H.E.R.O.E.S. CARE, INC.
AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2024

H.E.R.O.E.S. CARE, INC.
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FINANCIAL SECTION

Mueller Oberkfell
& Jones, LLC
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF
MISSOURI SOCIETY OF CPA'S
AMERICAN INSTITUTE OF CPA'S

INDEPENDENT AUDITOR'S REPORT

To The Board of Trustees of
H.E.R.O.E.S. Care, Inc.

Opinion

We have audited the financial statements of H.E.R.O.E.S. Care, 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 accompanying financial statements referred to above present fairly, in all material respects, the financial position of H.E.R.O.E.S. Care, Inc. as of December 31, 2024, 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 H.E.R.O.E.S. Care, 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 the H.E.R.O.E.S. Care, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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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 H.E.R.O.E.S. Care, 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 the H.E.R.O.E.S. Care, 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.

Mueller Oberkfell & Jones, LLC

MUELLER OBERKFELL & JONES, LLC
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

October 31, 2025

BASIC FINANCIAL STATEMENTS

H.E.R.O.E.S. CARE, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
ASSETS			
Cash and Cash Equivalents	$ 83,779	$ -	$ 83,779
Inventory - In Kind Goods	4,214,051	-	4,214,051
Property, Plant and Equipment, Net	55,249	-	55,249
Prepaid Items	6,741	-	6,741
TOTAL ASSETS	4,359,820	-	4,359,820
LIABILITIES & NET ASSETS			
LIABILITIES			
Accounts Payable	1,477	-	1,477
Note Payable-SBA	141,510	-	141,510
TOTAL LIABILITIES	142,987	-	142,987
NET ASSETS			
Without Donor Restrictions	4,216,833	-	4,216,833
With Donor Restrictions	-	-	-
TOTAL NET ASSETS	4,216,833	-	4,216,833
TOTAL LIABILITIES AND NET ASSETS	$ 4,359,820	$ -	$ 4,359,820

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

H.E.R.O.E.S. CARE, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUES, GAINS, AND OTHER SUPPORT:			
Donations	$ 684,125	$ -	$ 684,125
Contributions of Inventory	29,746,758	-	29,746,758
Other	86	-	86
Revenue Released from Restrictions	-	-	-
TOTAL REVENUES, GAINS, AND OTHER SUPPORT	30,430,969	-	30,430,969
EXPENSES:			
Program Services	29,985,048	-	29,985,048
General and Administrative	164,934	-	164,934
Fundraising	131,356	-	131,356
TOTAL EXPENSES	30,281,338	-	30,281,338
CHANGE IN NET ASSETS	149,631	-	149,631
NET ASSETS, BEGINNING OF YEAR	4,067,202	-	4,067,202
NET ASSETS, END OF YEAR	$ 4,216,833	$ -	$ 4,216,833

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

H.E.R.O.E.S. CARE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Program Services	Support Services		
	Programs	General and Administrative	Fundraising	Total
Compensation and Related Expense				
Salaries	$ 206,879	$ 44,887	$ 60,319	$ 312,086
Taxes and Benefits	30,236	18,414	18,707	67,357
	237,116	63,301	79,027	379,443
Professional Fees				
Payroll Services	-	3,314	-	3,314
Technology Services	7,989	6,999	12,828	27,815
Audit Services	-	12,500	-	12,500
Attorney Fees	-	2,325	-	2,325
Other Professional Services	-	1,156	10	1,166
Accounting Services	-	2,148	-	2,148
Supplies				
Office Supplies	1,830	2,390	-	4,220
Warehouse Supplies	808	1,568	-	2,376
Printing Supplies	1,112	1,233	411	2,756
Technology Supplies	-	198	85	283
Event supplies	1,289	-	5,848	7,137
Promotional Supplies	4,123	1,967	60	6,150
Communication				
Basic Phone Service	4,046	3,097	446	7,589
Internet Services	-	3,157	-	3,157
Cell Phone Service	4,329	1,085	1,014	6,428
Postage and Shipping				
Postage	5	204	-	209
Shipping	2,709	-	-	2,709
Occupancy				
Building Rent	99,000	22,800	22,200	144,000
Vehicle Maintenance	9,410	9,287	-	18,697
Utilities	2,615	13,050	283	15,947
Insurances	10,085	11,630	520	22,235
Licenses and Fees	-	274	-	274
Facilities Repairs	-	195	-	195
Printing and Publications				
Advertising	-	-	200	200
Travel				
Fuel	7,117	-	112	7,229
Lodging	3,756	-	127	3,883
Meals and Incidentals	2,283	-	1,894	4,176
Rental of Vehicle	738	-	-	738
Conference and Meetings				
Registration Fees	-	-	25	25

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

H.E.R.O.E.S. CARE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Program Services	Support Services		
	Programs	General and Administrative	Fundraising	Total
Specific Assistance				
Holiday Program	$ 28,646	$ -	$ -	$ 28,646
Military Family Events	10,324	-	-	10,324
Care Packages	4,153	-	-	4,153
Direct Assistance - Other	2,462	-	-	2,462
Transportation	988	-	-	988
Auto Repair - Maintenance	2,093	-	-	2,093
Computer Assistance	173	-	-	173
Food Assistance	7,780	-	224	8,004
Household/Baby Items	17,557	-	-	17,557
Home Repair Assistance	600	-	-	600
Morale- Other	745	-	-	745
Rent/Mortgage Assistance	4,089	-	-	4,089
Travel Assistance	673	-	-	673
Utilities Assistance	11,648	-	-	11,648
Appliance Repair Assistance	309	-	-	309
Membership and Dues				
Membership Dues	250	495	-	745
Special Events				
Supplies and Materials	-	-	1,922	1,922
In-Kind Expenses				
Goods	17,471,486	-	-	17,471,486
Holiday Program	11,993,538	-	-	11,993,538
Miscellaneous Expense				
Bank Charges	6	406	9	421
Credit Card Fees	-	-	-	-
Miscellaneous Expenses - Other	-	-	-	-
Depreciation	16,910	-	-	16,910
Interest Expense	3,948	-	-	3,948
Staff and Volunteer Gifts	6,216	113	4,111	10,440
	$ 29,985,048	$ 164,934	$ 131,356	$ 30,281,338

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

H.E.R.O.E.S. CARE, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES		
Increase In Net Assets	$	149,631
Adjustments to Reconcile Increase In Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation		16,910
(Increase) Decrease in Operating Assets		
Inventory		(281,733)
Prepaid Items		5,269
Increase (Decrease) in Operating Liabilities		
Accounts payable		(5,640)
Notes Payable-SBA		(3,744)
NET CASH USED BY OPERATING ACTIVITIES		(119,308)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment		(32,996)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR		236,083
CASH AND CASH EQUIVALENTS, END OF YEAR	$	83,779
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Interest Paid	$	3,948

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Business

H.E.R.O.E.S. Care, Inc. ("Organization") is a non-profit Missouri corporation, organized for the purpose of providing assistance to families of deployed military and families of wounded service members in Missouri and Southwest Illinois.

B. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets are classified as without donor restrictions and with donor restrictions based upon the existence or absence of donor-imposed or grant-imposed restrictions. In the accompanying financial statements, net assets that have similar characteristics have been combined as follows:

1. Net Assets with Donor Restrictions – Net assets subject to donor-imposed or grant-imposed stipulations that they may be maintained permanently by the Organization. Generally, the donors or grantors of these types of assets permit the Organization to use all or part of the investment return on these assets. This category also includes net assets whose use by the Organization is subject to donor-imposed or grantor-imposed stipulations that can be fulfilled by actions of the Organization pursuant to those stipulations or that expire by the passage of time.

2. Net Assets without Donor Restrictions – Net assets that are not subject to donor-imposed or grantor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the Board or may otherwise be limited by contractual agreements with outside parties.

C. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

D. Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

E. Donated Services

Volunteers have donated their time in carrying out the Organization's operations and various programs. No amounts have been recognized in the accompanying financial statements for these donated services as there is no objective basis for measurement.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Donated Property and Equipment

Donations of property and equipment are recorded as contributions at fair value at the date of donation. Such donations are reported as increases in unrestricted net assets 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 property and equipment, are reported as restricted contributions. In the case of absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

G. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

H. Inventory

Inventory consists of items obtained from public donations and is stated at estimated fair value at the date of donation. Cost is determined on the first-in, first-out method.

I. Functional Allocation of Expenses

The cost of supporting the program 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. Certain costs have been allocated among the program, management and general and fundraising categories based on square footage and other methods.

J. Income Taxes: The Organization is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code and comparable state law as charitable organizations whereby only unrelated business income, as defined by Section 509(a)(2) of the Code, is subject to federal income tax. The Organization currently has no unrelated business income. Accordingly, no provision for income taxes has been recorded. The Organization has adopted provisions of FASB Standard on Accounting for Uncertainty in Income Taxes (ASV 740-10-25). The Organization does not believe there are any material uncertain tax provisions and, accordingly, they will not recognize any liability for unrecorded tax benefits. The Organization’s Forms 990, Return for Organization Exempt from Income Taxes, for the years ended December 31, 2023, 2022, and 2021 are subject to examination by the IRS, generally three years after they were filed.

II. CASH AND CASH EQUIVALENTS

At December 31, 2024, the cash and bank balances of the Organization's deposits totaled $83,779, and $93,006, respectively. The bank balance was covered by FDIC insurance at December 31, 2024.

III. CAPITAL ASSETS

All purchased property and equipment is recorded at historical cost. A capitalization threshold of $1,000 is used to report capital assets. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions 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 property and equipment, are reported as restricted contributions. Depreciation for reporting purposes is provided on the straight-line method over the estimated useful lives of the assets as follows:

Furniture, Equipment and Books	3-10 Years
Building and Improvements	39-50 Years
Vehicles	5 Years

Upon disposition of furniture, fixtures or books, the asset cost and related accumulated depreciation are eliminated from the respective accounts. Any gain or loss is included in current operations. Expenditures for maintenance and repairs, which do not materially extend the life of assets, are included in operating expenses.

Capital assets at December 31, 2024 were as follows:

Description	Balance at December 31, 2023	Additions	Deletions	Balance at December 31, 2024
Depreciable Assets				
Vehicles	$ 101,180	$ 32,996	$ -	$ 134,176
Total Depreciable Assets	101,180	32,996	-	134,176
Accumulated Depreciation	(62,017)	(16,910)	-	(78,927)
	$ 39,163	$ 16,086	$ -	$ 55,249

IV. RELATED PARTY TRANSACTIONS

Various members of the Board of Trustees perform services for the Organization, including among other things, construction and banking services. These services are provided at discounted rates/fees and/or at no charge. The value of these donated services has been valued and recorded as operating revenue in accordance to SFAS No. 116, *Accounting for Contributions Received and Contributions Made*.

V. NOTES PAYABLE

On June 14, 2020, the Organization entered into a note payable with the U.S. Small Business Administration in the amount of $150,000. Payments were deferred for twelve months with the deferred interest added to the principal balance. Payments began on June 14, 2021. The final payment is due June 14, 2050. The loan is payable in monthly installments of $641 including principal and interest at 2.75%. Interest during the year ended December 31, 2024, was $3,948.

For the year ended December 31, 2024, the following changes occurred in notes payable:

	Balance at December 31, 2023	Additions	Deletions	Balance at December 31, 2024	Amount Due Within One Year
SBA Loan	$ 145,254	$ -	$ 3,744	$ 141,510	$ 3,849
	$ 145,254	$ -	$ 3,744	$ 141,510	$ 3,849

Debt service requirements at December 31, 2024, to maturity are as follows:

Year Ending December 31,	Principal	Interest	Total
2025	$ 3,849	$ 3,843	$ 7,692
2026	3,956	3,736	7,692
2027	4,066	3,626	7,692
2028	4,179	3,513	7,692
2029	4,296	3,396	7,692
2030-2034	23,341	15,119	38,460
2035-2039	26,778	11,682	38,460
2040-2044	30,720	7,740	38,460
2045-2049	35,242	3,218	38,460
2050	5,083	45	5,128
	$ 141,510	$ 55,918	$ 197,428

VI. LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise of the following:

Financial assets, as of December 31, 2024:	
Cash and Cash Equivalents	$ 83,779
Less those unavailable for general expenditures:	
Accounts Payable	1,477
Financial assets available to meet cash needs for general expenditures within one year	$ 82,302

VII. OPERATING LEASES

The Organization leases a building with a minimum monthly rental payment of $12,000. The lease ends on December 31, 2024. If H.E.R.O.E.S. Care, Inc. remains in possession of the leased property after the expiration of the lease and without the execution of a new lease, the rent will increase to $15,000 per month. Effective January 1, 2025, the Organization entered into a new five-year lease calling for monthly rent of $10,000 in year 1 with 3% increases in monthly rent for each of years 2 through 5.

VIII. CONTINGENCIES

The Organization is not involved in any pending litigation as of the audit report date that is required to be disclosed.

IX. RISKS AND UNCERTANTIES

The checking account is subject to potential concentration of credit risk. The account is uncollateralized and may exceed the FDIC insured amount of $250,000 at times throughout the year.

Three of the Organization donors accounted for approximately 87% of the inventory donations received and inventory donations accounted for 98% of the Organizations support for the year ended December 31, 2024.

XI. SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 31, 2025, the date the financial statements were available to be issued.