Right Answers, Right Here.

TANNER
Accountants & Advisors

Uplift Community Alliance

Financial Statements
As of May 31, 2026 and 2025
and for the Years Then Ended

Together with Independent Auditors' Report

Independent Auditors' Report

To the Board of Directors
Uplift Community Alliance

Opinion
We have audited the accompanying financial statements of Uplift Community Alliance (the 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 financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Uplift Community Alliance 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 (US GAAP).

Basis for Opinion
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US 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 Organization 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.

Prior Period Financial Statements
The financial statements of the Organization as of and for the year ended May 31, 2025, were audited by other auditors whose report dated August 20, 2025, expressed an unmodified opinion on those financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with US GAAP, 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US 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, including omissions, 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 US 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 Organization'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 Organization'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.

Tanner LLP

August 13, 2026

Statements of Financial Position

	As of May 31, 2026	As of May 31, 2025
Assets		
Cash and cash equivalents	$ 1,227,161	$ 1,171,752
Investments	729,090	615,738
Prepaid expenses and other assets	33,090	12,799
Inventories, net	190,923	166,609
Property and equipment, net	957,120	992,808
Total assets	$ 3,137,384	$ 2,959,706
Liabilities and Net Assets		
Liabilities:		
Accounts payable	$ 14,033	$ 6,022
Accrued expenses	35,503	25,558
Total liabilities	49,536	31,580
Commitments and contingencies		
Net Assets:		
Without donor restrictions	3,087,848	2,928,126
Total net assets	3,087,848	2,928,126
Total liabilities and net assets	$ 3,137,384	$ 2,959,706

See accompanying notes to financial statements.

Statements of Activities

	For the Years Ended May 31,	
	2026	**2025**
Revenue, Support, and Gains:		
Thrift shop revenue		
Contributions of merchandise	$ 1,048,741	$ 1,011,028
Sales of donated merchandise	1,011,786	972,621
Less value of merchandise sold	(1,011,786)	(972,621)
Net revenue from thrift shop	1,048,741	1,011,028
Special events and other fundraising activities revenue:		
Revenue	110,758	126,909
In-kind contributions	19,625	16,822
Less direct costs	(19,625)	(25,655)
Net revenue from special events	110,758	118,076
Contributions and grants	360,324	354,950
In-kind contributions	3,573	5,806
Membership dues	13,875	13,694
Net investment return	108,892	47,633
Interest income	26,708	10,754
Other	6,304	3,845
Total revenue, support, and gains	1,679,175	1,565,786
Expenses:		
Program services:		
Uplift School Kids	539,453	531,926
Operation Healthy Teeth	222,694	271,827
Brighter Tomorrows	48,423	49,717
Book Bank	30,465	34,873
Act III Uplift Band	3,440	2,074
Baby Bundles	58,116	52,333
Uplift Comfort Kids	19,861	20,573
Eye on Community	101,346	106,252
Uplift Teens Community Service	27,873	26,598
Educational Scholarships	164,123	141,104
Total program services expenses	1,215,794	1,237,277
Supporting services:		
Management and general	47,819	55,363
Membership development	-	10,075
Fundraising		
Thrift Shop	254,991	219,572
Special events and other fundraising activities - indirect costs	849	3,311
Total supporting services expenses	303,659	288,321
Total expenses	1,519,453	1,525,598
Change in net assets	159,722	40,188
Net assets, beginning of the year	2,928,126	2,887,938
Net assets, end of the year	$ 3,087,848	$ 2,928,126

Statement of Functional Expenses

For the Year Ended May 31, 2026

	Program Services											Supporting Services					
														Fundraising Services			
	Uplift School Kids	Operations Healthy Teeth	Brighter Tomorrows	Book Bank	Act III Uplift Band	Baby Bundles	Uplift Comfort Kits	Eye On Community	Uplift Teens Community Service	Educational Scholarships	Total Program Services	Management and General	Membership Development	Thrift Shop	Special Events	Total Supporting Services	Total Expenses
Contracted labor	$ 6,765	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 6,765	$ -	$ -	$ 143,105	$ -	$ 143,105	$ 149,870
Program supplies	437,619	193,006	46,198	25,924	858	48,031	16,433	89,678	25,153	149,925	1,032,825	-	-	-	-	-	1,032,825
Occupancy:																	
Utilities	6,864	3,672	714	479	319	798	319	1,437	319	1,756	16,677	485	-	13,564	-	14,049	30,726
Maintenance and repairs	14,558	7,787	317	1,016	677	1,693	677	3,047	677	3,724	34,173	2,115	-	22,089	-	24,204	58,377
Insurance	7,259	3,883	158	506	338	844	338	1,519	338	1,857	17,040	4,127	-	3,007	-	7,134	24,174
Depreciation and amortization	16,381	8,762	357	1,143	762	1,905	762	3,429	762	4,191	38,454	2,379	-	6,786	-	9,165	47,619
Postage and delivery	35,010	187	458	693	16	3,645	807	124	29	89	41,058	515	-	831	-	1,346	42,404
Printing and reproduction	574	307	13	40	27	67	56	120	27	147	1,378	84	-	727	-	811	2,189
Professional services	-	-	-	-	-	-	-	-	-	-	-	24,752	-	-	-	24,752	24,752
Public relations and advertising	3,883	2,077	85	271	181	452	181	813	181	993	9,117	195	-	1,609	369	2,173	11,290
Supplies	10,400	2,938	120	383	255	665	255	1,150	380	1,405	17,951	798	-	25,702	-	26,500	44,451
Education	-	-	-	-	-	-	-	-	-	-	-	1,771	-	-	-	1,771	1,771
Fundraising	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19,625	19,625	19,625
Cost/value of merchandise sold	-	-	-	-	-	-	-	-	-	-	-	-	-	1,011,786	-	1,011,786	1,011,786
Bank service charges	-	-	-	-	-	-	26	-	-	-	26	644	-	29,171	480	30,295	30,321
Other	140	75	3	10	7	16	7	29	7	36	330	9,954	-	8,400	-	18,354	18,684
Total expenses	539,453	222,694	48,423	30,465	3,440	58,116	19,861	101,346	27,873	164,123	1,215,794	47,819	-	1,266,777	20,474	1,335,070	2,550,864
Less expenses included with revenue on statement of activities	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,011,786)	(19,625)	(1,031,411)	(1,031,411)
Total expenses	$ 539,453	$ 222,694	$ 48,423	$ 30,465	$ 3,440	$ 58,116	$ 19,861	$ 101,346	$ 27,873	$ 164,123	$ 1,215,794	$ 47,819	$ -	$ 254,991	$ 849	$ 303,659	$ 1,519,453

Statement of Functional Expenses - Continued

For the Year Ended May 31, 2025

	Program Services											Supporting Services					
														Fundraising Services			
	Uplift School Kids	Operations Healthy Teeth	Brighter Tomorrows	Book Bank	Act III Uplift Band	Baby Bundles	Uplift Comfort Kits	Eye On Community	Uplift Teens Community Service	Educational Scholarships	Total Program Services	Management and General	Membership Development	Thrift Shop	Special Events	Total Supporting Services	Total Expenses
Contracted labor	$ 23,624	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 23,624	$ -	$ -	$ 115,666	$ -	$ 115,666	$ 139,290
Program supplies	411,012	243,688	47,275	30,558	735	43,525	17,417	94,250	22,982	125,000	1,036,442	-	-	-	-	-	1,036,442
Occupancy:																	
Utilities	6,679	2,984	543	426	142	568	284	1,137	284	1,705	14,752	322	-	10,751	-	11,073	25,825
Maintenance and repairs	14,965	6,686	298	955	318	1,274	637	2,547	637	3,821	32,138	1,990	-	18,430	-	20,420	52,558
Insurance	4,626	2,067	547	295	98	394	197	787	197	1,181	10,389	4,001	-	10,388	-	14,389	24,778
Depreciation and amortization	18,245	8,152	364	1,165	388	1,553	776	3,106	776	4,658	39,183	7,272	-	2,070	-	9,342	48,525
Postage and delivery	32,007	255	333	331	12	3,496	481	1,289	718	145	39,067	380	-	324	146	850	39,917
Printing and reproduction	3,264	1,419	63	203	68	270	135	541	135	811	6,909	422	-	1,323	2,567	4,312	11,221
Professional services	-	-	-	-	-	-	-	-	-	-	-	22,746	-	-	-	22,746	22,746
Public relations and advertising	10,156	4,538	203	648	216	864	432	1,729	432	2,593	21,811	1,182	-	3,849	169	5,200	27,011
Supplies	5,440	1,488	66	213	71	284	142	656	385	851	9,596	443	-	17,342	-	17,785	27,381
National dues	-	-	-	-	-	-	-	-	-	-	-	-	10,075	-	-	10,075	10,075
AL circle fund	-	-	-	-	-	-	-	-	-	-	-	1,000	-	-	-	1,000	1,000
Education	-	-	-	-	-	-	-	-	-	-	-	3,042	-	-		3,042	3,042
Fundraising	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25,912	25,912	25,912
Cost/value of merchandise sold	-	-	-	-	-	-	-	-	-	-	-	-	-	972,621	-	972,621	972,621
Bank service charges	-	-	-	-	-	-	20	-	-	25	45	450	-	23,625	172	24,247	24,292
Other	1,908	550	25	79	26	105	52	210	52	314	3,321	12,113	-	15,804	-	27,917	31,238
Total expenses	531,926	271,827	49,717	34,873	2,074	52,333	20,573	106,252	26,598	141,104	1,237,277	55,363	10,075	1,192,193	28,966	1,286,597	2,523,874
Less expenses included with revenue on statement of activities	-	-	-	-	-	-	-	-	-	-	-	-	-	(972,621)	(25,655)	(998,276)	(998,276)
Total expenses	$ 531,926	$ 271,827	$ 49,717	$ 34,873	$ 2,074	$ 52,333	$ 20,573	$ 106,252	$ 26,598	$ 141,104	$ 1,237,277	$ 55,363	$ 10,075	$ 219,572	$ 3,311	$ 288,321	$ 1,525,598

Statements of Cash Flows

	For the Years Ended May 31,	
	2026	**2025**
Cash flows from operating activities:		
Increase in net assets	$ 159,722	$ 40,188
Adjustments to reconcile increase in net assets to net cash and cash equivalents provided by operating activities:		
Depreciation and amortization	47,619	48,525
Loss on disposal of equipment	-	8,845
Net investment return	(108,892)	(47,633)
Changes in operating assets and liabilities:		
Prepaid expenses and other assets	(20,291)	33,973
Inventories	(24,314)	(37,807)
Accounts payable	8,011	(3,315)
Accrued expenses	9,945	(27,154)
Net cash and cash equivalents provided by operating activities	71,800	15,622
Cash flows from investing activities:		
Purchases of property and equipment	(11,931)	(22,246)
Purchase of investments	(33,609)	(65,811)
Proceeds from the sale of investments	29,149	65,581
Net cash and cash equivalents used in investing activities	(16,391)	(22,476)
Net change in cash and cash equivalents	55,409	(6,854)
Cash and cash equivalents, beginning of year	1,171,752	1,178,606
Cash and cash equivalents, end of year	$ 1,227,161	$ 1,171,752

1. Description of Organization and Summary of Significant Accounting Policies

Organization

Uplift Community Alliance (the Organization) is a Utah nonprofit corporation established to provide philanthropic service to the community.

The Organization's principal programs comprise the following:

Uplift School Kids: Purchases and distributes new clothing and special school equipment to school children in need referred by school personnel.

Operation Healthy Teeth: Facilitates the provision of urgent dental treatment for qualified uninsured children.

Brighter Tomorrows: Provides appropriate clothing for referred individuals returning to the workforce or school.

Book Bank: Plans and implements a literacy program for children and purchases appropriate books.

Act III Uplift Band: Prepares and presents entertainment programs to residents in care facilities.

Baby Bundles: Purchases and provides newborn layette items to selected agencies and hospitals for distribution to mothers in need.

Uplift Comfort Kids: Purchases and provides clothing and hygiene articles to selected agencies for victims of sexual assault.

Eye on Community: Provides aid in response to community emergencies or specific unmet needs by other programs.

Uplift Teens Community Service: Provides programs and services to youth, seniors, and others in need.

Educational Scholarships: Provides educational scholarships to college students meeting certain criteria as determined by scholarship committees at a respective university and college.

The operation of the Organization's thrift shop, private donations, grants and other fundraising efforts provides a significant portion of the Organization's support and revenues.

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications.

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and Board of Directors. Board-designated net assets may be earmarked for future programs, investments, contingencies, or other uses. As of May 31, 2026 and 2025, there were no board-designated net assets.

Net assets with donor restrictions: Net assets subject to restrictions imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. The Organization has no donor-imposed restrictions requiring resources be maintained in perpetuity as of May 31, 2026 and 2025. Donor restricted funds may only be utilized in accordance with the purpose established by the source of such funds.

Use of Estimates

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

Concentrations of Credit Risk

The Organization maintains its cash and cash equivalents in bank deposit accounts which, at times, exceed federally insured limits. To date, the Organization has not experienced a loss or lack of access to its invested cash and cash equivalents; however, no assurance can be provided that access to the Organization's invested cash and cash equivalents will not be impacted by adverse conditions in the financial markets.

The Organization invests its excess cash in various mutual funds. On May 31, 2026, investments in mutual funds totaled $729,090, representing approximately 23% of the Organization's total assets. These investments are exposed to market risk, including interest rate, equity price, and general economic conditions which may affect the value of the mutual funds. Although the mutual funds are diversified by investment objective and underlying securities, the Organization's concentration in mutual funds subjects it to the risk of loss that may be greater than if its investment portfolio were more diversified amongst different asset classes.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with original maturities to the Organization of three months or less to be cash equivalents. Cash equivalents consist of money market funds and totaled $200,000 and $180,169 as of May 31, 2026 and 2025, respectively.

Investments and Net Investment Return

The Organization follows the fair value measurement standard outlined in ASC 820, *Fair Value Measurement*. Fair value is the amount that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. Investments are measured at fair value in the statements of financial position using quoted market prices.. Net income or loss from investments is reported in the statement of activities and consists of interest and dividend income, realized and unrealized gains and losses, less external and direct internal investment expenses.

Inventories

The Organization receives donations of clothing, household goods, and other merchandise that is sold in its thrift shop. Donated materials are recorded as contribution revenue at their estimated fair value on the date of receipt, which is determined based on estimated selling prices in the ordinary course of thrift shop operations, including the use of averages or other computational approximations when appropriate. Such amounts are reported as contributions without donor restrictions. Subsequent sales of these items in the thrift shop are reported as sales of donated merchandise with a corresponding cost of merchandise sold. Donated materials that cannot be sold or otherwise used in furtherance of the Organization's mission are not recorded.

The Organization also maintains an inventory of new clothing for use in its various programs, including Uplift School Kids, which is stated at the lower of cost or net realizable value determined by the first-in, first-out method.

The Organization periodically reviews inventories for excess supply, obsolescence, and valuations above estimated realizable amounts, and provides a reserve to cover these items. An allowance is recorded for inventory determined to be impaired or obsolete. As of May 31, 2026 and 2025, management concluded that an allowance for obsolete inventory was necessary. The allowance for obsolete inventory was $15,578 and 12,758, respectively.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization. Depreciation and amortization are calculated using the straight-line method over the estimated economic useful lives as follows:

	Years
Equipment	3-10
Buildings and improvements	7-40
Parking lot improvements	15

Expenditures that materially increase values or capacities or extend useful lives of property and equipment are capitalized. Routine maintenance, repairs, and renewal costs are expensed as incurred. Upon sale or other retirement of depreciable property, the cost and amortization are removed from the related accounts and any gain or loss is reflected in the statement of activities.

Impairment of Property and Equipment

The Organization evaluates its property and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may be impaired. If it is determined that the estimated undiscounted future net cash flows are not sufficient to recover the carrying value of the asset, an impairment loss is recognized in the statement of activities for the difference between the carrying value and the fair value of the asset. Management does not consider any of the Organization's assets to be impaired during the years ended May 31, 2026 and 2025.

Contributions

Contributions received, including grants and sponsorships, are recognized when cash or other assets, or an unconditional promise to give, is received. Conditional promises to give, that is, those with measurable performance or other barriers, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Contributions are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence or nature of any donor-imposed restrictions.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), 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.

Donated Services and In-Kind Contributions

Volunteers contribute significant amounts of time to the Organization's program services, administration, and fundraising and development activities. A significant portion of the Organization's functions and programs is conducted by unpaid member volunteers. However, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by US GAAP. During the year ended May 31, 2026, these volunteers donated approximately 43,091 hours with an estimated value of $1,528,438. This value was computed using an estimated hourly rate of $35.47, based upon the average hourly earnings of nonagricultural workers for the year ended December 31, 2025, as determined by the U.S. Department of Labor's Bureau of Labor Statistics. During the year ended May 31, 2025, these volunteers donated approximately 40,394 hours with an estimated value of $1,441,258. This value was computed using an estimated hourly rate of $35.68, based upon the average hourly earnings of nonagricultural workers for the year ended December 31, 2024, as determined by the U.S. Department of Labor's Bureau of Labor Statistics, which includes 15% for estimated fringe benefits. Contributed goods are recorded at fair value at the date of donation. Donated professional services are recorded at the respective fair values of the services received.

Revenue Recognition

Revenue is measured as the amount of consideration that the Organization expects to receive in exchange for goods and services. Revenue is recognized after the Organization has (1) identified the customer contract, (2) identified the performance obligation in the contract, (3) determined the transaction price, (4) allocated the transaction price to the performance obligation in the contract, and (5) recognized revenue when the performance obligation has been satisfied.

Revenues from the sale of donated used clothing and household items from the Organization's thrift shop are recognized when the sale occurs, and all performance obligations have been fulfilled.

Membership dues, which are nonrefundable, do not have a material exchange element and are therefore recorded as a contribution when received.

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

During the years ended May 31, 2026 and 2025, all revenue was recognized at a point in time.

Expense Allocation

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. The expenses have been allocated based on an estimated percentage of the budget the program will use.

Advertising

Advertising and marketing costs are expensed as incurred and totaled $5,372 and $16,110 for the years ended May 31, 2026 and 2025, respectively, and are included in public relations and advertising in the accompanying statements of functional expenses.

Income Taxes

The Organization is a qualified charitable organization under Section 501(c)(3) of the Internal Revenue Code and under state of Utah regulations, and as such, is not subject to federal or state income taxes on exempt purpose income.

The Organization accounts for uncertain tax positions, if any, when it is more-likely-than-not the position will not be sustained upon examination by the tax authorities. As of May 31, 2026 and 2025, the Organization had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Subsequent Events

The Organization has evaluated subsequent events through August 13, 2026, the date the financial statements were available to be issued.

Reclassifications

Certain amounts in the 2025 financial statements have been reclassified to conform with the current year presentation.

2. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statements of financial position, comprise the following as of May 31:

		2026		2025
Cash and cash equivalents	$	1,227,161	$	1,171,752
Investments		729,090		615,738
Financial assets available to meet cash needs for general expenditure within one year	$	1,956,251	$	1,787,490

The Organization relies primarily on contributions to fund its operations. The Organization's management monitors its liquidity and cash flow needs through the use of a budget and projections to help ensure that cash inflows are sufficient to cover projected cash outflows. The Organization has the ability to reduce expenses, as necessary, to match available funding. The accompanying statements of cash flows identify the sources and uses of the Organization's cash and the net cash flows provided by (used in) operating activities. During the years ended May 31, 2026 and 2025, the Organization provided $71,800 and $15,622 cash flows for operating activities, respectively.

3. Investments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. To increase the comparability of fair value measures, the following hierarchy prioritizes the inputs according to valuation methodologies used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities.

Level 2 Observable inputs other than Level 1 include quoted prices for similar assets or liabilities, quoted prices in less active markets, or other observable inputs that can be corroborated by observable market data.

Level 3 Unobservable inputs supported by little or no market activity for financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

Investments are stated at fair value based on methodologies described in Note 1. The following is a summary of investments as of May 31, 2026:

	Level 1	Level 2	Level 3
Equity mutual funds	$ 374,982	$ -	$ -
Fixed income mutual funds	354,108	-	-
Total	$ 729,090	$ -	$ -

The following is a summary of investments as of May 31, 2025:

	Level 1	Level 2	Level 3
Equity mutual funds	$ 380,597	$ -	$ -
Fixed income mutual funds	235,141	-	-
Total	$ 615,738	$ -	$ -

Mutual funds are valued using quoted market prices in active markets. For the years ended May 31, 2026 and 2025, net realized and unrealized gains were $85,576 and $24,503, respectively, and interest income and dividends were $23,316 and $23,130, respectively. The net realized and unrealized gains, interest income, and dividends are included in the net investment return on the statement of activity.

4. Inventories

Inventories consisted of the following as of May 31:

	2026	2025
Thrift shop (used clothing, furniture and household items)	$ 155,782	$ 127,579
Uplift school kids (new clothing)	35,428	36,264
Other program inventories	15,291	15,524
	206,501	179,367
Less allowance for obsolete inventory	(15,578)	(12,758)
Total inventories, net	$ 190,923	$ 166,609

5. Property and Equipment

Property and equipment consisted of the following as of May 31:

		2026		2025
Buildings and improvements	$	1,505,263	$	1,496,743
Land		464,490		464,490
Parking lot improvements		53,202		53,202
Equipment		64,700		61,289
		2,087,655		2,075,724
Less accumulated depreciation		(1,130,535)		(1,082,916)
Total property and equipment, net	$	957,120	$	992,808

Depreciation expense on property and equipment for the years ended May 31, 2026 and 2025 was $47,619 and $48,525, respectively.

6. Special Events

The Organization has various fundraising events to help fund operations. The revenue and related expenses from such events for the years ended May 31, 2026 and 2025, are as follows:

	2026					
		Revenue		Direct Costs		Net Revenue
Annual appeal 2025 - 2026	$	78,683	$	-	$	78,683
Donor sponsored event		51,700		(19,625)		32,075
	$	130,383	$	(19,625)	$	110,758

	2025					
		Revenue		Direct Costs		Net Revenue
Annual appeal 2024 - 2025	$	47,630	$	(2,567)	$	45,063
Women of Distinction Luncheon		41,346		(8,833)		32,513
Donor sponsored event		54,755		(14,255)		40,500
	$	143,731	$	(25,655)	$	118,076

7. Contributed Nonfinancial Assets

During the years ended May 31, 2026 and 2025, the Organization received contributions of merchandise totaling $1,048,741 and $1,011,028, respectively, for the Organization’s thrift shop. In addition, the Organization received other contributions of non-financial assets that have been reflected in the accompanying statements of activities and statements of functional expenses as follows:

		2026		2025
Fundraising costs	$	19,625	$	16,822
Program supplies		3,573		5,806
Total	$	23,198	$	22,628