VEGAN OUTREACH, INC.
SACRAMENTO, CALIFORNIA

FINANCIAL STATEMENTS
JUNE 30, 2026

VEGAN OUTREACH, INC.
SACRAMENTO, CALIFORNIA

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To the Board of Directors
Vegan Outreach, Inc.
Sacramento, California

INDEPENDENT AUDITORS' REPORT

Opinion

We have audited the financial statements of Vegan Outreach, Inc., which comprise the statement of financial position as of June 30, 2026, and the related statements of activities and change in net assets, functional expenses and cash flows for the year then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Vegan Outreach, Inc. as of June 30, 2026, and the change in its net assets, functional expenses and its cash flows for the year then ended in conformity 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Vegan Outreach, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

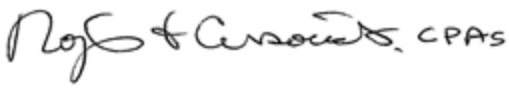
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these 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 Vegan Outreach, Inc.'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 Vegan Outreach, Inc.'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.

ROJAS & ASSOCIATES, CPAs



Sacramento, California
October 28, 2026

VEGAN OUTREACH, INC.
SACRAMENTO, CALIFORNIA

STATEMENT OF FINANCIAL POSITION
JUNE 30, 2026

ASSETS	
Cash and cash equivalents	$ 476,993
Investments	1,917,597
Contributions receivable	315,052
Inventory	5,212
Prepaid expenses	656
TOTAL ASSETS	$ 2,715,510
LIABILITIES AND NET ASSETS	
Current Liabilities:	
Accounts payable and accrued expenses	$ 38,097
Accrued payroll liabilities	43,116
Total current liabilities	81,213
Total liabilities	81,213
Net Assets:	
Without donor restrictions	2,634,297
Total net assets	2,634,297
TOTAL LIABILITIES AND NET ASSETS	$ 2,715,510

See independent auditors' report and notes to financial statements.

VEGAN OUTREACH, INC.
SACRAMENTO, CALIFORNIA

STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
JULY 1, 2025 TO JUNE 30, 2026

	Without Donor Restrictions
REVENUES AND SUPPORT	
Contributions	$2,415,101
Contributions of securities	41,008
Other income	812
Total revenues and support	2,456,921
EXPENSES	
Program	1,979,192
General and Administration	217,785
Fundraising	237,974
Total expenses	2,434,951
OTHER REVENUES (EXPENSES)	
Interest and dividends	63,214
Net realized and unrealized gain on investments	13,668
Other income	7,550
Total other revenues (expenses)	84,432
CHANGE IN NET ASSETS	106,402
NET ASSETS	
Net assets, as of the beginning of the year	2,527,895
Net assets, as of the end of the year	$2,634,297

See independent auditors' report and notes to financial statements.

VEGAN OUTREACH, INC.
SACRAMENTO, CALIFORNIA

STATEMENT OF FUNCTIONAL EXPENSES
JULY 1, 2025 TO JUNE 30, 2026

	Program Services	Administration	Fundraising	Total
Advertising	$ 622,067	$ 72	$ 29	$ 622,168
Audit, legal and tax	-	13,234	-	13,234
Awards and prizes	6,149	-	-	6,149
Bank Fees	-	16,603	-	16,603
Booklet and video design	150	-	-	150
Consultants / Contract Services	229,127	23,765	-	252,892
Cost of Literature	14,308	-	-	14,308
Donor Database	23,167	-	11,498	34,665
Dues & Subscriptions	9,847	6,613	-	16,460
Employee Benefits	114,457	21,912	27,688	164,057
Gifts, Meals, Donations	12,823	125	519	13,467
Insurance (General liability & WC)	-	18,827	-	18,827
IRA Contributions	13,648	1,975	3,295	18,918
Licenses and Fees	-	4,011	-	4,011
Other expense	4,819	-	-	4,819
Payroll Taxes	60,402	9,217	13,265	82,884
Postage and Shipping	18,496	581	5,402	24,479
Salaries and Wages	787,089	100,440	172,381	1,059,910
Storage	3,425	-	-	3,425
Supplies	21,648	91	142	21,881
Training	395	-	-	395
Travel	37,175	319	3,755	41,249
Total Functional Expenses	$1,979,192	$ 217,785	$ 237,974	$2,434,951

See independent auditors' report and notes to financial statements.

VEGAN OUTREACH, INC.
SACRAMENTO, CALIFORNIA

STATEMENT OF CASH FLOWS
JULY 1, 2025 TO JUNE 30, 2026

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	$ 106,402
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Revenues from contributed securities	(41,008)
Proceeds from sales of contributed securities	41,005
Realized and unrealized gains on securities	(13,668)
Interest and dividends on investments	(56,423)
Increase in contributions receivable	(274,479)
Decrease in inventory	15,134
Decrease in prepaid expenses	1,957
Decrease in accounts payable and accrued expenses	(6,160)
Increase in accrued payroll liabilities	2,404
Net cash used in operating activities	(224,836)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sales of investments	782,634
Purchases of investments	(512,000)
Net cash provided by investing activities	270,637
CHANGE IN CASH AND CASH EQUIVALENTS	
Net increase in cash and cash equivalents	45,801
Cash and cash equivalents, as of the beginning of the year	431,192
Cash and cash equivalents, as of the end of the year	$ 476,993

See independent auditors' report and notes to financial statements.

NOTE 1. NATURE OF OPERATIONS

Vegan Outreach, Inc. (the "Organization") is a not-for-profit corporation which was incorporated in the State of Delaware on August 29, 1996. The purpose of the Organization is to educate the public about veganism and the prevention of cruelty to animals. Vegan Outreach, Inc. prints and distributes educational booklets throughout the United States and maintains websites for public access to educational materials. The Organization's support comes primarily from contributions from individual donors and from organizational grants.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

We consider all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

Contributions Receivable

We record unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. We determine the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. The beginning and ending balance of contributions receivable was $40,573 and $315,052, respectively.

Net Assets

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

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

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets With Donor Restrictions - Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. We report contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is when a stipulated time restriction ends of purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets without donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction.

Revenue and Revenue Recognition

General support, including pledges, as well as any other unconditional promises to give, are recognized as revenue in the period pledged. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Special event revenues are recognized when earned, whereas expenses are recognized when incurred. Grants represent contributions if the resources provider receives no value in exchange for the assets transferred, or if the value received is incidental to the potential public benefit to be provided by using the assets. Grants represent an exchange transaction if the potential public benefit to be derived is secondary to the potential benefit received by the resource provider.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited. General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Organization. Fundraising costs are expenses as incurred, even though they may result in contributions received in future years.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Instruments and Credit Risk

We manage deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by us to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, we have not experienced losses in any of these accounts. As of June 30, 2026, the Organization has a $26,367 cash balance in excess of the FDIC insured limit.

Property and Equipment

These are recorded at historical cost or fair market value at the date of donation, if donated. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use, and contributions of cash that must be used to acquire depreciable items, are reported as restricted support. Absent explicit donor stipulations about how these long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed into service. Depreciation of property and equipment is provided using the straight-line method over the estimated useful lives of the assets, ranging from 3 to 10 years. The Organization capitalizes all assets acquired through purchase or donation with a cost or fair value of greater than $1,000, which is considered tangible personal or real property.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

The Organization is a tax-exempt corporation (“other than private foundation”) under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code for revenue generated from its exempt purpose activities. However, the Organization remains subject to income taxes on any net income that is derived from a trade or business, regularly carried on and not in furtherance of the purpose for which it was granted exemption.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASC topic 740, *Income Taxes,* prescribed a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return, and provides guidance on de-recognition, classification, interest and penalties, disclosure, and transition. Management believes that no such uncertain tax positions existed for the Organization as of June 30, 2026. Tax years 2021 through 2026 remain subject to examination by taxing authorities.

Donated Materials and Services

If material or other noncash contributions are received through donation, their value is reflected in the accompanying statements at their estimated fair market value at the date of receipt. Contribution of services are recognized if the services received, create or enhance nonfinancial assets, require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Other volunteer services that do not meet these criteria are not recognized in the financial statements as there is no objective basis of deriving their value.

Investments

Investments consist of bonds held in mutual funds and mutual funds. Investments are reported at fair market value. Realized and unrealized gains and losses are included as unrestricted revenue in the statement of activities. Donated investments are recorded at fair value on the date of donation and thereafter carried in accordance with the above provisions.

Inventory

Inventories of books, leaflets and t-shirts are stated at the lower of costs or net realizable value using the first-in, first-out (FIFO) method.

Advertising costs

The Organization uses advertising to promote its programs and advocacies. The costs of advertising are expensed as incurred. Advertising costs for 2026 amounted to $622,168.

NOTE 3. FAIR VALUE MEASUREMENTS AND DISCLOSURES

We report certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that we can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, we develop inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk, or liquidity profile of the asset or liability.

The assets measured at fair value are as follows:

	Fair Value	Level 1	Level 2	Level 3
Bonds held in mutual funds	$ 402,493	$ 402,493	$ -	$ -
Mutual funds	1,515,104	1,515,104	-	-
	$1,917,597	$1,917,597	$ -	$ -

See accompanying independent auditors' report.

NOTE 4. LIQUIDITY AND AVAILABILITY

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

Cash and cash equivalents	$ 476,993
Investments	1,917,597
Contributions receivable	315,052
Total financial assets	$2,709,642

The Organization occasionally receives significant contributions and promises to give restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization manages its liquidity with the principle of maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be met.

The majority of the Organization's expenses come in the form of payroll and contractor costs which are funded with contributions. The Organization's operating expenses average approximately $203,000 per month, and therefore the Organization has sufficient liquidity reserves to fund approximately thirteen months of operations.

NOTE 5. FUNCTIONALIZED EXPENSES

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, interest, insurance, and other, which are allocated on the basis of estimates of time and effort.

NOTE 6. RETIREMENT PLAN

The Organization sponsors a SIMPLE IRA retirement plan for employees who receive at least $5,000 in compensation during the year and who have earned at least $5,000 in any prior year. Eligible employees may make pre-tax contributions to the lower of the maximum amount allowed by law. The Organization may make nonelective contributions equal to 2% of eligible employee compensation. For the year ended June 30, 2026, the Organization contributed $18,919 to the plan.

NOTE 7. SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 28, 2026, the date the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosures in these financial statements.