

ANGUS FOUNDATION
FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 2025 AND 2024



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**ANGUS FOUNDATION
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Angus Foundation
St. Joseph, Missouri

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Angus Foundation (the Foundation), which comprise the statements of financial position as of September 30, 2025 and 2024, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Angus Foundation as of September 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (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 the Foundation and to meet our 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 Angus Foundation's ability to continue as a going concern for one year after the date 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 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 Foundation'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 Foundation'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.



CliftonLarsonAllen LLP

Kansas City, Missouri
October 17, 2025

ANGUS FOUNDATION
STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 447,451	\$ 186,752
Agency Cash	43,054	-
Accounts Receivable - Related Party	675	1,100
Pledges Receivable, Net - Current Portion	114,022	208,250
Inventories	104,506	119,620
Prepaid Expenses	21,219	25,711
Total Current Assets	<u>730,927</u>	<u>541,433</u>
INVESTMENTS		
Without Donor Restrictions	1,121,334	1,020,270
Board Designated	4,633,543	4,221,758
Donor Restricted - Purpose	9,265,868	8,177,112
Donor Restricted - Perpetually Restricted	13,647,571	13,647,572
Total Investments	<u>28,668,316</u>	<u>27,066,712</u>
LONG-TERM PLEDGES RECEIVABLE - NET	<u>1,212,500</u>	<u>50,000</u>
 Total Assets	 <u><u>\$ 30,611,743</u></u>	 <u><u>\$ 27,658,145</u></u>

See accompanying Notes to Financial Statements.

ANGUS FOUNDATION
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
SEPTEMBER 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable - Trade	\$ 6,420	\$ 20,082
Agency Donation Liability	43,054	-
Accounts Payable - Related Party	117,004	581
Accrued Liabilities	<u>1,272,102</u>	<u>122,590</u>
Total Current Liabilities	1,438,580	143,253
LONG-TERM LIABILITIES		
Accrued Postretirement Benefits	<u>32,300</u>	<u>29,200</u>
Total Long-Term Liabilities	<u>32,300</u>	<u>29,200</u>
Total Liabilities	1,470,880	172,453
NET ASSETS		
Without Donor Restrictions:		
General Operating	1,732,841	1,565,465
Board Designated	<u>4,532,238</u>	<u>4,220,858</u>
Total Without Donor Restrictions	6,265,079	5,786,323
With Donor Restrictions:		
Purpose Restrictions	9,141,980	8,051,798
Perpetual in Nature	<u>13,733,804</u>	<u>13,647,571</u>
Total With Donor Restrictions	<u>22,875,784</u>	<u>21,699,369</u>
Total Net Assets	<u>29,140,863</u>	<u>27,485,692</u>
Total Liabilities and Net Assets	<u><u>\$ 30,611,743</u></u>	<u><u>\$ 27,658,145</u></u>

See accompanying Notes to Financial Statements.

ANGUS FOUNDATION
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED SEPTEMBER 30, 2025 AND 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT						
Contributions	\$ 663,188	\$ 4,854,072	\$ 5,517,260	\$ 558,576	\$ 178,199	\$ 736,775
In-Kind Contributions	41,331	-	41,331	57,573	-	57,573
Royalties	178,870	-	178,870	155,509	-	155,509
Other Revenue	4	-	4	251	-	251
Merchandise Sales	79,793	-	79,793	95,133	-	95,133
Net Investment Income	445,237	1,298,446	1,743,683	122,144	723,010	845,154
Registration Fees	11,166	-	11,166	-	-	-
	<u>1,419,589</u>	<u>6,152,518</u>	<u>7,572,107</u>	<u>989,186</u>	<u>901,209</u>	<u>1,890,395</u>
Net Assets Released from Restrictions:						
Satisfaction of Purpose Restrictions	<u>5,216,413</u>	<u>(5,216,413)</u>	<u>-</u>	<u>517,452</u>	<u>(517,452)</u>	<u>-</u>
Total Revenues, Gains, and Other Support	<u>6,636,002</u>	<u>936,105</u>	<u>7,572,107</u>	<u>1,506,638</u>	<u>383,757</u>	<u>1,890,395</u>
EXPENSES						
Program Services	5,591,081	-	5,591,081	952,396	-	952,396
Management and General	260,440	-	260,440	250,998	-	250,998
Fundraising	394,645	-	394,645	320,333	-	320,333
Total Expenses	<u>6,246,166</u>	<u>-</u>	<u>6,246,166</u>	<u>1,523,727</u>	<u>-</u>	<u>1,523,727</u>
Changes in Net Assets before Provision for Postretirement Benefits and Net Unrealized Gain (Loss) on Investments	389,836	936,105	1,325,941	(17,089)	383,757	366,668
PROVISION FOR POST RETIREMENT BENEFITS	(3,100)	-	(3,100)	-	-	-
NET UNREALIZED GAIN ON INVESTMENTS	<u>92,020</u>	<u>240,310</u>	<u>332,330</u>	<u>868,624</u>	<u>2,586,789</u>	<u>3,455,413</u>
CHANGES IN NET ASSETS	478,756	1,176,415	1,655,171	851,535	2,970,546	3,822,081
Net Assets - Beginning of Year	<u>5,786,323</u>	<u>21,699,369</u>	<u>27,485,692</u>	<u>4,934,788</u>	<u>18,728,823</u>	<u>23,663,611</u>
NET ASSETS - END OF YEAR	<u>\$ 6,265,079</u>	<u>\$ 22,875,784</u>	<u>\$ 29,140,863</u>	<u>\$ 5,786,323</u>	<u>\$ 21,699,369</u>	<u>\$ 27,485,692</u>

See accompanying Notes to Financial Statements.

ANGUS FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2025

	Program Events	Support Services			Total Expenses
		Management and General	Fundraising	Total Support Services	
EXPENSES					
Personnel	\$ -	\$ 131,531	\$ 207,499	\$ 339,030	\$ 339,030
Research	4,679,750	-	-	-	4,679,750
Scholarships	384,250	-	-	-	384,250
Sponsorships	454,460	4,066	11,701	15,767	470,227
Literature and Newsletters	72,384	-	116,801	116,801	189,185
Office, Supplies, and Postage	-	1,431	2,898	4,329	4,329
Management Fee	-	36,000	-	36,000	36,000
Occupancy	-	4,200	-	4,200	4,200
Professional Fees	-	38,924	-	38,924	38,924
Utilities	237	31,930	224	32,154	32,391
Conferences, Meeting, and Travel	-	12,358	46,061	58,419	58,419
Miscellaneous	-	-	461	461	461
Bad Debt	-	-	9,000	9,000	9,000
Total Expenses	<u>\$ 5,591,081</u>	<u>\$ 260,440</u>	<u>\$ 394,645</u>	<u>\$ 655,085</u>	<u>\$ 6,246,166</u>

See accompanying Notes to Financial Statements.

ANGUS FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2024

	Program Events	Support Services		Total Support Services	Total Expenses
		Management and General	Fundraising		
EXPENSES					
Personnel	\$ -	\$ 126,331	\$ 162,534	\$ 288,865	\$ 288,865
Research	36,000	-	-	-	36,000
Scholarships	388,500	-	-	-	388,500
Sponsorships	444,873	-	-	-	444,873
Literature and Newsletters	64,971	3,023	6,009	9,032	74,003
Office, Supplies, and Postage	854	15,895	2,464	18,359	19,213
Insurance, Fees, and Taxes	-	51,249	19	51,268	51,268
Management Fee	-	36,000	-	36,000	36,000
Occupancy	-	4,200	-	4,200	4,200
Professional Fees	16,850	433	-	433	17,283
Utilities	-	1,047	-	1,047	1,047
Conferences, Meeting, and Travel	-	12,136	149,307	161,443	161,443
Miscellaneous	348	684	-	684	1,032
Total Expenses	<u>\$ 952,396</u>	<u>\$ 250,998</u>	<u>\$ 320,333</u>	<u>\$ 571,331</u>	<u>\$ 1,523,727</u>

See accompanying Notes to Financial Statements.

ANGUS FOUNDATION
STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in Net Assets	\$ 1,655,171	\$ 3,822,081
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by Operating Activities:		
Net Realized (Gains) Losses on Investments	(412,708)	203,406
Net Unrealized Gains on Investments	(332,330)	(3,455,413)
Contributions Restricted for Long-Term Purposes	(86,233)	(94,734)
Effect of Changes in Operating Assets and Liabilities:		
Accounts Receivable	-	924
Accounts Receivable - Related Party	425	48,900
Pledges Receivable - Net	(1,068,272)	105,162
Inventories	15,114	(85,480)
Prepaid Expenses	4,492	6,396
Accounts Payable - Trade	102,761	(96,793)
Accrued Liabilities and Post Retirement Benefits	1,152,612	19,965
Net Cash Provided by Operating Activities	<u>1,031,032</u>	<u>474,414</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sale of Investments	501,098	695,475
Purchases of Investments	<u>(1,357,664)</u>	<u>(1,096,266)</u>
Net Cash Used by Investing Activities	(856,566)	(400,791)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Contributions Restricted for Investment in Endowments	<u>86,233</u>	<u>94,734</u>
Net Cash Provided by Financing Activities	<u>86,233</u>	<u>94,734</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	260,699	168,357
Cash and Cash Equivalents - Beginning of Year	<u>186,752</u>	<u>18,395</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 447,451</u></u>	<u><u>\$ 186,752</u></u>

See accompanying Notes to Financial Statements.

**ANGUS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Angus Foundation (the Foundation) is a nonprofit organization incorporated in the state of Illinois in 1980. The Foundation's principal activities are to secure, manage, and steward charitable gifts for the purpose of cultivating and fostering the advancement of education, youth, and research activities related to the Angus breed and the agricultural industry.

Use of Estimates in Preparing Financial Statements

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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues, expenses, gains, losses, and other changes in net assets during the reporting period. Significant estimates incorporated into the Foundation's financial statements include: the allocation factors used to allocate costs among the various programs and supporting services of the Foundation; the estimated timing and collectability applicable to pledges receivable and accounts receivable; the required liability for postretirement benefits; and the estimated final distribution of an estate. Actual results could differ from those estimates.

Net Assets

Financial statement presentation follows the recommendations of Financial Accounting Standards Board ASC 958-205, *Financial Statements of Not-for-profit Organizations*. Under ASC 958-205, the Foundation is required to report information regarding its financial position and activities according to two classes of 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. The governing board has designated, from net assets without donor restrictions, net assets designated to be used for program related activities through quasi-endowments for future need.

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. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cash and Cash Equivalents

Cash and cash equivalents generally include cash on hand and liquid investments with banks, mutual funds, certificates of deposit, and money market accounts with an initial maturity date of three months or less. Certain cash equivalents are considered to be an integral part of the Foundation's investment program and are, accordingly, recognized as a component of investments on the statements of financial position.

**ANGUS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions

Unconditional promises to give are recorded as revenues or gains in the period received and as assets or a decrease of liabilities, depending on the form of the benefits received. Conditional contributions received are accounted for as a liability or are unrecognized initially, that is, until the barriers to entitlement are overcome, and a right of return or release are no longer present, at which point the transaction is recognized as unconditional and classified as either net assets with restrictions or net assets without restrictions.

All contributions are considered to be available for the general programs of the Foundation unless specifically restricted by the donor. The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, reclassifications are made from net assets with donor restrictions to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Pledges and Accounts Receivable

Pledges receivable represent unconditional promises to give that are due within one to three years. Pledges receivable are stated at the pledged amount, with the exception of long-term promises to give which are discounted to reflect their present value. Management has also established a valuation allowance that reflects management's best estimate of amounts that may not be collected.

Accounts receivable relate to products and services and are generally due within 30 days of the invoice date. As the receivables tend to be small and are generally collectible, no valuation allowance is deemed by management to be necessary.

Inventories

Inventories consist primarily of promotional, educational, and support items. Inventories are stated at the lower of cost or net realizable value with cost being determined on the first-in, first-out (FIFO) basis of accounting.

Investments

Investments include fixed income and equity security mutual funds, certificates of deposit, government securities, and money market accounts. Investments in fixed income and equity mutual funds are carried at fair value with unrealized and realized gains and losses reported as an increase or decrease in the appropriate category of net assets. Certificates of deposits (other than marketable certificates of deposit) and money market accounts are carried at cost, which approximates fair value.

Investment income is reported in the statements of activities as without donor restricted and with donor restricted revenue based upon donor-imposed restrictions.

**ANGUS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Postretirement Benefits

The Foundation provides certain health care benefits for retired employees who meet eligibility requirements. The value for postretirement benefits is determined using the accrual amount based on employee census information and estimates of the actuarial lifespan of potentially eligible individuals, the current year cost of supplemental health insurance, and certain assumptions related to discount rates and expected return on investments.

Income Taxes

The Foundation is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and is not considered to be a private foundation. Therefore, no income or excise taxes have been provided in the financial statements. The Foundation follows the standard for evaluating uncertain tax positions and has determined no liability should be recorded for uncertain tax positions.

Description of Programs

The Foundation develops, assists, and sponsors educational programs, supports youth programs, and sponsors scientific research on topics related to agriculture.

Functional Allocation of Expenses

The indirect functional costs of providing the various programs and activities of the Foundation have been allocated amongst those programs and activities according to allocation principles believed to be most representative by management of the actual efforts required by those programs. Program expenses include both these allocated costs and the direct costs of providing each program or activity. Management takes into account estimated employee hours spent per category and professional judgement when determining how much of the few allocable indirect costs to allocate to each expense classification.

NOTE 2 LIQUIDITY AND AVAILABILITY

The Foundation regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Foundation has various sources of liquidity at its disposal, including cash and cash equivalents, and marketable debt and equity securities.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Foundation considers all expenditures related to its ongoing activities as well as the conduct of services undertaken to support those activities to be general expenditures.

ANGUS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 2 LIQUIDITY AND AVAILABILITY (CONTINUED)

In addition to financial assets available to meet general expenditures over the next 12 months, the Foundation operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. Refer to the statements of cash flows which identify the sources and uses of the Foundation's cash and the amount of cash generated or used by operations for the years ended September 30, 2025 and 2024.

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 of the following:

	2025	2024
Cash	\$ 447,451	\$ 186,752
Investments	28,668,316	27,066,712
Accounts Receivable, Net	675	1,100
Pledges Receivable, Net - Current Portion	114,022	208,250
Total Financial Assets	29,230,464	27,462,814
Contractual or Donor-Imposed Restrictions	(22,974,718)	(21,667,371)
Board- Designated Assets	(4,666,135)	(4,313,340)
Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	<u>\$ 1,589,611</u>	<u>\$ 1,482,103</u>

The Foundation's endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

The board-designated amounts could be made available, if necessary.

NOTE 3 FAIR VALUE OF FINANCIAL INSTRUMENTS

In determining fair value, the Foundation uses various valuation approaches within the ASC 820 fair value measurement framework. Fair value measurements are determined based on the assumptions that market participants would use in pricing an asset or liability.

ASC 820 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs, by requiring that the most observable inputs be used when available. ASC 820 defines levels within the hierarchy based on the reliability of inputs as follows:

Level 1 – Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets; and

ANGUS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 3 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Level 2 – Valuations based on quoted prices for similar assets or liabilities, or identical assets or liabilities in less active markets, such as dealer or broker markets; and

Level 3 – Valuations derived from valuation techniques in which one or more significant inputs, or significant value drivers, are unobservable, such as pricing models, discounted cash flow models, and similar techniques not based on market, exchange, dealer or broker-traded transactions.

Following is a description of the valuation methodologies used for instruments measured at fair value and their classifications in the valuation hierarchy.

Equity and Fixed Income Mutual Funds

Securities listed on a national market or exchange are valued at the last sales price, or if there is no sale and the market is still considered active, at the last transaction price before year-end. Such securities are classified within Level 1 of the valuation hierarchy.

Fair values of assets measured on a recurring basis, as of September 30, are as follows:

		2025			
		<u>Total Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments:					
Equity Securities:					
Mutual Funds:					
Large Cap Equity	\$ 6,648,025	\$ 6,648,025	\$ -	\$ -	
Mid Cap Equity	773,089	773,089	-	-	
Small Cap Equity	724,511	724,511	-	-	
International	1,990,242	1,990,242	-	-	
Fixed Income:					
Mutual Funds:					
Long-Term Government	379,823	379,823	-	-	
Short-Term	623,299	623,299	-	-	
Corporate	11,232,149	11,232,149	-	-	
Preferred Stock	1,169,161	1,169,161	-	-	
Convertible Bonds	340,003	340,003	-	-	
Non-Traditional Bond	1,988,880	1,988,880	-	-	
High Yield Bond	759,478	759,478	-	-	
Emerging Markets	521,654	521,654	-	-	
World Bond	703,692	703,692	-	-	
Total Assets	<u>\$ 27,854,006</u>	<u>\$ 27,854,006</u>	<u>\$ -</u>	<u>\$ -</u>	

ANGUS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 3 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

	2024			
	Total Fair Value	Level 1	Level 2	Level 3
Investments:				
Equity Securities:				
Mutual Funds:				
Large Cap Equity	\$ 6,481,004	\$ 6,481,004	\$ -	\$ -
Mid Cap Equity	706,737	706,737	-	-
Small Cap Equity	658,703	658,703	-	-
International	1,697,594	1,697,594	-	-
Fixed Income:				
Mutual Funds:				
Long-Term Government	416,926	416,926	-	-
Short-Term	602,475	602,475	-	-
Corporate	11,225,568	11,225,568	-	-
Preferred Stock	1,095,570	1,095,570	-	-
Convertible Bonds	278,892	278,892	-	-
Non-Traditional Bond	1,758,358	1,758,358	-	-
High Yield Bond	708,543	708,543	-	-
Emerging Markets	478,246	478,246	-	-
World Bond	670,831	670,831	-	-
Total Assets	<u>\$ 26,779,447</u>	<u>\$ 26,779,447</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 4 INVESTMENTS

The value of investments at September 30, 2025 consists of the following:

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Held at Cost:				
Money Market Accounts	\$ 814,310	\$ -	\$ -	\$ 814,310
Held at Fair Value:				
Equity Security Mutual Funds	6,611,630	3,524,237	-	10,135,867
Fixed Income Mutual Funds	18,944,670	-	1,226,531	17,718,139
Total Investments	<u>\$ 26,370,610</u>	<u>\$ 3,524,237</u>	<u>\$ 1,226,531</u>	<u>\$ 28,668,316</u>

ANGUS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 4 INVESTMENTS (CONTINUED)

The value of investments at September 30, 2024 consists of the following:

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Held at Cost:				
Money Market Accounts	\$ 287,265	\$ -	\$ -	\$ 287,265
Held at Fair Value:				
Equity Security Mutual Funds	6,321,760	3,222,278	-	9,544,038
Fixed Income Mutual Funds	18,500,249	-	1,264,840	17,235,409
Total Investments	<u>\$ 25,109,274</u>	<u>\$ 3,222,278</u>	<u>\$ 1,264,840</u>	<u>\$ 27,066,712</u>

Investment returns for the years ended September 30, 2025 and 2024 consist of the following:

	2025	2024
Interest Income	\$ 1,382,073	\$ 1,096,267
Net Realized Gains (Losses)	412,708	(203,406)
Investment Fees	(51,098)	(47,707)
Net Investment Income	1,743,683	845,154
Net Unrealized Gains	332,330	3,455,413
Total Investment Returns	<u>\$ 2,076,013</u>	<u>\$ 4,300,567</u>

NOTE 5 PLEDGES RECEIVABLE

Pledges receivable are scheduled to be collected as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2026	\$ 114,022
2027	1,212,500
Total	<u>\$ 1,326,522</u>

The Foundation has been informed of multiple donors naming the Angus Foundation as a charitable beneficiary in their revocable wills or trusts. Since these gifts are revocable, they are not reflected within the accompanying financial statements due to their conditional nature and lack of support provided by the donor until the contribution becomes unconditional. The Foundation has estimated the amount of the conditional receivables could approximate \$3,215,000.

ANGUS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 6 CONTRIBUTIONS IN-KIND

During the years ended September 30, 2025 and 2024, the Foundation received the following non-cash donations:

Item Donated	Program Utilization	2025	2024
Auction Items	Fundraising	\$ 35,906	\$ 56,873
Other	Fundraising	5,425	700
		<u>\$ 41,331</u>	<u>\$ 57,573</u>

Auction items were valued at fair value, determined by the sales price of the item. Donated event facilities were valued based on estimated third-party cost for utilization of the space. All items were considered revenue without donor restrictions.

NOTE 7 PENSION AND POST-RETIREMENT BENEFIT PLANS

The Foundation sponsors a qualified noncontributory defined contribution plan (the Plan), which covers substantially all full-time eligible employees. Contributions are established by the board of directors (board) and are discretionary. Contributions to the Plan are based upon eligible employee salaries and years of service. During the fiscal years ended 2025 and 2024, the Foundation contributed \$21,119 and \$19,565, respectively, to this Plan.

During the fiscal year ended September 30, 1997, the Plan was amended to include a supplemental savings and retirement plan qualified under Section 401(k) of the IRC. Eligible employees may contribute a percentage of their eligible salary subject to federal statutory limits.

The Foundation provides supplemental post-retirement health care benefits to employees who meet certain years of service requirements. This Plan is not available for employees hired after March 1, 2006. This benefit is to be funded from the general assets of the Foundation as they are incurred. No benefits were paid in 2025 or 2024. The following is information about the benefit obligation and assumptions related to this benefit plan as of September 30:

	2025	2024
Accrued Benefit Obligation:		
Long-Term Liability	<u>\$ 32,300</u>	<u>\$ 29,200</u>
Change in Obligation for Post Retirement Benefits	<u>\$ 3,100</u>	<u>\$ -</u>
Weighted-Average Assumptions:		
Discount Rate	6%	6%
Expected Return on Plan Assets	8%	8%

ANGUS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 8 NET ASSETS

Board-designated net assets were available for the following purpose:

	2025	2024
Youth, Research, and Education Programs	<u>\$ 4,532,238</u>	<u>\$ 4,220,858</u>

Net assets were restricted by donors for the following:

	2025	2024
Purpose Restrictions:		
Research	\$ 153,572	\$ 113,812
Youth Programs	2,240,341	1,902,056
Education	2,134,708	1,838,364
Future Operations	4,613,359	4,197,566
Total Purpose Restrictions	<u>9,141,980</u>	<u>8,051,798</u>
Perpetual in Nature:		
Research	65,241	65,241
Youth Programs	2,556,045	2,469,909
Education	11,112,518	11,112,421
Total Perpetual in Nature	<u>13,733,804</u>	<u>13,647,571</u>
Total Net Assets with Donor Restrictions	<u>\$ 22,875,784</u>	<u>\$ 21,699,369</u>

Net assets with donor restrictions that are perpetual in nature consist of endowments, which are invested in perpetuity, the income from which is expendable to support specified programs.

NOTE 9 ENDOWMENTS

The Foundation's endowments consist of various funds established to support a variety of scholarships and programs. Its endowments consist of both donor-restricted endowment funds and funds designated by the board to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

**ANGUS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024**

NOTE 9 ENDOWMENTS (CONTINUED)

Interpretation of Relevant Law

The board has interpreted Missouri's enactment of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. At September 30, 2025 and 2024, there were no such donor stipulations. As a result of this interpretation, the Foundation retains in perpetuity (a) the original value of initial and subsequent gift amounts donated to the Endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purpose of the Foundation and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Foundation
7. The investment policies of the Foundation

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to the programs supported by the endowments. The endowment assets are invested in a manner that is intended to produce results similar to the S&P 500 index while assuming a moderate level of investment risk. Due to the specific investment guidelines required by a significant endowment donor, approximately \$11.8 million was invested in fixed income type investments as of September 30, 2025.

Spending Policy

The Foundation has a policy of appropriating a distribution percentage each year of its endowment fund's average balance over the prior three years preceding the fiscal year in which the distribution is budgeted (4% for 2025 and 2024). Because this amount is calculated for a future year, any amount appropriated for the following fiscal years is added to net assets with donor restrictions in the current year.

In establishing this policy, the Foundation considered the long-term expected returns on its endowment investments. Accordingly, over the long term, the Foundation expects the current spending policy will allow its endowment to retain the original corpus of the gift.

ANGUS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 9 ENDOWMENTS (CONTINUED)

Strategies Employed for Achieving Objectives

The Foundation relies on a total return strategy in which investment returns are achieved through capital appreciation and current yield (interest and dividends). The Foundation targets a diversified asset allocation that emphasizes fixed income securities to achieve its long-term objectives within prudent risk constraints.

Endowment net asset composition by type of fund as of September 30, 2025:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor Restricted:			
Original Donor Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	\$ -	\$ 13,733,804	\$ 13,733,804
Endowment Earnings	-	4,139,083	4,139,083
Board-Designated Endowment Funds	4,461,758	-	4,461,758
Total Funds	<u>\$ 4,461,758</u>	<u>\$ 17,872,887</u>	<u>\$ 22,334,645</u>

Changes in endowment net assets for the fiscal year ended September 30, 2025:

	Without Donor Restrictions	With Donor Restrictions	Total
Net Assets - Beginning of Year	\$ 4,068,829	\$ 17,133,666	\$ 21,202,495
Investment Return:			
Investment Income	346,723	974,559	1,321,282
Net Appreciation:			
Board Designated	65,063	-	65,063
Donor Restricted	-	123,421	123,421
Total	<u>411,786</u>	<u>1,097,980</u>	<u>1,509,766</u>
Contributions	141,338	86,733	228,071
Appropriation of Endowment Assets for Expenditure	<u>(160,195)</u>	<u>(445,492)</u>	<u>(605,687)</u>
Net Assets - End of Year	<u>\$ 4,461,758</u>	<u>\$ 17,872,887</u>	<u>\$ 22,334,645</u>

Endowment net asset composition by type of fund as of September 30, 2024:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor Restricted:			
Original Donor Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	\$ -	\$ 13,647,572	\$ 13,647,572
Endowment Earnings	-	3,486,094	3,486,094
Board-Designated Endowment Funds	4,068,829	-	4,068,829
Total Funds	<u>\$ 4,068,829</u>	<u>\$ 17,133,666</u>	<u>\$ 21,202,495</u>

ANGUS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 9 ENDOWMENTS (CONTINUED)

Changes in endowment net assets for the fiscal year ended September 30, 2024:

	Without Donor Restrictions	With Donor Restrictions	Total
Net Assets - Beginning of Year	\$ 3,244,172	\$ 14,937,899	\$ 18,182,071
Investment Return:			
Investment Income	101,172	632,650	733,822
Net Appreciation:			
Board Designated	699,670	-	699,670
Donor Restricted	-	1,863,465	1,863,465
Total	<u>800,842</u>	<u>2,496,115</u>	<u>3,296,957</u>
Contributions	201,092	96,734	297,826
Appropriation of Endowment Assets for Expenditure	<u>(177,277)</u>	<u>(397,082)</u>	<u>(574,359)</u>
Net Assets - End of Year	<u><u>\$ 4,068,829</u></u>	<u><u>\$ 17,133,666</u></u>	<u><u>\$ 21,202,495</u></u>

NOTE 10 RELATED PARTIES

The Foundation paid an affiliated organization \$40,200 for rent of facilities and equipment under a short-term lease, and administrative services, for the years ended September 30, 2025 and 2024.

The Foundation paid affiliated organizations \$307,992 and \$267,079 for sponsorships of events and shows during the years ended September 30, 2025 and 2024, respectively. Included in accounts payable at September 30, 2025 and 2024 was \$117,004 and \$581, respectively, due to affiliated organizations.

An affiliated organization contributed \$20,000 to cover current and future administrative services and donor relations for the years ended September 30, 2025 and 2024.

NOTE 11 ECONOMIC RISKS

The Foundation's investment portfolio is subject to significant fluctuations in its value. Because the values of individual investments fluctuate with market conditions, the amount of investment gains or losses that the Foundation will recognize in its future financial statements, if any, cannot be determined.

**ANGUS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024**

NOTE 12 CONCENTRATIONS

Approximately 88% of the Foundation's contributions during the year ended September 30, 2025 were from one donor. Approximately 13% of the Foundation's contributions during the year ended September 30, 2024 were from one donor.

Approximately 91% of the Foundation's pledges receivable at September 30, 2025 were from one donor. Approximately 92% of the Foundation's pledges receivable at September 30, 2024 were from three donors.

NOTE 13 SUBSEQUENT EVENTS

Management evaluated subsequent events through October 17, 2025, the date the financial statements were available to be issued. Events or transactions occurring after September 30, 2025, but prior to October 17, 2025 that provided additional evidence about conditions that existed at September 30, 2025, have been recognized in the 2025 financial statements.

