LSU ALUMNI ASSOCIATION AND SUBSIDIARIES

Baton Rouge, Louisiana

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

LSU | ALUMNI ASSOCIATION

LSU ALUMNI ASSOCIATION AND SUBSIDIARIES
Baton Rouge, Louisiana

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December 31, 2025

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Faulk&Winkler

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
LSU Alumni Association and Subsidiaries
Baton Rouge, Louisiana

Opinion

We have audited the accompanying consolidated financial statements of the **LSU ALUMNI ASSOCIATION AND SUBSIDIARIES** (collectively referred to as the "Association") (a non-profit corporation), which comprise the consolidated statement of financial position as of December 31, 2025, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Association as of December 31, 2025, 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 (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 Association 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 consolidated 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 the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

(Continued)

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Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 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 consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Association'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 consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association'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.

(Continued)

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedule of activities, The Lod and Carole Cook Conference Center and Hotel, LLC schedule of balance sheets, and The Lod and Carole Cook Conference Center and Hotel, LLC schedule of operations and changes in member's equity are presented for purpose of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the Association's 2024 consolidated financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 23, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Faulk & Winkler, LLC

Certified Public Accountants

Baton Rouge, Louisiana
April 13, 2026

LSU ALUMNI ASSOCIATION AND SUBSIDIARIES

Baton Rouge, Louisiana

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2025
(with comparative amounts for 2024)

ASSETS

	2025	2024
CURRENT:		
Cash and cash equivalents	$ 1,413,770	$ 1,561,474
Certificate of deposit	253,221	476,943
Accounts receivable, net	153,206	545,695
Inventory, net	100,533	100,828
Contributions receivable, net	150,902	266,526
Prepaid expenses	177,002	154,408
Total current assets	2,248,634	3,105,874
INVESTMENTS	30,468,072	25,081,064
PROPERTY HELD FOR SALE	236,500	236,500
LONG-TERM CONTRIBUTIONS RECEIVABLE, net	165,436	136,331
PROPERTY AND EQUIPMENT, net	10,007,682	10,536,662
RIGHT-OF-USE ASSETS - FINANCE LEASE, net	22,036	49,401
DEFERRED INCOME TAXES, net	653,000	740,000
OTHER ASSETS	-	10,318
Total assets	$ 43,801,360	$ 39,896,150

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	$ 857,129	$ 886,267
Deferred revenue	96,917	67,677
Current portion of notes payable	351,822	340,756
Accrued vacation payable	141,038	106,487
Current portion of finance lease liabilities	24,929	27,415
Total current liabilities	1,471,835	1,428,602
NOTES PAYABLE, less current portion	538,453	889,696
FINANCE LEASE LIABILITIES, less current portion	-	24,929
Total liabilities	2,010,288	2,343,227
NET ASSETS:		
Without donor restriction	13,653,699	13,381,743
With donor restriction	28,137,373	24,171,180
Total net assets	41,791,072	37,552,923
Total liabilities and net assets	$ 43,801,360	$ 39,896,150

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

LSU ALUMNI ASSOCIATION AND SUBSIDIARIES

Baton Rouge, Louisiana

CONSOLIDATED STATEMENT OF ACTIVITIES

For the year ended December 31, 2025
(with summarized comparative totals for 2024)

	2025			
	Without Donor Restrictions	With Donor Restrictions	Totals	2024 Totals
REVENUE AND SUPPORT:				
Contributions	$ 1,675,415	$ 976,734	$ 2,652,149	$ 2,514,251
Program:				
Hotel	4,852,081	-	4,852,081	4,241,795
Merchandise, sales, and trips	1,311,875	-	1,311,875	1,648,689
Rental and catering	843,496	-	843,496	845,875
Investment income, net of fees	255,771	4,098,114	4,353,885	2,242,375
Royalties	394,511	-	394,511	167,208
Other	273,994	-	273,994	247,787
Total revenue and support	9,607,143	5,074,848	14,681,991	11,907,980
NET ASSETS RELEASED FROM RESTRICTIONS:	1,108,655	(1,108,655)	-	-
Total revenue, support, and net assets released from restrictions	10,715,798	3,966,193	14,681,991	11,907,980
EXPENSES:				
Program:				
Alumni	3,134,942	-	3,134,942	3,367,697
The Cook Hotel	4,747,476	-	4,747,476	4,723,594
Fundraising	1,501,575	-	1,501,575	1,737,231
General and administrative	936,654	-	936,654	821,754
Total expenses	10,320,647	-	10,320,647	10,650,276
Change in net assets, before other expense and income taxes	395,151	3,966,193	4,361,344	1,257,704
OTHER EXPENSE:				
Interest expense	(36,195)	-	(36,195)	(47,748)
PROVISION FOR INCOME TAXES:				
Deferred tax benefit (expense)	(87,000)	-	(87,000)	71,000
Change in net assets	271,956	3,966,193	4,238,149	1,280,956
NET ASSETS				
Beginning of year, restated	13,381,743	24,171,180	37,552,923	36,271,967
End of year	$ 13,653,699	$ 28,137,373	$ 41,791,072	$ 37,552,923

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

LSU ALUMNI ASSOCIATION AND SUBSIDIARIES

Baton Rouge, Louisiana

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2025
(with comparative amounts for 2024)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 4,238,149	$ 1,280,956
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization expense	916,173	1,036,485
Increase in allowance for credit losses	8,120	243,996
Deferred tax (benefit) expense	87,000	(71,000)
Realized gain on investments, net	(61,253)	(803,413)
Unrealized gain on investments, net	(3,506,475)	(846,242)
Contribution of donated property	-	(236,500)
Contributions with donor restrictions for endowment	(946,836)	(785,434)
Change in operating assets and liabilities:		
Net change in contributions receivable	86,519	157,449
Net change in other operating assets	372,388	(195,501)
Net change in operating liabilities	34,653	(126,360)
Net cash provided (used) by operating activities	1,228,438	(345,564)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(2,526,530)	(1,378,414)
Purchase of certificate of deposit	(1,473,670)	(20,456)
Maturity of certificate of deposit	1,697,392	-
Proceeds from sale of investments	707,250	2,134,432
Acquisition of property and equipment	(359,828)	(155,006)
Net cash provided (used) by investing activities	(1,955,386)	580,556

(Continued)

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

LSU ALUMNI ASSOCIATION AND SUBSIDIARIES

Baton Rouge, Louisiana

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2025
(with comparative amounts for 2024)

	2025	2024
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions with donor restrictions into endowment	946,836	785,434
Principal payments on finance lease assets	(27,415)	(26,725)
Principal payments on note payable	(340,177)	(329,162)
Net cash provided by financing activities	579,244	429,547
Net increase (decrease) in cash and cash equivalents	(147,704)	664,539
CASH AND CASH EQUIVALENTS		
Beginning of year	1,561,474	896,935
End of year	$ 1,413,770	$ 1,561,474
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 36,195	$ 47,748
Supplemental disclosure of noncash investing activities:		
Property held for sale obtained through contribution	$ -	$ 236,500

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

LSU ALUMNI ASSOCIATION AND SUBSIDIARIES

Baton Rouge, Louisiana

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2025
(with summarized comparative totals for 2024)

	Program				General and	Total	
	Alumni	The Cook Hotel	Total Program	Fundraising	Administrative	2025	2024
EXPENSES:							
Salaries and wages	$ 1,086,941	$ 1,150,166	$ 2,237,107	$ 271,736	$ 452,893	$ 2,961,736	$ 2,730,905
Payroll taxes and benefits	210,490	204,624	415,114	52,623	87,705	555,442	418,412
Depreciation and amortization	538,173	283,028	821,201	-	94,972	916,173	1,036,485
Scholarships and professorships	797,794	-	797,794	-	-	797,794	989,113
Professional and contracted services	187,500	542,889	730,389	-	33,088	763,477	591,110
Special events and ticket purchases	-	-	-	625,620	-	625,620	527,019
Utilities	69,153	480,081	549,234	-	12,203	561,437	488,940
Hotel room expenses	-	530,731	530,731	-	-	530,731	596,232
Insurance	113,327	256,721	370,048	-	19,999	390,047	456,763
Travel and sports trips	-	2,614	2,614	376,844	-	379,458	773,063
Repairs and maintenance	7,325	314,403	321,728	-	1,293	323,021	371,652
Cost of merchandise sold	-	250,528	250,528	-	-	250,528	210,745
Catering	77,398	163,896	241,294	-	-	241,294	268,799
Credit card fees	-	161,759	161,759	-	46,275	208,034	208,619
Supplies	20,301	129,778	150,079	-	3,583	153,662	154,219
Dues, subscriptions, and conferences	-	17,323	17,323	-	112,406	129,729	51,153
Printing	-	85,795	85,795	37,319	-	123,114	144,415
Postage	-	67,315	67,315	20,025	-	87,340	61,068
Advertising	-	61,891	61,891	15,136	-	77,027	69,774
Promotional supplies	-	4,757	4,757	66,761	-	71,518	70,799
Property taxes and other fees	-	55,604	55,604	-	-	55,604	63,877
Telephone	14,220	14,335	28,555	-	2,510	31,065	33,597
Donor recognition	-	1,192	1,192	23,675	-	24,867	20,757
Operating lease expense	-	8,732	8,732	-	13,489	22,221	39,945
Official functions and entertainment	-	636	636	11,836	-	12,472	11,133
Other university support	12,320	-	12,320	-	-	12,320	11,679
(Reversal of) allowance for credit losses and bad debt	-	(43,334)	(43,334)	-	51,454	8,120	243,996
Miscellaneous	-	2,012	2,012	-	4,784	6,796	6,007
Total expenses	$ 3,134,942	$ 4,747,476	$ 7,882,418	$ 1,501,575	$ 936,654	$ 10,320,647	$ 10,650,276

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

LSU ALUMNI ASSOCIATION AND SUBSIDIARIES

Baton Rouge, Louisiana

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and operations

The LSU Alumni Association (the Association) is a non-profit corporation organized to foster, protect, and promote the welfare of Louisiana State University and Agricultural and Mechanical College (the University) and to maintain a mutually beneficial relationship between the University and its alumni. The majority of the Association's revenues are derived from contributions made by individual alumni and various organizations, as well as revenues earned through the Alumni Center and the Lod and Carole Cook Conference Center and Hotel, LLC (the Hotel). The Hotel is a wholly-owned Louisiana C-corporation subsidiary that operates the for-profit activities of the Association. The Alumni Center and Hotel are located on land owned by the University. Additionally, in 2024, the Association established the LSU Alumni Association Real Estate, LLC, to accept contributions of real estate.

Basis of presentation and consolidation

The consolidated financial statements of the Association have been prepared on the accrual basis of accounting. All intercompany transactions and balances have been eliminated. The significant accounting policies are described below to enhance the usefulness of the consolidated financial statements. The Association reports information regarding financial position and activities according to the two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

The consolidated 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 Association's consolidated financial statements for 2024, from which the summarized information was derived.

Estimates

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reported period. Accordingly, actual results could differ from those estimates. Estimates are used primarily when accounting for the valuation of accounts and contributions receivable including the allowance for credit losses, allowance for uncollectible contributions receivable, and discount to present value, inventory, depreciation, amortization, right-of-use assets, lease liabilities, prepaid expenses, deferred revenue, donated property held for sale, allocation of functional expenses, and deferred income tax assets.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition

Contributions are recognized when the donor makes a promise to give to the Association that is, in substance, unconditional, or when cash is received. Unconditional contributions with donor restrictions are reported as increases in net assets with donor restrictions and are internally tracked as purpose restricted or held in perpetuity, depending on the nature of the restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are released to net assets without donor restrictions. Contributions to certain endowment funds are restricted by the donor to be maintained in perpetuity and the related income earned is classified and expended according to the donor's stipulations.

Contributions receivable are recognized as revenue in the period the contribution or "pledge" is made. Contributions receivable are recorded at net realizable value if they are expected to be collected in one year, and discounted at an appropriate rate if they are expected to be collected in more than one year. Conditional contributions are recognized only when the conditions on which they depend are substantially met and the contributions become unconditional.

Revenues from exchange transactions primarily consist of hotel room and facility rentals, travel package sales, catering services, and merchandise sales. The Association has determined that the transaction prices related to contracts entered through exchange transactions are primarily attributable to one performance obligation (room and facility space rentals, travel package sales, catering services, merchandise sales, etc.). Payments are sometimes received in advance of providing the service and are reported as deferred revenue. The Association recognizes revenue when the performance obligation is satisfied (rooms are checked in, sport events are attended, merchandise is purchased/shipped, etc.).

Sales and other taxes the Hotel collects in conjunction with these activities are excluded from revenue. Other incidental items that are immaterial in context of the contract, along with costs incurred to obtain a contract, are expensed as incurred.

Generally, the Hotel's business does not give rise to variable consideration due to the fact that there are no significant rebates, allowances, or returns that decrease the original transaction price.

The Association has no contract assets or liabilities at December 31, 2025.

Contributed nonfinancial assets

In 2024, the Association received a contribution of land, which is held for sale at December 31, 2025. The land contribution was without donor restrictions and the future proceeds received from the sale of the land are intended to be utilized for the benefit of the Association. See Note 5.

Cash and cash equivalents

For purposes of the statement of cash flows, the Association considers all demand deposits, money market accounts, and certificates of deposit with original maturity dates less than 90 days to be cash and cash equivalents.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions receivable

Contributions receivable are recorded net of any allowance for doubtful accounts that is based on management's estimate of collectability and discounts for contributions that are to be received in more than one year. The Association records contributions received as support with or without donor restrictions, depending on the existence and nature of any donor restrictions.

Accounts receivable

Accounts receivable are recorded at invoiced amounts, net of an allowance for credit losses. A general allowance for credit losses is based on management's estimate of the collectability of accounts receivable according to prior experience. Management considers accounts receivable to be delinquent based on the applicable contractual terms. The Association does not require collateral for its receivables. Accounts receivable outstanding more than 90 days totaled $1,014 at December 31, 2025. See Note 3.

Allowance for credit losses

The Association's accounts receivables are primarily derived from customers who utilize the Association's meeting space with catering for such events and hotel room rentals. At the balance sheet date, the Association recognizes an expected allowance for credit losses. In addition, at the reporting date, this estimate is updated to reflect any changes in credit risk since the receivable was initially recorded. This estimate is calculated on a pooled basis where similar risk characteristics exist.

Inventory

Inventory consists of merchandise for resale in the Hotel gift shop and is recorded at cost, net of an allowance for obsolescence. The Association uses the First-In-First-Out (FIFO) method to account for its inventory. The Association has a reserve for inventory obsolescence of $11,170 at December 31, 2025.

Investment valuation and income recognition

The Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements*, establishes a framework for measuring fair value which provides a fair value hierarchy that prioritizes the sources of pricing information (inputs) to valuation techniques used to measure fair value. The highest priority is given 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 three levels of the fair value hierarchy under ASC 820 are described as follows:

Level 1 – Unadjusted quoted prices for identical assets or liabilities in active markets that the Association has the ability to access.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment valuation and income recognition (Continued)

Level 2 – Inputs include:

- 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 that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs that are unobservable and significant to the fair value measurement.

Investments in equity securities and shares of mutual funds with readily determinable fair values and all investments in debt securities are recorded at fair value based on quoted market prices. Investments in non-exchange traded debt and equity instruments are valued using independent pricing services or by broker-dealers who actively make markets in these securities. Investments in equity securities without readily determinable fair values and that do not qualify for the practical expedient to estimate fair value are measured at cost minus impairment, if any.

Realized and unrealized gains and losses are recorded in current year operations as increases or decreases in net assets. Dividends, interest, and other investment income are recorded as an increase in net assets.

Donated investments are recorded at market value at the date of receipt, which is then treated as cost. The Association typically converts donated investments to cash as soon as possible upon receipt with the proceeds deposited into the Association's investment accounts. Realized gains and losses on dispositions are based on the net proceeds and the adjusted cost basis of the securities sold, using the specific identification cost method. These realized gains and losses are recognized in current year operations as increases or decreases in net assets.

Fair value of financial instruments

The carrying value of cash, certificates of deposit, inventory, receivables, prepaid expenses, accounts payable, accrued expenses, and deferred revenue approximate fair value due to the short-term maturity of these instruments. The carrying value of short and long-term liabilities approximates fair value based on the current rated offered for debt of comparable maturities and collateral requirements. Financial instruments are not held for trading purposes.

Property and equipment

Property and equipment are carried at cost. Additions and improvements in excess of $7,500 that extend the useful lives of assets are capitalized. Maintenance and repairs are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the property and equipment, ranging from three to thirty-nine years.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and equipment (Continued)

The Association does not capitalize its collection at the Andonie Museum, which is located on the LSU campus. The collection consists of historical objects related to LSU sports history which have been estimated to have a market value of approximately $630,000 at the date of acquisition. There were no significant changes to the collection during 2025.

Periodically, the Association reviews property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Impairment is measured by comparing the carrying value of the sum of the expected future cash flows resulting from the use of the asset and its eventual disposition. The Association did not have any impairment of assets during the year ended December 31, 2025.

Donated property and equipment are recorded at fair value on the date of acquisition and reported as an increase in the appropriate class of net assets depending on the existence or absence of donor-imposed restrictions.

Leases

The Association determines if a contractual agreement contains a lease at inception. Leases are then classified as either operating or finance leases depending on the characteristics of the lease. Right-of-use (ROU) assets represent the Association's right to control the use of a specified asset for the lease term, and lease liabilities represent the Association's obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the commencement date based on the present value of lease payments; the Association uses the risk-free discount rate when the discount rate is not implicit in the lease. The lease term is the non-cancellable period of the lease, including any options to extend, purchase, or terminate the lease depending on whether the Association is reasonably certain to exercise those options.

The costs associated with operating leases are recognized on a straight-line basis over the period of the leases. Finance lease ROU assets are amortized on a straight-line basis over the shorter of the estimated useful lives or the lease terms, and interest expense incurred is on the lease liabilities is included in interest expense. If the lease transfers ownership to the Association or the Association is reasonably certain to exercise the option to purchase the underlying asset, the ROU asset is amortized to the end of the useful life of the underlying asset. Assumptions made by the Association at the commencement date are re-evaluated upon occurrence of certain events, including lease modifications when that modification is not accounted for as a separate contract.

Income taxes and unrelated business income

The Association is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code for the majority of the Association's revenues. LSU Alumni Association Real Estate, LLC is considered a disregarded entity for income tax purposes. The Hotel is a for-profit C-corporation for income tax purposes. Under the asset and liability method, deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to the differences between the financial statement carrying amounts of existing assets and liabilities, and their respective tax basis.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income taxes and unrelated business income (continued)

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income during the period that includes the enactment date.

The Association follows the provisions of the FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*. The Association's open audit periods are 2023 through 2025.

Deferred revenues

Prepayment of funds that are received for future lodging and sports trips, or deposits for events scheduled in the subsequent year, are recorded as deferred revenues until they are earned.

Advertising

During 2025, the Association expensed $77,027 in advertising and promotional costs as incurred.

Functional expenses

The costs of providing the various programs and activities have been allocated among the program services and supporting services benefited and are summarized on a functional basis in the statement of activities and changes in net assets. These allocations are based on estimates determined by management. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

The expenses that are allocated include the following:

Expenses	Method of Allocation
Salaries and wages, payroll taxes, and benefits	Time and effort
Depreciation and amortization, insurance, repairs and maintenance, supplies, professional and contracted services, utilities, and telephone	Square footage of facilities

All other expenses are directly charged to the functions they benefit.

Subsequent events

In preparing these financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through April 13, 2026, which was the date the financial statements were available to be issued. See Note 16.

NOTE 2 - INVESTMENTS

Investments, at December 31, 2025, consisted of the following:

	Market	Cost
Equities:		
Stocks	$ 39,594	$ 17,699
ETFs & CEFs	19,976,459	16,670,631
Fixed Income & Preferred Securities:		
Mutual funds	10,452,019	10,396,809
Total	$ 30,468,072	$ 27,085,139

Additionally, the Association holds a certificate of deposit purchased October 30, 2025 with an original maturity of January 29, 2026, bearing interest of 3.6%. The fair market value of the certificate of deposit at December 31, 2025 was $253,221.

The summary of investment return and its classification in the consolidated statement of activities for the year ended December 31, 2025 is as follows:

	Amount
Unrealized gains, net	$ 3,506,475
Interest and dividends	844,675
Realized gain, net	61,253
Investment fees	(58,518)
Total	$ 4,353,885

At December 31, 2025, the fair value hierarchy of the Association's investments was as follows:

	Level 1	Level 2	Level 3	Total
Equities:				
Stocks	$ 39,594	$ -	$ -	$ 39,594
ETFs & CEFs	19,976,459	-	-	19,976,459
Fixed Income & Preferred Securities:				
Mutual funds	10,452,019	-	-	10,452,019
Total	$ 30,468,072	$ -	$ -	$ 30,468,072

The Association has $233,402 within its investment portfolio that is invested in cash and cash equivalents, which are excluded from the amounts reported as investments in the consolidated statement of financial position and are reported within cash and cash equivalents at December 31, 2025.

Stock in privately held company

The Association invested in a Company (the Company) that has developed a medical device to provide alternative treatment to prescribed medication for various disorders. The former Board Chairman of the Company was a board member of the Association at the time the original investment was made.

NOTE 2 – INVESTMENTS (CONTINUED)

Stock in privately held company (Continued)

On February 2014, the Association and the Company entered into an unsecured note purchase agreement where the Association purchased a convertible promissory note in the principal amount of $2,000,000, with interest accruing at the rate of 10-percent per annum and maturing on the first to occur of: (i) two year anniversary of the note (February 2016), (ii) merger or consolidation or other reorganization of the Company, with or into one or more entities, or (iii) the liquidation or dissolution of the Company. Furthermore, if maturity of the note occurs on the provisions defined in (ii) above, the outstanding note would be converted into shares of the surviving entity.

Upon maturity of the original agreement with the Company in 2016, the Association and the Company entered into second agreement to extend the original maturity date to October 2017 and convert previously accrued interest of $434,521 on the original note into principal ($2,434,521 in principal balance) and increase the interest rate to 12-percent per annum. In 2017, the Association and the Company entered into a third agreement to extend the maturity date to April 2019 and convert previously accrued interest of $413,451 on the note into principal ($2,847,972 in principal balance). In 2019, the Association and the Company entered into a fourth agreement to extend the maturity date to June 2021 and convert previously accrued interest into principal of $569,282 on the note into principal ($3,417,254 in principal balance). In May 2021, the Association and the Company entered into a fifth agreement to extend the maturity date to June 1, 2022.

On October 14, 2021, the Association and the Company agreed to a debt conversion agreement, whereby the Association agreed to convert its outstanding note purchase agreement with the Company in the principal amount of $3,417,254 into capital stock, contingent upon the Company acquiring certain financing requirements from a third-party investor. On December 31, 2021, the Company acquired the financing, and as a result, the Association's note purchase agreement was converted into 14,500,893 shares of capital stock of the Company. Prior to the conversion of the note receivable, the Association recorded impairment losses on the note purchase agreement of $3,417,254 and related accrued interest of $649,278.

At December 31, 2025, the Company's unaudited financial statements reported a cash deficit of $16,412, total assets of $338,636, stockholders' deficit of $22,108,079, and a net loss of $3,532,519 for the year then ended. The Company is currently seeking approval from United States drug regulators for domestic sales of its product while selling its product in other countries and pursuing options to secure additional financing resources. Management believes that, based on the information currently available, there have been no material changes to the investee's financial condition or operations that would significantly impact the Association's recorded investment.

The outcome of the events described above are uncertain at this time. While management of the Association will continue to monitor the operations of the Company, the investment in the Company is not considered to have a readily determinable fair value. As a result, the Association measures the investment in the Company at cost minus impairment, resulting in a net book value of $-0-.

NOTE 3 - ACCOUNTS RECEIVABLE

At December 31, 2025, accounts receivable are as follows:

	Amount
Room rental, occupancy, and others	$ 75,898
LSU Foundation	58,381
Catering and events	22,757
Accounts receivable, gross	157,036
Less: Allowance for credit losses	(3,830)
Accounts receivable, net	$ 153,206

Account receivable, gross, had a balance of $723,695 with a corresponding allowance for credit losses of $178,000 as of January 1, 2025.

The change in allowance for credit losses for the year ending December 31, 2025 is as follows:

	Amount
Beginning balance	$ 178,000
Accounts receivable write-offs	(130,836)
(Reversal of) provision for credit losses	(43,334)
Ending balance	$ 3,830

NOTE 4 - CONTRIBUTIONS RECEIVABLE

Unconditional contributions receivable at December 31, 2025, are as follows:

	Amount
Contributions receivable within one year, gross	$ 223,677
Contributions receivable in one to five years, gross	183,788
Total contributions receivable	407,465
Less: Allowance for uncollectible contributions	(72,775)
Less: Discount to present value for long-term contributions	(18,352)
Contributions receivable, net	$ 316,338

A discount rate of 3% is used to determine the discount to present value for long-term contributions.

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment and related service lives at December 31, 2025 were as follows:

Description	Service Life	Amount
Buildings and improvements	15 - 39 years	$ 25,432,948
Furniture and equipment	5 - 10 years	4,623,310
Software	3 years	150,634
Construction in progress	-	68,101
		30,274,992
Less: accumulated depreciation		(20,267,310)
Property and equipment, net		$ 10,007,682

Depreciation expense was $888,808 for 2025.

Property held for sale

During 2024, the Association received donated land that was classified as property held for sale. As of December 31, 2025, the land continues to be held for sale and is recorded at its fair value at the date of donation of $236,500, based on a third-party appraisal prepared in accordance with the Uniform Standards of Professional Appraisal Practice. The Association does not intend to use the property in its operations.

NOTE 6 - LEASES

Right-of-use asset finance lease

The Association holds an installment right-of-use financing lease for office equipment utilized in the Alumni Center. The lease is paid in monthly payments of $829. Included in this payment is interest at a rate of 4.89%, maturing October 2026 and is secured by underlying equipment. The balance of this lease liability is $8,107 at December 31, 2025.

The Hotel holds an installment right-of-use financing lease for office equipment used in the Hotel's facility. The lease is paid in monthly payments of $1,538. Included in this payment is interest at a rate of 1.37%, maturing November 2026 and is secured by underlying equipment. The balance of this lease liability is $16,822 at December 31, 2025.

Finance lease expense	Amount
Amortization of ROU assets	$ 27,365
Interest on lease liabilities	989

The weighted-average remaining lease term for finance leases is .89 years and the weighted average discount rate is 2.53%.

NOTE 6 - LEASES (CONTINUED)

Right-of-use asset finance lease (Continued)

Finance leased assets and related service lives at December 31, 2025 were as follows:

Description	Service Life	Amount
Equipment	5 years	$ 115,398
Less: accumulated amortization		(93,362)
Finance lease assets, net:		$ 22,036

Current and future maturities of-right-of use financing leases at December 31, 2025, were as follows:

Year	Amount
2026	$ 25,208
Less: present value discount	(279)
Total finance lease liability	$ 24,929

NOTE 7 - NOTES PAYABLE

Construction loan

In 2016, the Hotel entered into a bank loan to fund renovations. The loan functioned as a line of credit with a limit of $3,200,000 for contractor costs. The outstanding portion of the loan was converted to a note payable collateralized by the property of the Hotel. The note requires monthly principal and interest payments of $31,263 at 3.2% interest and a balloon payment of $236,457 upon maturity in November 2027. The Hotel's outstanding balance as of December 31, 2025 is $890,275. The Hotel incurred interest expense totaling $35,206 for the fiscal year ended December 31, 2025.

Future maturities under notes payable as of December 31, 2025, are as follows:

Year ended December 31,	Amount
2026	$ 351,822
2027	538,453
Total	$ 890,275

NOTE 8 - PROVISION FOR INCOME TAXES

The provision for income taxes consisted of a deferred income tax expense of $87,000 for 2025, and the tax effects of temporary differences at December 31, 2025 are as follows:

Noncurrent deferred tax asset	Amount
Net operating loss carryforward	$ 699,000
Depreciation	(46,000)
	$ 653,000

At December 31, 2025, the Hotel had a net operating loss carryforward of approximately $3.3 million. Approximately $1,580,000 of the total net operating loss carryforward is available through 2029 and $1,720,000 of the total net operating loss may be carried forward indefinitely. These amounts are reflective of the Hotel's effective tax rate of 21% for 2025. Management anticipates utilizing the net operating loss carryforwards available through 2029 prior to their expiration in addition to utilizing carryforward losses that are indefinite. Effective for the period ending December 31, 2025, and future periods, net operating loss carryforwards can offset only 80% of taxable income in the year the carryforward is used.

NOTE 9 - NET ASSETS

At December 31, 2025, net assets without donor restrictions had been designated by the board for the following purposes:

Without donor restriction:

Board-designated endowment funds:	Amount
LCAC maintenance fund	$ 488,262
LCCC conference center fund	1,066,810
Contingency funds	3,154,099
Total board-designated endowment funds	$ 4,709,171

(Continued)

NOTE 9 - NET ASSETS (CONTINUED)

At December 31, 2025, net assets with donor restrictions are restricted for the following purposes:

With donor restriction:	Amount
Endowment funds:	
Endowed scholarships and professorships	$ 25,531,616
Restricted for future periods:	
Contributions receivable, net	94,711
Subject to satisfaction of purpose restrictions:	
Unendowed scholarships and professorships	2,452,665
Scholarships and professorships held at LSU Foundation	58,381
Total subject to satisfaction of purpose restrictions	2,511,046
Total net assets with donor restrictions	$ 28,137,373

During 2025, the Association released $1,108,655 from restricted net assets for program expenses through satisfaction of purpose restrictions related to scholarships and professorships paid to the University.

NOTE 10 - ENDOWMENT

The Association's investment policy for donor-restricted endowments stipulates that the primary investment objective of the Association's endowment is to earn an average annual real return of at least 5% per year over the long term, net of costs. Attainment of this objective will enable the Association to maintain the purchasing power of endowment assets in perpetuity and meet its spending policy. The primary objective of the Association's asset allocation policy is to provide a strategic mix of asset classes that produce a high expected investment return within a prudent risk framework.

The Association follows the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). UPMIFA was adopted by the State of Louisiana and updates the fundamental investment principles by providing standards to establish investment policies in a prudent manner by establishing a duty to minimize cost, diversify investments, investigate facts relevant to investments of funds, consider tax consequences of investment decisions, and to ensure that investment decisions be made in consideration of the fund's entire portfolio as a part of an investment strategy having risk and return objectives reasonably suited to the fund and to the Association. UPMIFA permits the Association to accumulate an amount of an endowment fund that the Association determines to be prudent for the uses, benefits, purposes and duration for which the endowment fund is established, thereby eliminating the restriction that a fund could not be spent below its historical dollar value.

NOTE 10 - ENDOWMENT (CONTINUED)

In accordance with UPMIFA, the Association considers the following factors in making a determination to appropriate or accumulate donor restricted funds:

- Duration and preservation of the endowment funds,
- The purposes of the Association and the related endowment funds,
- General economic conditions,
- Effect of inflation or deflation,
- The expected return from income and the appreciation of investments,
- Other resources of the Association, and
- The investment policy of the Association.

The endowment activity during 2025 was as follows:

	Without Donor Restriction	With Donor Restriction
Endowment net assets, beginning of year	$ 4,028,437	$ 21,768,691
Interest and dividends, net of fees	39,303	674,884
Unrealized gains, net	175,302	3,010,166
Realized gains, net	3,062	52,583
Contributions and collections on pledges	741,394	1,005,901
Net assets released from restrictions:		
Appropriations from donor endowments	(278,327)	(980,609)
Endowment net assets, end of year	$ 4,709,171	$ 25,531,616

Endowment without donor restrictions

Endowment net assets without donor restrictions are comprised of funds designated by the Board of Directors for operating purposes, including maintenance on buildings. Additionally, from time to time, the fair value of the assets associated with individual donor-restricted endowment funds may decline in value below the level that the donor requires the Association to retain as a fund of perpetual duration.

Endowment with donor restrictions

The Association classifies as donor restricted net assets that are perpetual in nature (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument.

NOTE 10 - ENDOWMENT (CONTINUED)

Endowment with donor restrictions (Continued)

Endowed assets consisted of the below balances as of December 31, 2025:

	With donor restrictions			
	Original gift amount	Accumulated gains (losses) and other	Total with donor restrictions	Total endowment
Endowed scholarships	$ 24,239,421	$ 1,292,195	$ 25,531,616	$ 25,531,616

The Association has a policy of appropriating 5% of the endowment fund's market value for professorships and scholarships. Upon payment of professorships and scholarships, donor purpose restrictions are satisfied and endowments with donor restrictions are released from restrictions and reclassified as an increase in endowments without donor restrictions.

Investment objectives

The investment objective is to maintain the purchasing power of the endowment assets over the long-term while meeting current obligations. In addition, the investment program is expected to exceed a composite benchmark index comprised of market indices weighted in proportion to an asset allocation policy. Adequate liquidity shall be maintained to provide annual distributions of professorships, scholarships, and building and operating expenses.

To satisfy the long-term rate-of-return objectives, the Association relies on a return strategy in which investment returns are achieved through market appreciation (realized and unrealized), and interest and dividends. The Association uses a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

"Underwater" Endowments

From time to time, the fair value of assets associated with donor restricted endowment funds may fall below the level that donors require the Association to retain as a fund of perpetual duration. Deficiencies of this nature sometimes occur due to market volatility and currently exist in some individual endowment funds. However, the Association maintains additional board-designated contingency funds within the endowment totaling $3,154,099.

NOTE 11 - DONATED SERVICES

A substantial number of unpaid volunteers have made a significant contribution of their time to develop the Association's programs, principally in fund raising activities, operations, and board participation. The value of this donated time is not reflected in these statements since the services do not meet the criteria for recognition under generally accepted accounting principles.

NOTE 12 - RETIREMENT PLAN

The Association has a 401(k)-retirement plan covering substantially all eligible employees. Employees are 100% vested in their contributions as well as discretionary Association matching and profit-sharing contributions. Employees may contribute up to 25% of their compensation limited to $23,500 annually. The Association contributed $100,436 to the plan in 2025.

NOTE 13 - CONCENTRATION OF CREDIT RISK

Financial instruments which subject the Association to concentrations of credit risk consist primarily of investments in long-term corporate and governmental fixed income instruments. Management periodically evaluates the Association's credit risk associated with its investments, which are not collateralized. Future changes in market value may make such investments less valuable. The Association typically maintains cash and cash equivalents, and temporary investments in local banks that may, at times, exceed the Federal Deposit Insurance Corporation (FDIC) limits. Management believes this risk is limited. The Association's exposure above the FDIC limit as of December 31, 2025 is $733,077.

NOTE 14 - RELATED PARTIES

During 2025, the Association paid $452,887 to the University and agencies of the University for various services and utilities. As of December 31, 2025, the Association owed the University $174,637 reflected in accounts payable and accrued liabilities on the consolidated statement of financial position.

The Association has funds held with the LSU Foundation totaling approximately $58,381 at December 31, 2025 and is reflected in accounts receivable on the consolidated statement of financial position.

The Association earned $1,025,913 of hotel revenue from various departments of the University and had $8,526 of related receivables at year end. These amounts are reflected in hotel revenue and accounts receivable on the consolidated statement of financial position and consolidated statement of activities, respectively.

The Association received $870,000 in rental income, and $210,000 in management fees from the Hotel. However, rent and management fee transactions have been eliminated in the consolidated financial statements.

NOTE 15 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Association manages its liquidity to ensure it can meet ongoing operating needs, program commitments, and other obligations as they come due. Liquidity is monitored on a regular basis through cash flow forecasting and review of available financial resources. The Association maintains its liquid assets primarily in cash and cash equivalents and unrestricted investments and seeks to maintain sufficient liquidity by aligning the timing of expenditures with anticipated receipts from hotel earnings, contributions, and other revenue sources. In addition, management considers the nature of donor restrictions, board-designated resources, and other internal or external limitations when evaluating the availability of financial assets for general expenditures.

NOTE 15 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (CONTINUED)

The Association's financial assets available within one year of the balance sheet date for general expenditure are as follows:

Financial assets:	Amount
Cash and cash equivalents	$ 1,413,770
Certificate of deposit	253,221
Accounts receivable, net	153,206
Current portion of unrestricted contributions receivable, net	150,902
Unrestricted, board designated investments	4,709,171
Financial assets available within one year, at year-end	$ 6,680,270

NOTE 16 - SUBSEQUENT EVENTS

On January 27, 2026, the Association entered into a $1,500,000 revolving line of credit intended to finance renovations to the Hotel. The line of credit matures on January 27, 2033 and bears interest at a variable rate based on the Wall Street Journal Prime Rate, subject to stated minimums and maximums. The line of credit is secured by certain assets of the Association and related entities.

NOTE 17 - PRIOR PERIOD ADJUSTMENT

During the year ended December 31, 2025, the Association performed an internal review of board designated funds and donor fund classifications within their net assets with donor restrictions and discovered certain individual scholarship and professorship funds were not accurately reflected as either: endowed (held in perpetuity); unendowed (subject to purpose restriction); or contingency funds (board designated endowment). The overall balance of the donor funds within investment portfolio did not change, however, the impact of the classification changes of net assets and amounts reported as endowed contributions were as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Net assets, beginning of year, as previously presented	$ 13,778,337	$ 23,774,586	$ 37,552,923
Prior period adjustment - original gift amount	(260,559)	260,559	-
Prior period adjustment - accumulated gains and other	(136,035)	136,035	-
Endowment net assets, beginning of year, restated	$ 13,381,743	$ 24,171,180	$ 37,552,923

	Endowed Scholarships and Professorships	Unendowed Scholarships and Professorships
Beginning of year, as previously presented	$ 21,486,796	$ 2,014,477
Reclassifications from without donor restriction (board designated)	-	396,594
Reclassifications from endowed scholarships and professorships	(570,021)	570,021
Reclassifications from unendowed scholarships and professorships	851,916	(851,916)
Beginning of year, as restated	$ 21,768,691	$ 2,129,176

SUPPLEMENTARY INFORMATION

LSU ALUMNI ASSOCIATION AND SUBSIDIARIES

Baton Rouge, Louisiana

CONSOLIDATING SCHEDULE OF ACTIVITIES

For the year ended December 31, 2025
(with summarized comparative totals for 2024)

	Alumni Association	Scholarship Fund	LSU Alumni Association Real Estate LLC	The Cook Hotel	Total 2025	Total 2024
Revenue and Support:						
Contributions	$ 1,723,665	$ 928,484	$ -	$ -	$ 2,652,149	$ 2,514,251
Earned:						
Hotel	-	-	-	4,852,081	4,852,081	4,241,795
Merchandise, sales, and trips	848,686	-	-	463,189	1,311,875	1,648,689
Rental and catering	181,313	-	-	662,183	843,496	845,875
Investment Income, Net of Fees	239,338	4,098,114	-	16,433	4,353,885	2,242,375
Royalties	394,511	-	-	-	394,511	167,208
Other	165,606	-	612	107,776	273,994	247,787
Total revenue and support	3,553,119	5,026,598	612	6,101,662	14,681,991	11,907,980
Expenses:						
Occupancy:						
Depreciation and amortization	633,145	-	-	283,028	916,173	1,036,485
Utilities	81,356	-	-	480,081	561,437	488,940
Professional and contracted services	220,588	-	-	542,889	763,477	591,110
Repairs and maintenance	8,618	-	-	314,403	323,021	371,652
Hotel room expenses	-	-	-	530,731	530,731	596,232
Taxes	-	-	-	55,604	55,604	63,877
Supplies	23,884	-	-	129,778	153,662	154,219
Operating lease expense	13,489	-	-	8,732	22,221	39,945
Other	4,784	-	-	2,012	6,796	6,007
Total occupancy	985,864	-	-	2,347,258	3,333,122	3,348,467
Personnel:						
Salaries	1,811,570	-	-	1,150,166	2,961,736	2,730,905
Staff benefits	350,818	-	-	204,624	555,442	418,412
Total personnel	2,162,388	-	-	1,354,790	3,517,178	3,149,317
Promotional:						
Scholarships and professorships	-	797,794	-	-	797,794	989,113
Travel and sports trips	376,844	-	-	2,614	379,458	773,063
Special events ticket purchases	625,620	-	-	-	625,620	527,019
Cost of merchandise sold	-	-	-	250,528	250,528	210,745
Printing	37,319	-	-	85,795	123,114	144,415
Postage	20,025	-	-	67,315	87,340	61,068
Official functions and entertainment	11,836	-	-	636	12,472	11,133
Catering	77,398	-	-	163,896	241,294	268,799
Other support	-	12,320	-	-	12,320	11,679
Promotional supplies	66,761	-	-	4,757	71,518	70,799
Advertising	15,136	-	-	61,891	77,027	69,774
Donor recognition	23,675	-	-	1,192	24,867	20,757
Total promotional	1,254,614	810,114	-	638,624	2,703,352	3,158,364
Other Operating:						
Credit card fees	46,275	-	-	161,759	208,034	208,619
(Reversal of) allowance for credit losses and bad debt	51,454	-	-	(43,334)	8,120	243,996
Telephone	16,730	-	-	14,335	31,065	33,597
Insurance	133,326	-	-	256,721	390,047	456,763
Dues, subscriptions, and conferences	112,406	-	-	17,323	129,729	51,153
Total general and administrative	360,191	-	-	406,804	766,995	994,128
Total expenses	4,763,057	810,114	-	4,747,476	10,320,647	10,650,276
Change in net assets, before other income (expense) and income taxes	(1,209,938)	4,216,484	612	1,354,186	4,361,344	1,257,704
Other Income (Expense):						
Rent and management fees	1,080,000	-	-	(1,080,000)	-	-
Interest expense	(645)	-	-	(35,550)	(36,195)	(47,748)
Total other income (expense)	1,079,355	-	-	(1,115,550)	(36,195)	(47,748)
Provision for Income Taxes						
Income tax (expense) benefit	-	-	-	(87,000)	(87,000)	71,000
Change in net assets	$ (130,583)	$ 4,216,484	$ 612	$ 151,636	$ 4,238,149	$ 1,280,956

THE LOD AND CAROLE COOK CONFERENCE CENTER AND HOTEL, LLC

Baton Rouge, Louisiana

SCHEDULE OF BALANCE SHEETS

December 31, 2025 and 2024

	2025	2024
ASSETS		
CURRENT:		
Cash	$ 194,468	$ 313,480
Certificate of deposit	253,221	476,943
Accounts receivable, net	38,090	407,343
Inventory, net	100,533	100,828
Prepaid expenses	70,784	48,012
Total current assets	657,096	1,346,606
PROPERTY AND EQUIPMENT, net	2,139,528	2,146,877
FINANCE LEASE ASSET, net	15,138	33,305
DEFERRED INCOME TAXES, net	653,000	740,000
Total assets	$ 3,464,762	$ 4,266,788
LIABILITIES AND MEMBER'S EQUITY		
CURRENT:		
Accounts payable and accrued expenses	$ 300,487	$ 212,563
Due to Association	1,739,226	2,437,348
Deferred revenue	50,387	41,795
Current portion of notes payable	351,822	340,756
Accrued vacation payable	36,717	30,484
Current portion of finance lease liability	16,822	18,112
Total current liabilities	2,495,461	3,081,058
NOTE PAYABLE, less current portion	538,453	889,696
FINANCE LEASE LIABILITY, less current portion	-	16,822
Total liabilities	3,033,914	3,987,576
MEMBER'S EQUITY	430,848	279,212
Total liabilities and member's equity	$ 3,464,762	$ 4,266,788

THE LOD AND CAROLE COOK CONFERENCE CENTER AND HOTEL, LLC

Baton Rouge, Louisiana

SCHEDULE OF OPERATIONS AND CHANGES IN MEMBER'S EQUITY

For the years ended December 31, 2025 and 2024

	2025	2024
REVENUES:		
Rooms	$ 4,769,928	$ 4,172,316
Meeting space	463,140	535,761
Gift shop	463,189	454,615
Food, beverage, and other	206,362	166,091
Catering	199,043	152,336
Total revenues	6,101,662	5,481,119
OPERATING EXPENSES:		
Property	3,507,734	3,694,905
Gift shop	687,350	639,340
General and administration	1,632,392	1,469,349
Total operating expenses	5,827,476	5,803,594
Net income (loss) from operations	274,186	(322,475)
OTHER EXPENSE:		
Interest expense	(35,550)	(46,660)
Net income (loss) before income taxes	238,636	(369,135)
PROVISION FOR INCOME TAXES:		
Deferred tax (expense) benefit	(87,000)	71,000
Net income (loss)	151,636	(298,135)
MEMBER'S EQUITY:		
Beginning of year	279,212	577,347
End of year	$ 430,848	$ 279,212