

REPORT OF INDEPENDENT AUDITORS

To the Board of Directors of
American Veterinary Medical Foundation

Report on the Financial Statements

We have audited the accompanying financial statements of American Veterinary Medical Foundation (the Foundation), which comprise the statements of financial position as of December 31, 2016 and 2015 and the related statements of activities and of cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of American Veterinary Medical Foundation as of December 31, 2016 and 2015, 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.

Legacy Professionals LLP

Chicago, Illinois

May 5, 2017

AMERICAN VETERINARY MEDICAL FOUNDATION

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2016 AND 2015

ASSETS	<u>2016</u>	<u>2015</u>
Cash and cash equivalents	\$ 1,425,882	\$ 1,120,900
Donations receivable - net	559,828	219,817
Investments	2,895,494	3,238,303
Inventory	5,500	5,500
Property and equipment - net	21,700	34,100
Prepaid expenses	3,750	1,111
Artwork		
Donated paintings and sculptures	27,960	24,110
Statue	<u>122,494</u>	<u>122,494</u>
Total assets	<u>\$ 5,062,608</u>	<u>\$ 4,766,335</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 98,118	\$ 189,757
Grants payable	<u>-</u>	<u>22,682</u>
Total liabilities	<u>98,118</u>	<u>212,439</u>
NET ASSETS		
Unrestricted	603,161	716,959
Temporarily restricted	2,232,067	1,707,675
Permanently restricted	<u>2,129,262</u>	<u>2,129,262</u>
Total	<u>4,964,490</u>	<u>4,553,896</u>
Total liabilities and net assets	<u>\$ 5,062,608</u>	<u>\$ 4,766,335</u>

See accompanying notes to financial statements.