for a donor-specified period(s). Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce a long-term rate of return on assets of at least 6% while assuming a moderate level of investment risk. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization 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 Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

12. Endowment (Continued)

Spending Policy and How the Investment Objectives Relate to Spending Policy

In accordance with The Southeastern Guide Dogs, Inc. Endowment Trust Indenture and section 501(c)(3) of the Internal Revenue Code, net income earned by the Endowment Trust, after paying for necessary charges incurred by the funds, is paid to the School and is subject to withdrawal and use in accordance with resolutions adopted by the Board of Directors of the School. The spending policy established for the years ended June 30, 2026 and 2025 allows the Organization to spend up to all of the investment earnings each year for general support. Additionally, the Board of Directors has the right to invade principal of the endowment through a Board resolution for an amount not to exceed 10% of the principal balance as of the first day of the month in which the resolution was adopted. This right to invade principal may be exercised not more than once in any calendar year and has not been exercised since the Endowment Trust Fund was established in 1989.

13. Financial Instruments with Credit Risk and Economic Risk

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist of cash, cash equivalents and investments. The Federal Deposit Insurance Corporation (FDIC) insures cash and other deposits up to $250,000 at each financial institution. At any given time, the Organization may have cash balances exceeding the insured amount at any one financial institution. The Organization has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

Investment securities are exposed to interest rate, market, credit and other risks depending on the nature of the specific investment. Accordingly, it is reasonably possible that these factors will result in changes in the value of the Organization's investments.

14. Related Party Transactions

Board members and members of management are required to complete annual conflict of interest disclosure statements. If a board member, officer or trustee has a conflict of interest or a perceived conflict of interest with the School, he or she is required to notify the board chair of such conflict in writing and cannot be present during board or committee discussions or decisions on the matter. Continuous monitoring of all board members and staff takes place as situations occur, with any possible or actual conflicts being addressed and resolved as needed.

15. Subsequent Events

Management has evaluated all events subsequent to the combined statement of financial position date of June 30, 2026, through the date these combined financial statements were available for issuance, November 3, 2026, and have determined that there are no subsequent events that require disclosure under the FASB Accounting Standards Codification.

Supplemental Information

Southeastern Guide Dogs, Inc. and
Southeastern Guide Dogs, Inc. Endowment Trust
d.b.a. Dogs Inc

Combining Schedule of Financial Position
June 30, 2026

Assets	Southeastern Guide Dogs, Inc.	Southeastern Guide Dogs, Inc. Endowment Trust
Cash and cash equivalents:		
Without donor restrictions	$ 1,388,501	$ -
With donor restrictions - purpose and time	126,186	-
With donor restrictions - perpetual in nature	72,680	102,494
Total cash and cash equivalents	1,587,367	102,494
Accrued interest receivable	742,460	57,736
Promises to give, net (Note 4)	420,997	-
Prepaid expenses and other assets	109,711	-
Merchandise inventory	54,212	-
Investments (Note 5):		
Restricted for gift annuity liability	10,944	9,577
Without donor restrictions	58,805,985	-
With donor restrictions - purpose and time	4,847,958	-
With donor restrictions - perpetual in nature	6,974,136	8,142,030
Total investments	70,639,023	8,151,607
Bequests and estates receivable	2,504,711	-
Charitable trusts receivable	292,483	-
Mortgage receivable	74,831	-
Property and equipment, net (Note 7)	31,566,823	-
Due from Southeastern Guide Dogs Endowment Trust, Inc.	34,613	-
Total Assets	$ 108,027,231	$ 8,311,837
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	$ 1,983,927	$ -
Gift annuity liability	10,944	9,577
Due to Southeastern Guide Dogs, Inc. d.b.a. Dogs Inc	-	34,613
Total liabilities	1,994,871	44,190
Net Assets:		
Without donor restrictions:		
Undesignated	57,256,724	-
Investment in property and equipment	31,566,823	-
Total net assets without donor restrictions	88,823,547	-
With donor restrictions:		
Purpose and time restrictions	10,019,493	-
Perpetual in nature	7,189,320	8,267,647
Total net assets with donor restrictions (Note 10)	17,208,813	8,267,647
Total net assets	106,032,360	8,267,647
Total Liabilities and Net Assets	$ 108,027,231	$ 8,311,837

Eliminations	Total
$ -	$ 1,388,501
-	126,186
-	175,174
-	1,689,861
-	800,196
-	420,997
-	109,711
-	54,212
-	20,521
-	58,805,985
-	4,847,958
-	15,116,166
-	78,790,630
-	2,504,711
-	292,483
-	74,831
-	31,566,823
(34,613)	-
$ (34,613)	$ 116,304,455
$ -	$ 1,983,927
-	20,521
(34,613)	-
(34,613)	2,004,448
-	57,256,724
-	31,566,823
-	88,823,547
-	10,019,493
-	15,456,967
-	25,476,460
-	114,300,007
$ (34,613)	$ 116,304,455

See Independent Auditor's Report.

Southeastern Guide Dogs, Inc. and
Southeastern Guide Dogs, Inc. Endowment Trust
d.b.a. Dogs Inc

Combining Schedule of Activities
Year Ended June 30, 2026

	Southeastern Guide Dogs, Inc.		
	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue:			
Individuals	$ 4,667,764	$ 3,574,685	$ 8,242,449
Bequests	3,858,126	2,532,341	6,390,467
Lions Club	53,737	20,932	74,669
Service clubs	16,623	144,457	161,080
CFC project	33,098	-	33,098
Foundations	1,694,780	1,301,089	2,995,869
Corporate donations	140,769	517,144	657,913
Contributed services and nonfinancial assets (Note 2)	28,562,392	-	28,562,392
Marketing revenue	44,510	-	44,510
Other revenue	321,341	-	321,341
Merchandise sales, net of cost of sales of $30,026	7,672	-	7,672
Special events, net of direct costs of $273,547	418,935	-	418,935
Gain on disposal of assets	5,000	-	5,000
Realized gain (loss) on investments, net	(185,245)	93,880	(91,365)
Unrealized gain (loss) on investments, net	1,025,931	146,482	1,172,413
Investment income, net of investment expenses	2,684,195	133,089	2,817,284
Total support and revenue	43,349,628	8,464,099	51,813,727
Net asset released from restrictions	10,282,533	(10,282,533)	-
Total support, revenue and releases	53,632,161	(1,818,434)	51,813,727
Functional Expenses:			
Program services	43,508,546	-	43,508,546
Supporting services:			
Management and general	1,721,883	-	1,721,883
Fundraising	3,947,625	-	3,947,625
Total functional expenses	49,178,054	-	49,178,054
Change in net assets before change in value of split interest agreements	4,454,107	(1,818,434)	2,635,673
Change in value of split interest agreements	(14,430)	25,607	11,177
Change in net assets	4,439,677	(1,792,827)	2,646,850
Transfers in (out)	235,068	-	235,068
Net assets - beginning of year	84,148,802	19,001,640	103,150,442
Net assets - end of year	$ 88,823,547	$ 17,208,813	$ 106,032,360

	Southeastern Guide Dogs, Inc. Endowment Trust			
	Without Donor Restrictions	With Donor Restrictions	Total	Combined Total
$	-	$ 4,750	$ 4,750	$ 8,247,199
	-	57,419	57,419	6,447,886
	-	-	-	74,669
	-	-	-	161,080
	-	-	-	33,098
	-	1,675	1,675	2,997,544
	-	678	678	658,591
	-	-	-	28,562,392
	-	-	-	44,510
	-	-	-	321,341
	-	-	-	7,672
	-	-	-	418,935
	-	-	-	5,000
	-	630,358	630,358	538,993
	-	(156,919)	(156,919)	1,015,494
	235,068	6,431	241,499	3,058,783
	235,068	544,392	779,460	52,593,187
	-	-	-	-
	235,068	544,392	779,460	52,593,187
	-	-	-	43,508,546
	-	-	-	1,721,883
	-	-	-	3,947,625
	-	-	-	49,178,054
	235,068	544,392	779,460	3,415,133
	-	7,215	7,215	18,392
	235,068	551,607	786,675	3,433,525
	(235,068)	-	(235,068)	-
	-	7,716,040	7,716,040	110,866,482
$	-	$ 8,267,647	$ 8,267,647	$ 114,300,007

See Independent Auditor's Report.

Southeastern Guide Dogs, Inc. and
Southeastern Guide Dogs, Inc. Endowment Trust
d.b.a. Dogs Inc

Combining Schedule of Financial Position
June 30, 2025

Assets	Southeastern Guide Dogs, Inc.	Southeastern Guide Dogs, Inc. Endowment Trust
Cash and cash equivalents:		
Without donor restrictions	$ 5,218,206	$ -
With donor restrictions - purpose and time	1,316,429	-
With donor restrictions - perpetual in nature	74,116	302,672
Total cash and cash equivalents	6,608,751	302,672
Accrued interest receivable	661,544	55,153
Promises to give, net (Note 4)	652,728	-
Prepaid expenses and other assets	119,428	-
Merchandise inventory	45,631	-
Investments (Note 5):		
Restricted for gift annuity liability	11,114	9,987
Without donor restrictions	57,170,006	-
With donor restrictions - purpose and time	4,456,966	-
With donor restrictions - perpetual in nature	6,921,811	7,396,795
Total investments	68,559,897	7,406,782
Bequests and estates receivable	385,601	-
Charitable trusts receivable	279,634	-
Mortgage receivable	78,659	-
Property and equipment, net (Note 7)	29,052,191	-
Due from Southeastern Guide Dogs Endowment Trust, Inc.	38,580	-
Total Assets	$ 106,482,644	$ 7,764,607
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	$ 1,810,312	$ -
Gift annuity liability	11,114	9,987
Note payable (Note 8)	1,510,776	-
Due to Southeastern Guide Dogs, Inc.	-	38,580
Total liabilities	3,332,202	48,567
Net Assets:		
Without donor restrictions:		
Undesignated	55,096,611	-
Investment in property and equipment	29,052,191	-
Total net assets without donor restrictions	84,148,802	-
With donor restrictions:		
Purpose and time restrictions	12,049,683	-
Perpetual in nature	6,951,957	7,716,040
Total net assets with donor restrictions (Note 10)	19,001,640	7,716,040
Total net assets	103,150,442	7,716,040
Total Liabilities and Net Assets	$ 106,482,644	$ 7,764,607

Eliminations	Total
$ -	$ 5,218,206
-	1,316,429
-	376,788
-	6,911,423
-	716,697
-	652,728
-	119,428
-	45,631
-	21,101
-	57,170,006
-	4,456,966
-	14,318,606
-	75,966,679
-	385,601
-	279,634
-	78,659
-	29,052,191
(38,580)	-
$ (38,580)	$ 114,208,671

$ -	$ 1,810,312
-	21,101
	1,510,776
(38,580)	-
(38,580)	3,342,189

-	55,096,611
-	29,052,191
-	84,148,802
-	12,049,683
-	14,667,997
-	26,717,680
-	110,866,482
$ (38,580)	$ 114,208,671

Southeastern Guide Dogs, Inc. and
Southeastern Guide Dogs, Inc. Endowment Trust
d.b.a. Dogs Inc

Combining Schedule of Activities
Year Ended June 30, 2025

	Southeastern Guide Dogs, Inc.		
	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue:			
Individuals	$ 4,278,788	$ 3,308,254	$ 7,587,042
Bequests	9,644,604	446,238	10,090,842
Lions Club	71,618	9,300	80,918
Service clubs	9,429	196,380	205,809
CFC project	40,358	340	40,698
Foundations	1,512,194	1,377,758	2,889,952
Corporate donations	551,854	534,598	1,086,452
Contributed services and nonfinancial assets (Note 2)	26,543,999	-	26,543,999
Marketing revenue	27,143	-	27,143
Other revenue	340,116	-	340,116
Merchandise sales, net of cost of sales of $44,593	8,100	-	8,100
Special events, net of direct costs of $412,682	421,594	-	421,594
Gain on disposal of assets	45,862	-	45,862
Realized gain (loss) on investments, net	908,646	(579,554)	329,092
Unrealized gain (loss) on investments, net	(212,150)	803,780	591,630
Investment income, net of investment expenses	2,711,087	163,208	2,874,295
Total support and revenue	46,903,242	6,260,302	53,163,544
Net asset released from restrictions	7,061,192	(7,061,192)	-
Total support, revenue and releases	53,964,434	(800,890)	53,163,544
Functional Expenses:			
Program services	41,338,178	-	41,338,178
Supporting services:			
Management and general	1,474,919	-	1,474,919
Fundraising	3,833,606	-	3,833,606
Total functional expenses	46,646,703	-	46,646,703
Change in net assets before change in value of split interest agreements	7,317,731	(800,890)	6,516,841
Change in value of split interest agreements	(15,320)	20,556	5,236
Change in net assets	7,302,411	(780,334)	6,522,077
Transfers in (out)	223,870	-	223,870
Net assets - beginning of year	76,622,521	19,781,974	96,404,495
Net assets - end of year	$ 84,148,802	$ 19,001,640	$ 103,150,442

Southeastern Guide Dogs, Inc. Endowment Trust			
Without Donor Restrictions	With Donor Restrictions	Total	Combined Total
$ -	$ 6,000	$ 6,000	$ 7,593,042
-	-	-	10,090,842
-	-	-	80,918
-	-	-	205,809
-	-	-	40,698
-	980	980	2,890,932
-	-	-	1,086,452
-	-	-	26,543,999
-	-	-	27,143
-	-	-	340,116
-	-	-	8,100
-	-	-	421,594
-	-	-	45,862
-	(317,591)	(317,591)	11,501
-	746,813	746,813	1,338,443
223,870	20,567	244,437	3,118,732
223,870	456,769	680,639	53,844,183
-	-	-	-
223,870	456,769	680,639	53,844,183
-	-	-	41,338,178
-	-	-	1,474,919
-	-	-	3,833,606
-	-	-	46,646,703
223,870	456,769	680,639	7,197,480
-	7,660	7,660	12,896
223,870	464,429	688,299	7,210,376
(223,870)	-	(223,870)	-
-	7,251,611	7,251,611	103,656,106
$ -	$ 7,716,040	$ 7,716,040	$ 110,866,482

See Independent Auditor's Report.