REPORT ON AUDIT
OF

BOOST KC
GLADSTONE, MISSOURI

AS OF AND FOR THE YEAR ENDED MAY 31, 2026

McBRIDE, LOCK & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS
KANSAS CITY

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McBRIDE, LOCK & ASSOCIATES, LLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Boost KC

Opinion

We have audited the accompanying financial statements of Boost KC (a nonprofit organization), which comprise the statement of financial position as of May 31, 2026, and the related statements of activities, functional expenses, and cash flows for the year 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 Boost KC as of May 31, 2026, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Boost KC 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.

Other Matter

The financial statements include summarized comparative information as of and for the year ended May 31, 2025. Such information was derived from Boost KC's 2025 financial statements, which were audited by another auditor whose report dated September 8, 2025 expressed an unmodified opinion on those financial statements. We were not engaged to audit, review, or apply any procedures to the summarized comparative information, and accordingly, we do not express an opinion or provide any assurance on it.

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 financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Boost KC'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 generally accepted auditing standards 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 in 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 generally accepted auditing standards, 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 Boost KC'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 Boost KC'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.

McBride, Lock & Associates, LLC

McBride, Lock & Associates, LLC
Kansas City, Missouri
August 10, 2026

Boost KC
STATEMENT OF FINANCIAL POSITION
May 31, 2026
(with summarized comparative information at May 31, 2025)

Assets	2026	2025
CURRENT ASSETS:		
Cash and Cash Equivalents	$ 1,363,891	$ 1,487,301
Unconditional Promises to Give	34,603	51,005
Accounts Receivable	12,217	11,718
Prepaid Expenses	13,651	13,692
Thrift Store Inventory	288,645	239,132
Program Supplies Inventory	627,876	314,429
Total Current Assets	$ 2,340,883	$ 2,117,277
PROPERTY AND EQUIPMENT:		
Fixed Assets	$ 3,701,303	$ 3,329,409
Accumulated Depreciation	(1,133,630)	(1,031,652)
Total Property and Equipment	$ 2,567,673	$ 2,297,757
OTHER ASSETS:		
Unconditional Promises to Give - long-term	$ 87	$ 32,955
Total Other Assets	$ 87	$ 32,955
TOTAL ASSETS	$ 4,908,643	$ 4,447,989
Liabilities		
CURRENT LIABILITIES:		
Accounts Payable	$ 25,188	$ 52,690
Deferred Revenue	18,840	18,370
Notes Payable	26,205	18,855
Total Current Liabilities	$ 70,233	$ 89,915
LONG-TERM LIABILITIES:		
Notes Payable	$ 43,860	$ 176,027
Total Long-Term Liabilities	$ 43,860	$ 176,027
Total Liabilities	$ 114,093	$ 265,942
Net Assets		
Without Donor Restrictions	$ 4,693,569	$ 3,935,406
With Donor Restrictions	100,981	246,641
Total Net Assets	$ 4,794,550	$ 4,182,047
TOTAL LIABILITIES & NET ASSETS	$ 4,908,643	$ 4,447,989

The accompanying notes to the financial statements are an integral part of this statement.

Boost KC
STATEMENT OF ACTIVITIES
For the Year Ended May 31, 2026
(with summarized comparative information at May 31, 2025)

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total 2026	Total 2025
Revenue				
ReSale Shop Revenue:				
Contributions of merchandise	$ 767,930	$ -	$ 767,930	$ 671,591
Sales of donated merchandise	718,277	-	718,277	661,155
Less: Value of merchandise sold	(718,277)	-	(718,277)	(661,155)
Net Revenue from ReSale Shop	$ 767,930	$ -	$ 767,930	$ 671,591
Fundraising Events:				
Campaign contributions	80,434	151,000	231,434	75,078
Less: Direct costs	(2,449)	-	(2,449)	(2,395)
Net Fundraising Events	$ 77,985	$ 151,000	$ 228,985	$ 72,683
Contributions and Grants	163,645	6,661	170,306	509,010
Membership Dues	19,210	-	19,210	21,495
In-Kind Contributions	284,935	-	284,935	44,312
Interest	29,905	780	30,685	35,223
Other Income	465	-	465	329
Net Assets Released From Restrictions	304,101	(304,101)	-	-
Total Revenue	$ 1,648,176	$ (145,660)	$ 1,502,516	$ 1,354,643
Expenses				
Program Expenses:				
Threads2Thrive	$ 476,664	$ -	$ 476,664	$ 632,326
Child in Need	23,014	-	23,014	70,282
Boost Bundles	29,502	-	29,502	33,901
Boost Bears	33,031	-	33,031	35,179
Other programs	74,962	-	74,962	98,629
Total Program Expenses	$ 637,173	$ -	$ 637,173	$ 870,317
Support Services Expenses:				
Management and general	$ 109,745	$ -	$ 109,745	$ 144,816
ReSale Shop	125,317	-	125,317	61,264
Fundraising	6,431	-	6,431	8,355
Membership development	11,347	-	11,347	12,468
Unallocated payment for National Dues	-	-	-	12,750
Total Support Services Expenses	$ 252,840	$ -	$ 252,840	$ 239,653
Total Expenses	$ 890,013	$ -	$ 890,013	$ 1,109,970
Change in Net Assets	$ 758,163	$ (145,660)	$ 612,503	$ 244,673
Net Assets, beginning of the year	3,935,406	246,641	4,182,047	3,937,374
Net Assets, end of year	$ 4,693,569	$ 100,981	$ 4,794,550	$ 4,182,047

The accompanying notes to the financial statements are an integral part of this statement.

Exhibit C

Boost KC
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended May 31, 2026
(with summarized comparative information at May 31, 2025)

					Program Services						
	Management and General	ReSale Shop	Fundraising	Membership Development	Threads2Thrive	Child In Need	Boost Bundles	Boost Bears	Other Programs	2026 Total	2025 Total
EXPENDITURES:											
Program Supplies	$ -	$ -	$ -	$ -	$ 400,417	$ 21,175	$ 27,144	$ 30,391	$ 68,467	$ 547,594	$ 749,457
Occupancy:											
Utilities	2,976	23,141	-	-	9,868	173	221	248	562	37,189	33,684
Property management	4,400	27,591	-	-	6,204	255	327	366	831	39,974	32,660
Repairs and maintenance	3,080	2,790	-	-	3,532	178	229	256	582	10,647	17,567
Insurance and bonding	7,323	13,044	-	-	11,493	349	448	501	1,138	34,296	28,255
Mortgage note interest	13,214	-	-	-	-	-	-	-	-	13,214	25,499
Depreciation	12,165	43,361	-	-	41,534	705	904	1,012	2,297	101,978	93,912
Postage	189	-	-	15	138	7	9	10	526	894	510
Printing	-	-	-	1,027	-	-	-	-	-	1,027	1,095
Professional service fees	54,560	-	-	534	201	-	-	-	-	55,295	54,883
Public relations and advertising	580	597	2,973	4,322	1,458	77	99	111	251	10,468	6,051
Office supplies	1,571	164	328	-	1,050	56	71	80	181	3,501	3,073
Technology & web related	3,730	597	2,808	-	736	39	50	56	127	8,143	7,536
National dues & committee	-	-	-	-	-	-	-	-	-	-	12,750
Education chapter development	1,290	-	-	864	-	-	-	-	-	2,154	23,412
Organization meetings	-	-	-	3,088	-	-	-	-	-	3,088	3,249
Training	163	-	-	-	33	-	-	-	-	196	-
Bank and credit card fees	764	14,032	-	465	-	-	-	-	-	15,261	14,724
Bad debt expense	3,700	-	-	-	-	-	-	-	-	3,700	-
Other	40	-	322	1,032	-	-	-	-	-	1,394	1,653
TOTAL EXPENDITURES	**$ 109,745**	**$ 125,317**	**$ 6,431**	**$ 11,347**	**$ 476,664**	**$ 23,014**	**$ 29,502**	**$ 33,031**	**$ 74,962**	**$ 890,013**	**$ 1,109,970**

See accompanying notes to financial statements.

Boost KC
STATEMENT OF CASH FLOWS
For the Year Ended May 31, 2026
(with summarized comparative information at May 31, 2025)

	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 612,503	$ 244,673
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	101,978	93,912
Contributions restricted for long-term purposes	(192,869)	(274,493)
Changes in operating assets and liabilities:		
Accounts Receivable	(499)	3,116
Prepaid Expenses	41	46,713
Thrift Store Inventory	(49,513)	(10,436)
Program Supplies Inventory	(313,447)	122,297
Accounts Payable	(27,502)	(9,405)
Deferred Revenue	470	(2,645)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	$ 131,162	$ 213,732
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of Fixed Assets	$ (371,894)	$ (22,099)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	$ (371,894)	$ (22,099)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments on Notes Payable	$ (124,817)	$ (385,118)
Proceeds from contributions restricted for long-term purposes	242,139	346,642
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	$ 117,322	$ (38,476)
NET INCREASE (DECREASE) IN CASH	$ (123,410)	$ 153,157
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,487,301	1,334,144
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 1,363,891	$ 1,487,301
SUPPLEMENTAL DISCLOSURES:		
Cash Paid For Interest	$ 13,214	$ 25,499

The accompanying notes to the financial statements are an integral part of this statement.

BOOST KC
NOTES TO THE FINANCIAL STATEMENTS
May 31, 2026

NOTE 1 – NATURE OF ACTIVITIES

Boost KC (formerly the Assistance League of Kansas City) is a nonprofit corporation organized under the laws of the State of Missouri. The accompanying financial statements include the activities of Boost KC and its Membership (collectively, the "organization"). During fiscal year 2026, the organization changed its name to Boost KC and disaffiliated with the National Assistance League.

The organization provides the following philanthropic programs:

- Boost Bundles provides personal care items for sexual assault survivors in hospital emergency rooms.
- I'm In Charge is a school curriculum which includes a DVD, student workbook and a facilitator guide for elementary -age students. This program focuses on safety in emergency and non-emergency situations when a child is home alone, responding to strangers, gun safety and cyber-bullying.
- Child In Need helps children in our community whose family is unable to financially provide for their educational, physical or emotional development.
- Boost Bears distributes teddy bears to children in crisis and/or schools, nursing homes and homebound senior citizens.
- Threads2Thrive provides clothing, health supplies, books, and other essential items to local K-12 students in need.
- Senior Outreach Service provides friendship and support to residents of area senior care facilities and/or homebound senior citizens.
- Boost Scholars awards scholarships to deserving candidates to assist them in paying for their post-secondary education and non-traditional education.
- VolunTeens focuses on meeting the needs of children in foster care and/or residing in temporary shelter facilities.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the organization have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash consists of cash on hand, cash held as deposits with local financial institutions in checking and money market accounts, certificates of deposit and all highly liquid investments with original maturities of three months or less.

Financial Instruments and Credit Risk

The organization manages deposit concentration risk by placing cash and money market accounts with financial institutions believed by the Board to be creditworthy. Cash and cash equivalents are maintained at high-quality financial institutions and accounts at each institution are insured by the Federal Deposit Insurance Corporation up to $250,000. The organization has a signed master repurchase agreement attached to its operating checking account that sweeps funds exceeding $10,000 overnight. Excluding the invested repurchase transaction amounts, the organization had no bank balances in excess of federally insured limits as of May 31, 2026. To date, the organization has not experienced any losses on such deposit accounts and believes it is not exposed to any significant credit risk on cash.

Promises to Give Receivable

Promises to give receivables are reported at the amount management expects to collect on balances outstanding at year-end. Based on an assessment of the collection history with those having outstanding balances and current relationships with the donors, management has concluded that any uncollectible promise to give will be immaterial.

Unconditional promises to give receivables that are expected to be received within one year are recorded at their net realizable value. Unconditional promises to give receivables that are expected to be collected in future years are recorded at the present value of the estimated future cash flows, using either a risk-free interest rate or a borrowing rate on debt financing applicable to the year in which the contribution is made. Amortization of the discount is to be included in contribution revenue. However, the calculated discounted future cash flows using the borrowing rate for contribution promises received in the current year was considered immaterial and not performed.

Fair Value Measurements

The organization follows guidance issued by the FASB on fair value measurements, which establishes a framework for measuring fair value, clarifies the definition of fair value within that framework, and expands disclosures about the use of fair value measurements. This guidance applies whenever fair value is the applicable measurement. This guidance establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair values into Levels 1, 2, and 3.

Level 1 inputs consist of unadjusted quoted prices in active markets for identical instruments and have the highest priority. Level 2 inputs include quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or inputs other than quoted prices that are directly or indirectly observable. Level 3 inputs are unobservable and are given the lowest priority.

For purposes of financial reporting, the organization has determined that the fair values of its financial instruments, which include cash equivalents, accounts receivable and accounts payable, approximate the carrying values at May 31, 2026, based on their short maturities and/or the terms available to the organization in financial markets.

Thrift Shop Inventory

The organization maintains an inventory of used clothing and household items donated by members and the area community for resale by The ReSale Shop operated by the organization, which is stated at its estimated fair value as determined by average sale prices.

Program Supplies Inventory

The organization maintains prepaid program supplies on hand of new clothing and vouchers for use in its Threads2Thrive program as well as other prepaid program supplies that are all stated at the lower of cost or market determined by the first-in, first-out method.

Fixed Assets

Fixed assets are stated at cost if purchased or at the fair value at the date of donation in the case of donated assets. The organization's policy is to capitalize property and equipment with a cost of $1,000 or more per item and a multi-year useful life. The organization provides for depreciation and amortization of property and equipment by use of the straight-line method over the estimated useful lives as follows:

Buildings and improvements	10 to 40 years
Land improvements	10 to 15 years
Furniture and equipment	5 to 10 years
Technology related	4 to 7 years

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-imposed (or certain grantor) restrictions or law.

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 the resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed into service.

The organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or

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 with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

Revenue Recognition

Contributions – Contributions, grants and other support are recognized when cash, securities or other assets are received, when an unconditional promise to give is made, or when a notification of a beneficial interest is received. Conditional contributions are those that include a barrier to entitlement and a right of return and are recognized as the conditions are met. Contributions are recorded as net assets without donor restrictions or net assets with donor restrictions when recognized depending on the presence or absence of donor-imposed restrictions. At May 31, 2026, there were no contributions that have not been recognized in the Statement of Activities because the condition(s) on which they depend have not yet been met.

Membership Dues – Membership dues, which are nonrefundable, are comprised entirely of a contribution element and are recognized immediately. Payments are required at the start of the membership period; amounts received in advance are deferred to the applicable period. Due to the nature and timing of the performance and/or transfer of services, substantially all contract liabilities at May 31 of each year are recognized in the following year.

Fundraising Events – Fundraising 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 fundraising events revenue equal to the fair value of direct benefits to donors when the event takes place. The organization recognizes the contribution element of event revenue immediately, unless there is a right of return if the event does not take place.

Sales of Donated Merchandise – Revenues from the sales of donated merchandise to customers at the ReSale Shop are recognized at the point in time that the performance obligation is satisfied, which occurs at the point of sale.

Donated Services and In-Kind Contributions

The organization follows the principles of ASU 2020-07, *Presentation and Disclosures by Non-for-Profit Entities for Contributed Nonfinancial Assets* (Topic 958), which increases the transparency regarding contributed nonfinancial assets through presentation and disclosure, both quantitative and qualitative. The standard requires the organization to present additional information regarding contributed nonfinancial assets. Donated assets are reflected as in-kind contributions at their estimated fair value when received. Such donations are reported as net assets without restrictions 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 long-lived assets are reported as restricted support. The organization's policy is to utilize the assets given to carry out the mission of the organization.

Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals processing those skills, and

would typically need to be purchased if not provided by donation. All of the organization's functions and programs are conducted by unpaid volunteers. The value of this contributed time is not reflected in the accompanying financial statements since the services do not require specialized skills. During the year ended May 31, 2026, these volunteers donated 63,041 hours with an estimated value of $2,278,302, computed using an estimated hourly rate of $36.14. The estimated hourly rate is based upon the average hourly earnings of "production and nonsupervisory employees on private nonfarm payrolls, seasonally adjusted", as determined by the U.S. Department of Labor's Bureau of Labor Statistics, plus 15% for estimated fringe benefits.

Leases

The organization records leases in accordance with GAS ASC 842, Leases. For leases with a lease term greater than one year, the organization recognizes a lease asset for its right to use the underlying leased asset and a lease liability for the corresponding lease obligation. The organization determines whether an arrangement is or contains a lease at contract inception. The organization includes in the determination of the right-of-use assets and lease liabilities any renewal options when the options are reasonably certain to be exercised. The weighted-average discount rate is based on the discount rate implicit in the lease. The organization has elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. The organization had no significant long-term leases as of May 31, 2026.

The organization has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis.

Income Taxes

The organization is exempt from income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code. In addition, the organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2). The organization is also exempt from state income taxes under the Revenue and Taxation Code of the State of Missouri.

As required by FASB ASC No. 740, *Income Taxes,* the organization evaluated its tax positions and the certainty as to whether those positions will be sustained in the event of an audit by taxing authorities at the federal and state levels. The primary tax positions evaluated are related to the organization's continued qualification as a tax-exempt organization and whether there is unrelated business income activities conducted that would be taxable. Management has determined that all income tax positions are more likely than not of being sustained upon potential audit or examination; no disclosures of uncertain tax positions are required. The organization is no longer subject to United States federal or state examinations by tax authorities for the years before 2023. During 2026, the organization did not recognize any interest or penalties associated with any positions.

Functional Expense Allocation

The costs of providing programs and other 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. The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the organization. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, property management and insurance, education, and information technology. Depreciation, property management, and property insurance are allocated based on estimated square footage, certain costs of education are allocated based on attendees, and the information technology is allocated based on estimates of time and costs of specific technology utilized.

Advertising

Advertising costs are expensed as incurred.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

NOTE 3 – LIQUIDITY AND AVAILABILITY

The organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the organization considers all expenditures related to its ongoing program activities as well as the conduct of services undertaken to support those activities to be general expenditures.

As of May 31, 2026, the following financial assets could readily be made available within one year of the statement of financial position date to meet general expenditures:

Cash and Cash Equivalents	$ 1,363,891
Unconditional Promises to Give	34,603
Accounts Receivable	12,217
Current Financial Assets	$ 1,410,711
Less Those Unavailable for General Expenditures Within One Year:	
Promises to give restricted for capital campaign	(34,603)
Financial assets available to meet cash needs for general expenditures within one year	$ 1,376,108

To build upon its past achievements and ensure future sustainability, the organization has a long-standing policy that requires the governing board to maintain unrestricted net assets sufficient for one year's operating expenses. Assets received with donor restrictions to be used in the next fiscal year for operating purposes are considered to be available for general expenditure spending as of May 31.

In addition to the financial assets available to meet general expenditures over the next 12 months noted above, the organization has other current assets and deferred revenue that will likely be

converted to cash or available for general expenditures during the normal course of next year's operations. Such current assets include the organization's Program Supplies and Thrift Shop inventories.

NOTE 4 – PROMISES TO GIVE RECEIVABLE

Unconditional promises to give receivables are estimated to be collected as follows as of May 31, 2026 and 2025:

	2026	2025
Due in less than one year	$ 38,303	$ 51,005
Due in one to five years	87	32,955
Total promises to give	38,390	83,960
Less allowance for uncollectible	(3,700)	-
Net Promises to Give Receivable	$ 34,690	$ 83,960

NOTE 5 – IN-KIND CONTRIBUTIONS

Significant household furnishings and merchandise are donated to the organization by various individuals, corporations, and other organizations, and are reflected in the accompanying financial statements at their fair values at the date of donation. Items are donated to The ReSale Shop by members and supporters and totaled $767,930 for the year ended May 31, 2026. All non-financial asset contributions were utilized in the organization's programs rather than monetized.

Below is a summary of in-kind contributions for the year ended May 31, 2026:

Description	Amount	Program/activity
Clothing	$ 17,150	Boost Bundles
Clothing	11,266	VolunTeens
Clothing	14,110	Senior Outreach
Clothing	853	Child In Need
Clothing	241,063	Threads2Thrive
Education supplies	5	Child In Need
Medical	488	Child In Need
	$ 284,935	

NOTE 6 – PROGRAM SUPPLIES INVENTORY

Prepaid program supplies on hand consisted of the following as of May 31, 2026 and 2025:

	2026	2025
Child in Need	991	$ 699
I'm in Charge	434	331
Threads2Thrive	588,430	294,009
Boost Bundles	14,246	9,535
Other programs	23,775	9,855
Total Program Supplies Inventory	$ 627,876	$ 314,429

NOTE 7 – FIXED ASSETS

Fixed assets consisted of the following as of May 31, 2026 and 2025:

	2026	2025
Land	$ 416,018	$ 416,018
Land improvements	135,559	135,559
Buildings and improvements	3,013,488	2,650,537
Furniture and equipment	102,078	98,527
Technology related	34,160	28,768
Gross Fixed Assets	3,701,303	3,329,409
Less accumulated depreciation	(1,133,630)	(1,031,652)
Net Fixed Assets	$ 2,567,673	$ 2,297,757

Depreciation expense totaled $101,978 and $93,912 for the years ended May 31, 2026 and 2025, respectively.

NOTE 8 – NOTE PAYABLE

In September 2023, the organization purchased a new building for the Threads2Thrive program by financing $835,000 through a financial institution. The note was payable in monthly interest-only payments beginning October 2023 for 12 months followed by 47 monthly installments beginning in October 2024, including interest of 7.50%. A balloon payment of remaining unpaid principal and accrued interest was due on September 29, 2028. The organization has made accelerated and scheduled principal payments totaling $124,817 in 2026. The current monthly payment, consisting of principal and interest, is $2,753.

Considering the accelerated principal payments, the remaining maturities of long-term debt are as follows:

Year Ended May 31,	Principal	Interest	Total
2027	$ 26,205	$ 6,826	$ 33,031
2028	30,745	2,286	33,031
2029	13,115	245	13,360
Total	$ 70,065	$ 9,357	$ 79,422

Interest expense related to the agreement was $13,214 and $25,499 for the years ended May 31, 2026 and 2025, respectively.

NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets were restricted for the following purposes as of May 31:

	2026	2025
Jason Merrill Scholarship Fund	$ 28,860	$ 25,764
Program Center	-	20,000
Capital Campaign - ReSale Shop renovations	20,000	116,917
Capital Campaign - Program Center renovations	17,431	-
Capital Campaign - Pledges	34,690	83,960
Total Net Assets with Donor Restrictions	$ 100,981	$ 246,641

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or other events specified by donors as follows for the years ended May 31:

Satisfaction of purpose restrictions:	2026	2025
Scholarships awarded	$ 4,346	$ 5,000
Program Center	20,000	20,000
Capital Campaign - Program Center renovations	166,988	609,132
Capital Campaign - ReSale Shop renovations	109,067	-
Capital Campaign - Pledges	3,700	72,150
Total Net Assets Released From Restrictions	$ 304,101	$ 706,282

NOTE 10 – PRIOR YEAR SUMMARIZED INFORMATION

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the financial statements for the year ended May 31, 2025, from which the summarized information was derived.

NOTE 11 – SUBSEQUENT EVENTS

Management has evaluated and noted no subsequent events through August 10, 2026, the date which the financial statements were available for issue.