

*Financial Statements*

**Adopt a Platoon  
Soldier Support Effort, Inc.**

Years Ended, December 31, 2024 and 2023

**Adopt a Platoon Soldier Support Effort, Inc.**  
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**Years Ended, December 31, 2024 and 2023**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Adopt a Platoon Soldier Support Effort, Inc.  
San Benito, Texas

### Opinion

We have audited the accompanying financial statements of Adopt a Platoon Soldier Support Effort, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, 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 Adopt a Platoon Soldier Support Effort, Inc. as of December 31, 2024, and the changes in 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 Adopt a Platoon Soldier Support Effort, Inc. 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 Adopt a Platoon Soldier Support Effort, Inc.'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 Adopt a Platoon Soldier Support Effort, Inc.'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 Adopt a Platoon Soldier Support Effort, Inc.'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.

#### **Report on Summarized Comparative Information**

We have previously audited Adopt a Platoon Soldier Support Effort, Inc.'s 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 21, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Mathews & Cripe, LLC*

September 23, 2025

**Adopt a Platoon Soldier Support Effort, Inc.**  
**Statements of Financial Position**  
**December 31, 2024 and 2023**

	<u>ASSETS</u>	
	<u>2024</u>	<u>2023</u>
<b>CURRENT ASSETS</b>		
Cash	\$ 2,003,180	\$ 1,350,197
Accounts receivable	-	-
Inventory	370,392	359,902
Prepaid expenses	<u>173,408</u>	<u>119,908</u>
Total current assets	<u>2,546,980</u>	<u>1,830,007</u>
<b>PROPERTY &amp; EQUIPMENT</b>		
Land	30,000	30,000
Buildings & improvements	264,802	262,802
Vehicles	31,391	31,391
Furniture & equipment	<u>72,607</u>	<u>72,607</u>
	398,800	396,800
Less: accumulated depreciation	<u>(181,817)</u>	<u>(169,139)</u>
Net property & equipment	<u>216,983</u>	<u>227,661</u>
<b>OTHER ASSETS</b>		
	<u>-</u>	<u>-</u>
Total assets	<u>\$ 2,763,963</u>	<u>\$ 2,057,668</u>

See independent auditor's report and notes to the financial statements.

**Adopt a Platoon Soldier Support Effort, Inc.**  
**Statements of Financial Position**  
**December 31, 2024 and 2023**

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LIABILITIES AND NET ASSETS

	<u>2024</u>	<u>2023</u>
<b>CURRENT LIABILITIES</b>		
Accounts payable & accrued expenses	\$ <u>591,896</u>	\$ <u>532,962</u>
Total Current Liabilities	<u>591,896</u>	<u>532,962</u>
Total Liabilities	<u>591,896</u>	<u>532,962</u>
<b>NET ASSETS</b>		
Without donor restrictions	2,172,067	1,524,706
With donor restrictions	<u>-</u>	<u>-</u>
Total Net Assets	<u>2,172,067</u>	<u>1,524,706</u>
Total Liabilities and Net Assets	<u><u>\$ 2,763,963</u></u>	<u><u>\$ 2,057,668</u></u>

See independent auditor's report and notes to the financial statements.

**Adopt a Platoon Soldier Support Effort, Inc.**  
**Statements of Activities**  
**For the Year Ended, December 31, 2024 with Comparative**  
**Totals for the Year Ended, December 31, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total	
			2024	Summarized Information 2023
<b>PUBLIC SUPPORT</b>				
Donations	\$ 7,821,643	\$ -	\$ 7,821,643	\$ 7,405,818
	<u>7,821,643</u>	<u>-</u>	<u>7,821,643</u>	<u>7,405,818</u>
<b>REVENUE</b>				
Royalty list	46,920	-	46,920	61,468
Interest & misc.	27,293	-	27,293	19,526
	<u>74,213</u>	<u>-</u>	<u>74,213</u>	<u>80,994</u>
Total support and net revenue	<u>7,895,856</u>	<u>-</u>	<u>7,895,856</u>	<u>7,486,812</u>
<b>EXPENSES</b>				
Program services				
Troop support	5,771,230	-	5,771,230	5,693,121
Support Services				
Management	398,812	-	398,812	387,464
Fundraising	1,078,453	-	1,078,453	1,093,136
Total expenses	<u>7,248,495</u>	<u>-</u>	<u>7,248,495</u>	<u>7,173,721</u>
Changes in Net Assets	647,361	-	647,361	313,091
Net assets - beginning of year	<u>1,524,706</u>	<u>-</u>	<u>1,524,706</u>	<u>1,211,615</u>
Net assets - end of year	<u>\$ 2,172,067</u>	<u>\$ -</u>	<u>\$ 2,172,067</u>	<u>\$ 1,524,706</u>

See independent auditor's report and notes to the financial statements.

**Adopt a Platoon Soldier Support Effort, Inc.**  
**Statements of Functional Expenses**  
**For the Year Ended, December 31, 2024 with Comparative**  
**Totals for the Year Ended, December 31, 2023**

	<u>Program Services</u>	<u>Support Services</u>		<u>Total</u>	
	<u>Troop Support</u>	<u>Management &amp; General</u>	<u>Fundraising</u>	<u>2024</u>	<u>Summarized Information 2023</u>
Advertising	\$ -	\$ 377	\$ -	\$ 377	\$ 105
Agency fee	350,084	4,250	77,181	431,515	410,219
Back-end premiums	63,695	773	14,042	78,510	71,613
Bank & finance charges	-	3,886	41,511	45,397	46,365
Computer services	82,236	592	10,746	93,574	123,279
Conferences & travel	6,364	-	-	6,364	5,161
Depreciation	12,678	-	-	12,678	12,661
Dues & registration	3,071	-	-	3,071	-
Food, supplies, etc.	617,097	-	-	617,097	1,099,881
Front-end premiums	17,872	217	3,940	22,029	22,194
Fulfillment	78,518	953	17,310	96,781	87,157
Insurance	79,116	-	-	79,116	64,911
Legal & accounting	-	178,106	35,735	213,841	196,812
Mail list management	665,232	1,060	146,659	812,951	786,252
Meals & lodging	5,571	-	-	5,571	3,524
Miscellaneous	41,077	290	5,273	46,640	46,505
Occupancy	104,745	-	-	104,745	84,432
Office supplies & expense	11,566	-	-	11,566	13,262
Postage & shipping	2,032,266	25,912	448,041	2,506,219	2,040,652
Printing & production costs	1,261,048	22,328	278,015	1,561,391	1,544,006
Repairs & maintenance	4,770	-	-	4,770	375
Salaries & wages	309,768	148,381	-	458,149	478,991
Taxes	24,456	11,687	-	36,142	35,363
<b>Total Functional Expenses</b>	<b>\$ 5,771,230</b>	<b>\$ 398,812</b>	<b>\$ 1,078,453</b>	<b>\$ 7,248,495</b>	<b>\$ 7,173,721</b>

See independent auditor's report and notes to the financial statements.

**Adopt a Platoon Soldier Support Effort, Inc.**  
**Statements of Cash Flows**  
**For the Years Ended, December 31, 2024 and 2023**

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 647,362	\$ 313,091
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation	12,678	12,661
Net Change in:		
Inventory	(10,490)	303,876
Prepaid expenses	(53,500)	233
Accounts payable and accrued expenses	58,933	(223,485)
Total adjustments	7,621	93,285
Net Cash Provided (Used) by Operating Activities	654,983	406,376
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property & equipment	(2,000)	(3,896)
Net Cash Provided (Used) by Investing Activities	(2,000)	(3,896)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	-	-
Net Cash Provided (Used) by Financing Activities	-	-
<b>NET INCREASE (DECREASE) IN CASH</b>	652,983	402,480
<b>CASH AT BEGINNING OF YEAR</b>	1,350,197	947,717
<b>CASH AT END OF YEAR</b>	<u>\$ 2,003,180</u>	<u>\$ 1,350,197</u>

See independent auditor's report and notes to the financial statements.

**Adopt a Platoon Soldier Support Effort, Inc.**  
**Statements of Cash Flows**  
**For the Years Ended, December 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
<b>SCHEDULE OF NON-CASH INVESTING AND FINANCING TRANSACTIONS</b>		
Acquisition of equipment	\$ 2,000	\$ 3,896
Less: equipment loans	<u>-</u>	<u>-</u>
Cash Used for Acquisition of Equipment	<u>\$ 2,000</u>	<u>\$ 3,896</u>
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>		
Cash Paid During the Year for:		
Interest	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report and notes to the financial statements.

**Adopt A Platoon Soldier Support Effort, Inc.**  
**Notes to Financial Statements**  
**For the Years ended, December 31, 2024 and 2023**

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A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF ACTIVITIES

Adopt A Platoon (the Organization) is a non-profit organization, founded in 1998, and is dedicated to improving quality of life and raising morale for deployed military forces by providing on-going care packages. The Organization's main support is from donations from the general public and direct-mail donor contributions.

BASIS OF PRESENTATION

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with FASB ASC 958, *Not-for-Profit Entities*.

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 Organization's financial statements for the year ended, December 31, 2023, from which summarized information was derived.

CONTRIBUTIONS

Contributions received are recorded as with, or without donor restrictions depending on the nature and existence of donor restrictions.

CASH AND CASH EQUIVALENTS

For purposes of the statement of cash flows, the Organization considers all highly-liquid debt instruments purchased with original maturities of three months or less to be cash equivalents.

PROPERTY AND EQUIPMENT

Property and equipment are capitalized when the total purchase price exceeds \$500 and are carried at cost, less accumulated depreciation. Depreciation is provided using the straight-line method based upon the estimated useful lives of the asset. Furniture, fixtures, equipment and vehicles are depreciated over 5-7 years. Buildings and leasehold improvements are depreciated using the straight-line method over 39 years.

INCOME TAXES

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

**Adopt A Platoon Soldier Support Effort, Inc.**  
**Notes to Financial Statements**  
**For the Years ended, December 31, 2024 and 2023**

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A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

INCOME TAXES (continued)

The Organization's forms 990, *Return of Organization Exempt from Income Tax*, for the years 2021, 2022 and 2023 are subject to examination by the IRS, generally for three years after they were filed.

COSTS OF JOINT ACTIVITIES

FASB ASC 958-720-50-2, "*Accounting for Costs of Activities That Include Fund Raising*", establishes accounting standards for recording costs associated with joint activities (activities which are part fundraising and have elements of one or more other functions, such as program or general and administrative). The pronouncement requires that the criteria of purpose, audience and content be met in order to allocate any portion of the costs of joint activities to a functional area other than fundraising.

SHIPPING COSTS

The Organization includes shipping costs in program services. Total shipping costs for the years ended, December 31, 2024 and 2023, were \$ 278,691 and \$ 298,109 respectively.

ADVERTISING

Advertising costs are expensed as incurred. Advertising expense for the years ended, December 31, 2024 and 2023, were \$105 and \$5,134, respectively.

ESTIMATES

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

COMPENSATED ABSENCES

Vacation, personal, and sick pay are considered expenditures in the year paid, and do not carry over from year to year. Therefore, there are no accrued liabilities for compensated absences.

COST ALLOCATION

Certain categories of expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis that is consistently applied. The expenses that are allocated are compensation and related payroll taxes, which are allocated on the basis of estimates of time and effort.

**Adopt A Platoon Soldier Support Effort, Inc.**  
**Notes to Financial Statements**  
**For the Years ended, December 31, 2024 and 2023**

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A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

RECLASSIFICATIONS

Certain prior year amounts have been reclassified to conform with the current year presentation.

FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on assumptions market participants would use when pricing an asset. Generally accepted accounting principles provide a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and the lowest priority to unobservable inputs [level 3 measurements]. The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Assets and liabilities that are required to be recorded at fair value on the balance sheet are categorized based on the inputs to valuation techniques as follows:

Level 1. These are assets and liabilities where values are based on unadjusted quoted prices for identical assets in an active market the Organization has the ability to access. As of December 31, 2024, there are no Level 1 assets or liabilities.

Level 2. These are assets and liabilities where values are based on the following inputs:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs which are derived principally from or corroborated by observable market data by correlation or other means.

As of December 31, 2024, there are no Level 2 assets or liabilities.

Level 3. Inputs to the valuation methodology are unobservable and significant to the fair value measurement. As of December 31, 2024, there are no Level 3 assets or liabilities.

The carrying amounts reflected on the balance sheets for cash, receivables, and accounts payable approximate their respective fair values due to the short maturities of those instruments.

**Adopt A Platoon Soldier Support Effort, Inc.**  
**Notes to Financial Statements**  
**For the Years ended, December 31, 2024 and 2023**

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B. CONTINGENCY

The Organization maintains cash balances at various financial institutions. Cash balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 per depositor per insured financial institution. Amounts in excess of insured limits at December 31, 2024 and 2023, were \$897,390 and \$612,112, respectively.

C. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization’s financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date:

	<u>2024</u>	<u>2023</u>
Financial assets at year-end	\$ 2,003,180	\$ 1,350,197
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,003,180</u>	<u>\$ 1,350,197</u>

D. INVENTORY

Inventory is stated at cost and consists of the following:

	<u>2024</u>	<u>2023</u>
Marketing materials	\$ 192,781	\$ 239,009
Troop support	<u>177,611</u>	<u>120,893</u>
	<u>\$ 370,392</u>	<u>\$ 359,902</u>

E. CONCENTRATIONS

Approximately 95% of the Organization’s revenue is derived from the fundraising efforts of a professional fundraising company. In the event the professional fundraiser no longer performed services for the Organization, the current level of the Organization’s operations and services would be negatively impacted. At December 31, 2024, there is no provision in the financial statements for such an event as a reasonable estimate cannot be made and no losses are anticipated.

**Adopt A Platoon Soldier Support Effort, Inc.**  
**Notes to Financial Statements**  
**For the Years ended, December 31, 2024 and 2023**

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F. ALLOCATION OF JOINT ACTIVITIES

During the years ended, December 31, 2024 and 2023, the Organization incurred joint costs of approximately \$5,839,017 and \$5,310,110 respectively, for printing, postage and related costs primarily related to fundraising appeals. Pursuant to FASB ASC 958-720-50-2, these costs were allocated to the functional areas as follows:

	<u>2024</u>	<u>2023</u>
Program Services	\$ 4,737,136	\$ 4,204,970
Fund Raising	1,044,367	1,058,199
Management	<u>57,514</u>	<u>46,941</u>
	<u>\$ 5,839,017</u>	<u>\$ 5,310,110</u>

G. RELATED PARTY TRANSACTIONS

Rent Expense

The Organization leases office space from property owned by the executive director, under a month-to-month operating lease. The total rent paid for the year ended, December 31, 2024, was \$14,400.

H. SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through September 23, 2025, the date which the financial statements were available to be issued.