

MUNGER & COMPANY, CPAs

1818 Avocado Road
Oceanside, CA 92054
(760) 730-8020
www.mungercpa.com

Warrior Foundation Freedom Station
Audited Financial Statements
September 30, 2025

Table of Contents

	Page
INDEPENDENT AUDITOR'S REPORT	1-2
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7-16

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Warrior Foundation Freedom Station

Opinion

We have audited the accompanying financial statements of Warrior Foundation Freedom Station (a nonprofit organization), which comprise the statement of financial position as of September 30, 2025, 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 Warrior Foundation Freedom Station as of September 30, 2025, 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 Warrior Foundation Freedom Station 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 Warrior Foundation Freedom Station'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 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 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 Warrior Foundation Freedom Station'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 Warrior Foundation Freedom Station'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.

April 6, 2026



Munger & Company, CPAs

WARRIOR FOUNDATION FREEDOM STATION
Statement of Financial Position
September 30, 2025

ASSETS:

Cash and Cash Equivalents	\$ 723,948
Promises to Give	54,070
Rent Receivables	6,000
Investments	10,533,570
Prepaid Expenses	119,386
Interest Rate Swap	66,528
Security Deposit	1,650
Property and Equipment, net	<u>14,234,851</u>
Total Assets	<u><u>\$ 25,740,003</u></u>

LIABILITIES:

Accounts Payable	\$ 8,461
Accrued Expenses	64,989
Notes Payable	<u>4,036,136</u>
Total Liabilities	<u>4,109,586</u>

NET ASSETS:

Without Donor Restrictions	
Undesignated	<u>21,485,532</u>
With Donor Restrictions	
Program	<u>144,885</u>
Total Net Assets	<u>21,630,417</u>
Total Liabilities and Net Assets	<u><u>\$ 25,740,003</u></u>

The Accompanying Notes are an Integral Part of the Financial Statements

WARRIOR FOUNDATION FREEDOM STATION
Statement of Activities
For the Year Ended September 30, 2025

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT and REVENUES:			
Grants and Contributions	\$ 2,203,391	\$ 400,568	\$ 2,603,959
In-kind Contributions	257,986		257,986
Events, net of Expense of \$20,088	125,678		125,678
Investment Income, net	867,924		867,924
Rental Income	270,400		270,400
Other Income	17,415		17,415
Net Assets Released from Restrictions - Satisfaction of Donor Restrictions	<u>510,716</u>	<u>(510,716)</u>	<u>-</u>
Total Support and Revenues	<u>4,253,510</u>	<u>(110,148)</u>	<u>4,143,362</u>
EXPENSES:			
Program Expenses	2,457,103		2,457,103
Support Services			
Management and General	260,699		260,699
Fundraising	<u>179,167</u>		<u>179,167</u>
Total Support Services	<u>439,866</u>		<u>439,866</u>
Total Expenses	<u>2,896,969</u>	<u>-</u>	<u>2,896,969</u>
Change In Net Assets	1,356,541	(110,148)	1,246,393
Net Assets, Beginning of Year	<u>20,128,991</u>	<u>255,033</u>	<u>20,384,024</u>
Net Assets, End of Year	<u>\$ 21,485,532</u>	<u>\$ 144,885</u>	<u>\$ 21,630,417</u>

The Accompanying Notes are an Integral Part of the Financial Statements

WARRIOR FOUNDATION FREEDOM STATION

Statement Of Functional Expenses
For the Year Ended September 30, 2025

EXPENSES	Support Services				Total
	Program	Management & General	Fund-raising	Support Total	
Financial assistance to warriors and families	\$ 248,643	\$ -	\$ -	\$ -	\$ 248,643
Donated salary	88,000	21,000	21,000	42,000	130,000
Donated services	33,600	-	-	-	33,600
Donated assistance programs	92,380	-	-	-	92,380
Adaptive sports	389,863	-	-	-	389,863
Outdoor therapy program	93,909	-	-	-	93,909
Career transition program	220,724	-	-	-	220,724
Quality of life program	51,457	-	-	-	51,457
Home for the holidays	50,581	-	-	-	50,581
Marketing	164,408	-	104,964	104,964	269,372
Depreciation	212,037	-	-	-	212,037
Events	119	-	20,088	20,088	20,207
Mortgage interest	179,213	-	-	-	179,213
Real estate tax	612	-	-	-	612
Volunteer recognition	-	-	1,556	1,556	1,556
Professional services	-	21,430	-	21,430	21,430
Repairs & maintenance	97,839	-	-	-	97,839
Communications	-	4,127	-	4,127	4,127
Bank fees	-	24,434	1,920	26,354	26,354
Rent	80,400	-	-	-	80,400
Utilities	70,438	-	-	-	70,438
Travel	1,181	-	548	548	1,729
Supplies and materials	32,424	-	13,395	13,395	45,819
Payroll	221,825	107,841	28,219	136,060	357,885
Hardship credits	52,025	-	-	-	52,025
Computer	31,294	35,554	444	35,998	67,292
Insurance	4,613	34,987	-	34,987	39,600
Operational expenses	39,518	10,432	3,035	13,467	52,985
Postage and shipping	-	396	4,086	4,482	4,482
Licenses and permits	-	498	-	498	498
Total Expenses by Function	2,457,103	260,699	199,255	459,954	2,917,057
Less expenses included with revenues on the statement of activities					
Special event expense			(20,088)	(20,088)	(20,088)
Total expenses included in the expense section on the statement of activities	\$ 2,457,103	\$ 260,699	\$ 179,167	\$ 439,866	\$ 2,896,969

The Accompanying Notes are an Integral Part of the Financial Statements

WARRIOR FOUNDATION FREEDOM STATION

Statement Of Cash Flows

For the Year Ended September 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES:

Change In Net Assets \$ 1,246,393

Adjustments to Reconcile Change in Net Assets

To Net Cash Provided by Operating Activities:

Depreciation 212,037

Donated Fixed Assets (2,006)

Interest Rate Swap (18,042)

Unrealized Gains on investments (411,450)

(Increase) Decrease in Operating Assets:

Promises to Give 29,042

Rent Receivables (4,500)

Loan Receivables 2,000

Prepaid Expense 23,493

Increase (Decrease) in Operating Liabilities:

Accounts Payable (10,257)

Accrued Expenses (5,272)

Net Cash Provided by Operating Activities 1,061,438

CASH FLOWS FROM INVESTING ACTIVITIES:

Payments for the Purchase of Investments (475,478)

Proceeds from the Sale of Investments 920,965

Purchases of property and Equipment (1,328,498)

Net Cash (Used in) Investing Activities (883,011)

CASH FLOWS FROM FINANCING ACTIVITIES:

Principal Payments on Notes Payable (235,713)

Net Cash (Used in) Financing Activities (235,713)

Net Change in Cash and Cash Equivalents (57,286)

Cash and Cash Equivalents at:

Beginning of Year 781,234

End of Year \$ 723,948

Supplementary Information:

Cash Paid for Interest During the Year \$ 179,213

The Accompanying Notes are an Integral Part of the Financial Statements

WARRIOR FOUNDATION FREEDOM STATION
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2025

Note 1. Nature of Organization

Warrior Foundation Freedom Station (the Foundation or WFFS) is a 501(c)(3) not-for-profit organization. WFFS is incorporated in the State of California and is an independent corporation with its own independent Board of Directors, Officers and volunteer base. The mission of WFFS is to be the leading force in assisting, honoring and supporting the military men and women who have so bravely served and sacrificed for our country. WFFS is committed to supporting warriors in a variety of ways, providing quality-of-life items and numerous support services designed to assist them and their families during recovery.

WFFS assists four main groups of Warriors:

1. Those who are seriously ill and injured soon to be medically retired
2. Those suffering from post-traumatic stress (PTS) and/or traumatic brain injury (TBI)
3. Those undergoing physical or occupational therapy
4. Those who have been medically retired and remain in our community

To serve this last group in particular, WFFS pioneered a new approach and created Freedom Station which is a unique recovery transition center and housing facility that provides injured Warriors with the acclimation time, guidance and resources to successfully make the transition from military service to civilian life.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation

The Foundation's financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") on the accrual basis of accounting.

Cash and Cash Equivalents

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, are reported as cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects or other long-term purposes are excluded from this definition. There were no cash equivalents as of September 30, 2025.

Receivables and Credit Policies

Receivables consist primarily of promises to give, rent, and loans. Management determines the allowance for uncollectable receivables based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Receivables are written off when deemed uncollectable. As of September 30, 2025, management determined that no allowance was necessary. There was no bad debt expense for the year ended September 30, 2025.

WARRIOR FOUNDATION FREEDOM STATION
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2025

Note 2. Summary of Significant Accounting Policies, (continued)

Property and Equipment

Property and equipment additions over \$1,500 are recorded at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from five to seven years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The carrying values of property and equipment are reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended September 30, 2025.

Investments

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment return/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

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.

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. 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 in service.

WARRIOR FOUNDATION FREEDOM STATION
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2025

Note 2. Summary of Significant Accounting Policies, (continued)

Net Assets, (continued)

Contributions restricted by donors are reported 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 statements of activities as net assets released from restrictions.

Revenue Recognition

Rental income is recognized from the rental of its facilities during the period in which the related performance obligations are met. The performance obligation of providing access to rented facilities is simultaneously received and consumed by the customer. Contracts with customers for rental of facilities are combined into a single portfolio of similar contracts.

Other income is recognized from the sale of merchandise during the period in which the related performance obligations are met. The performance obligation of providing merchandise through sales is the point when it is simultaneously received and consumed by the customer. Contracts with customers for merchandise income are combined into a single portfolio of similar contracts.

Special events revenue is reported net of the cost of direct benefits to donors, and contribution revenue for the difference. Management recognizes special events revenue equal to the fair value of direct benefits to donors when the special event takes place. Management recognizes the contribution element of special event revenue immediately, unless there is a right of return if the special event does not take place. The performance obligation is the delivery of the event.

Grant revenue is recognized in full when an unconditional grant is awarded. Conditional contributions and grants are not recognized until the conditions on which they depend have been substantially met. Contributions of cash, securities or other assets are recognized when received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Government grants and contracts are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. As a result, government grants and contracts that are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses are to have management recognize revenues based upon completion of meeting these satisfactory performance requirements and having sufficient allowable qualifying expenses.

WARRIOR FOUNDATION FREEDOM STATION
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2025

Note 2. Summary of Significant Accounting Policies, (continued)

Donated Services and In-Kind Contributions

Volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods, materials, services and fixed assets are recorded at fair value at the date of donation and totaled \$257,986. The donated goods, materials, and services are listed on the statement of functional expenses. All in-kind items are recorded at fair market value upon receipt and a monetization policy was adopted to sell any in-kind items that are not placed into programs.

Advertising and Marketing Costs

Advertising and marketing costs are expensed as incurred.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes

The Foundation is organized as a California nonprofit corporation and has been recognized by the Internal Revenue Service as a 501 (c)(3) tax-exempt organization.

Management has evaluated the tax positions and related income tax contingencies. Management does not believe that any material uncertain tax positions exist. The Foundation's tax returns are subject to examination by the Internal Revenue Service for three years after they are filed and the Franchise Tax Board, generally for four years after they are filed. There was no unrelated business income tax for the year ended September 30, 2025.

Estimates

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

WARRIOR FOUNDATION FREEDOM STATION
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2025

Note 2. Summary of Significant Accounting Policies, (continued)

Financial Instruments and Credit Risk

Credit risk is managed by placing cash and certificates of deposit with financial institutions. Amounts on deposit may exceed insured limits. To date, management has not experienced losses in any of these accounts. Credit risk associated with accounts receivable is considered to be limited due to high historical collection rates. Cash was in excess of FDIC limits as of September 30, 2025.

The Foundation holds various investments which are exposed to risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect account balances and the amounts reported in the financial statements.

Note 3. 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	\$ 579,063
Receivables	60,070
Investments	<u>10,533,570</u>
	<u>\$11,172,703</u>

Cash totaling \$144,885 which is donor restricted as of September 30, 2025 has been excluded from the amounts above.

As part of the liquidity management plan, cash in excess of daily requirements may be invested.

Note 4. Investment Return

The investment return comprised the following for the year ended September 30, 2025:

Unrealized gains	\$ 429,491
Interest and dividends	475,448
Investment fees	<u>(37,015)</u>
Investment return	<u>\$ 867,924</u>

WARRIOR FOUNDATION FREEDOM STATION
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2025

Note 5. Fair Value Measurements and Disclosures

Certain assets and liabilities are reported 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 can be accessed 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. The interest rate swap is included within Level 2.

Level 3 – Unobservable inputs for the asset or liability. In these situations, inputs are developed 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 Foundation's investment assets are all classified within Level 1 (other than the interest rate swap) because they comprise mutual funds, equity securities and money market funds. The funds may be redeemed daily with readily determinable fair values based on daily redemption values.

The following table presents assets measured at fair value on a recurring basis as of September 30, 2025:

WARRIOR FOUNDATION FREEDOM STATION
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2025

Note 5. Fair Value Measurements and Disclosures (continued)

Description	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money Market Funds	\$ 824,202	\$ 824,202		\$ -
Equity Securities	5,792,950	5,792,950		
Interest Rate Swap	66,528		66,528	
Fixed Income	3,652,851	3,652,851		
U.S. Treasury	263,567	263,567		
Total Investment at fair value	<u>\$ 10,600,098</u>	<u>\$ 10,533,570</u>	<u>\$ 66,528</u>	<u>\$ -</u>

Note 6. Promises to Give

Unconditional promises to give totaled \$54,070 as of September 30, 2025. These amounts were collected in full during the 2025-2026 year.

No donor accounted for 10 percent or more of promises to give as of September 30, 2025.

Note 7. Property and Equipment

Property and equipment consist of the following as of September 30, 2025:

Land	\$ 6,690,147
Buildings and Improvements	8,268,679
Equipment and fixtures	<u>490,642</u>
Total property and equipment	15,449,468
Less: accumulated depreciation	<u>(1,214,617)</u>
Total property and equipment, net	<u>\$ 14,234,851</u>

Depreciation expense totaled \$212,037 for the year ended September 30, 2025. The donated fixed assets were capitalized and totaled \$2,006 and are included in buildings and improvements as of September 30, 2025.

WARRIOR FOUNDATION FREEDOM STATION
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2025

Note 8. Notes Payable

In March 2020, the Foundation re-financed a loan which is secured by a building and land totaling \$925,000. The loan requires monthly payments of principal and interest of approximately \$5,046, including interest at 2.77%. Accrued interest as of September 30, 2025, was approximately \$2,000. All unpaid principal and interest is due in March 2030. The balance of the mortgage note payable was \$720,469 as of September 30, 2025.

In August 2022, the Foundation entered into an additional loan which is secured by the assets of the Foundation totaling \$3,920,000. The loan requires monthly payments of principal and interest of approximately \$16,333, including interest at the daily SOFR plus 165 basis points (1.65%) which approximated 5.5% as of September 30, 2025. Accrued interest expense was approximately \$15,000 as of September 30, 2025. All unpaid principal and interest are due in August 2032. The balance of the mortgage note payable was \$3,315,667 as of September 30, 2025.

Interest expense incurred for the year ending September 30, 2025 was approximately \$179,000 and is included in program services in the statement of functional expenses.

The Foundation has entered into an interest rate swap agreement to manage the volatility of interest rates on the \$3,920,000 mortgage note payable.

The fair market value of the interest rate swap as of September 30, 2025 is \$66,528 and is to the advantage of the Foundation and not the bank. The current year impact of the change in fair value of the interest rate swap is \$18,042.

The fair value of the interest rate swap has been determined using Level 2 of the fair value hierarchy. The fair value of the interest rate swap is based on the bank's quote.

Expected payments for the years ending September 30, are as follows:

2026	\$ 237,191
2027	238,640
2028	239,837
2029	240,500
2030	741,912
Thereafter	<u>2,338,056</u>
Total notes payable as of September 30, 2025	<u>\$ 4,036,136</u>

WARRIOR FOUNDATION FREEDOM STATION
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2025

Note 9. Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes for the year ended September 30, 2025:

Subject to expenditure for specified purposes:	
Program	<u>\$144,885</u>
Total Net Assets with Donor Restrictions	<u>\$144,885</u>

Net assets released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors are as follows for the year ended September 30, 2025:

Satisfaction of purpose restrictions:	
Program	<u>\$510,716</u>
Total releases from restrictions	<u>\$510,716</u>

Note 10. Related Party Transactions

The Foundation has the following related party transactions which were all arms-length transactions:

The President/Board Member is also the CEO and was compensated \$179,540 plus employer costs of \$13,331 for the year ended September 30, 2025.

The Vice President/Board Member who performs maintenance services was compensated \$24,000 for the year ended September 30, 2025.

Note 11. 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 occupancy, salaries and wages, benefits, payroll taxes, office expenses, information technology, insurance, and other, which are allocated on the basis of estimates of time and effort and overall usage.

Note 12. Leases

Management of the Foundation 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. As of September 30, 2025, the Foundation only had month-to-month leases.

WARRIOR FOUNDATION FREEDOM STATION
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2025

Note 13. Date of Management Review

The Foundation has performed an evaluation of subsequent events through April 6, 2026, which is the date the financial statements were available to be issued. Management is not aware of any subsequent events that would require disclosure in, or adjustment to the financial statements.