

**SON OF A SAINT**

**FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

**Son of a Saint**  
**New Orleans, Louisiana**  
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December 31, 2025 and 2024

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## Independent Auditor's Report

To the Board of Directors of  
Son of a Saint  
New Orleans, Louisiana

### ***Opinion***

We have audited the accompanying financial statements of Son of a Saint (a nonprofit organization), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years 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 Son of a Saint as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years 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 Son of a Saint 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 opinion.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these 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 Son of a Saint'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.

Son of a Saint  
March 16, 2026

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.

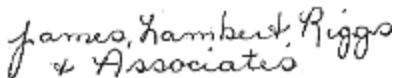
In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement 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 Son of a Saint'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 Son of a Saint'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 Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits, and Other Payments to Agency Head on page 19 is presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.



James Lambert Riggs & Associates, Inc.  
Hammond, Louisiana

March 16, 2026

## **Financial Statements**

**Son of a Saint**  
**New Orleans, Louisiana**  
Statements of Financial Position  
December 31, 2025 and 2024

Exhibit A

	2025	2024 Restated
<b>Assets</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 1,719,953	\$ 2,258,283
Promises to Give, Net (Note 3)	1,313,618	2,450,790
Investments	100,103	100,103
Prepaid Insurance	31,776	49,826
Total Current Assets	3,165,450	4,859,002
Restricted Assets:		
Restricted Cash and Cash Equivalents:		
SOAS Scholars	789,305	5,260,968
Capital Campaign	4,199	75,830
Restricted Promises to Give, Net (Note 3)	3,646,465	4,013,558
Restricted Investments	6,727,200	1,040,926
Total Restricted Assets	11,167,169	10,391,282
Property & Equipment:		
Construction in Process	270,714	10,979
Buildings and Improvements	6,045,654	6,033,272
Furniture and Equipment	238,528	230,729
Vehicles	138,195	138,195
Software Development	224,193	177,177
Less: Accumulated Depreciation	(896,874)	(658,788)
Total Property & Equipment	6,020,410	5,931,564
Other Assets:		
Right of Use Assets, Net	105,683	93,453
Other Assets	10,911	18,750
Total Other Assets	116,594	112,203
Total Assets	\$ 20,469,623	\$ 21,294,051
<b>Liabilities and Net Assets</b>		
Current Liabilities:		
Accounts Payable	\$ 118,780	\$ 259,844
Lease Obligation, Short Term	8,807	8,037
Vehicle Note Payable, Short Term	2,588	10,245
Total Current Liabilities	130,175	278,126
Long Term Liabilities:		
Lease Obligation, Long Term	96,876	88,419
Vehicle Note Payable, Long Term	-	2,636
Total Long Term Liabilities	96,876	91,055
Total Liabilities	227,051	369,181
Net Assets:		
Without Donor Restrictions	9,390,494	10,087,593
With Donor Restrictions	10,852,078	10,837,277
Total Net Assets	20,242,572	20,924,870
Total Liabilities and Net Assets	\$ 20,469,623	\$ 21,294,051

The accompanying notes are an integral part of these financial statements.

**Son of a Saint**  
**New Orleans, Louisiana**

Exhibit B

Statements of Activities  
For the Year Ended December 31, 2025 and 2024

	2025			2024 Restated		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Other Support:						
Contributed Support:						
Grants	\$ 349,303	\$ -	\$ 349,303	\$ 435,175	\$ -	\$ 435,175
Donations	4,326,369	-	4,326,369	3,988,288	351,484	4,339,772
In-Kind Donations	734,122	-	734,122	714,112	-	714,112
Capital Campaign	-	4,200	4,200	-	-	-
SOAS Scholars Income	-	1,227,865	1,227,865	-	3,101,795	3,101,795
SOAS Endowment Fund	-	-	-	-	5,180,600	5,180,600
Earned Revenue:						
Other Income	4,345	-	4,345	31,818	-	31,818
Rental Income	6,833	-	6,833	8,750	-	8,750
Investment Income / (Loss)	66,517	394,595	461,112	3,284	105,935	109,219
Net Assets Released from Restrictions	349,241	(349,241)	-	443,941	(443,941)	-
Total Revenues and Other Support	<u>5,836,730</u>	<u>1,277,419</u>	<u>7,114,149</u>	<u>5,625,368</u>	<u>8,295,873</u>	<u>13,921,241</u>
Expenses:						
Program Services	4,682,841	1,024,051	5,706,892	4,217,191	567,029	4,784,220
Supportive Services:						
General and Administrative	705,342	-	705,342	458,551	-	458,551
Fundraising	1,145,646	-	1,145,646	1,471,247	-	1,471,247
Other Program Expenses	-	238,567	238,567	-	-	-
Total Expenses	<u>6,533,829</u>	<u>1,262,618</u>	<u>7,796,447</u>	<u>6,146,989</u>	<u>567,029</u>	<u>6,714,018</u>
Total Change in Net Assets	(697,099)	14,801	(682,298)	(521,621)	7,728,844	7,207,223
Net Assets:						
Beginning of the Year	<u>10,087,593</u>	<u>10,837,277</u>	<u>20,924,870</u>	<u>10,609,214</u>	<u>3,108,433</u>	<u>13,717,647</u>
End of the Year	<u>\$ 9,390,494</u>	<u>\$ 10,852,078</u>	<u>\$ 20,242,572</u>	<u>\$ 10,087,593</u>	<u>\$ 10,837,277</u>	<u>\$ 20,924,870</u>

The accompanying notes are an integral part of these financial statements.

**Son of a Saint**  
**New Orleans, Louisiana**  
Statement of Functional Expenses  
For the Year Ended December 31, 2025

Exhibit C

	Program Services	General & Administrative	Fundraising	Total
Payroll Salary	\$ 1,624,408	\$ 295,685	\$ 439,244	\$ 2,359,337
Fringe Benefits	342,985	71,741	89,503	504,229
Donor Cultivation	-	39,000	35,980	74,980
Stipend / Scholarships	1,107,976	-	-	1,107,976
Staff Development	68,509	-	-	68,509
Transportation	127,805	-	-	127,805
Program Expenses	195,719	-	-	195,719
In-Kind Expenses	734,122	-	-	734,122
Depreciation	141,932	96,153	-	238,085
Contract Expenses	215,398	19,420	-	234,818
Sales and Marketing	-	130,000	51,528	181,528
Partnership Expenses	21,132	-	-	21,132
Utilities	78,223	-	-	78,223
Lease Expense	30,179	-	-	30,179
Fundraising	-	-	501,114	501,114
Bank Service Charges	-	2,668	-	2,668
Processing Fees	-	432	-	432
Grant Writing	2,525	-	-	2,525
Mentor and Intern Pay	6,074	-	-	6,074
Board Expenses	-	269	-	269
Insurance	118,925	-	-	118,925
Printing and Postage	7,389	-	-	7,389
Books and Subscriptions	21,558	10,088	-	31,646
Supplies	29,955	10,854	-	40,809
Technology Expense	23,456	2,606	-	26,062
Telecommunications	24,471	2,719	-	27,190
Other Expenses	94,968	5,734	-	100,702
Other Program Expenses	238,567	-	-	238,567
Travel	43,593	10,528	28,277	82,398
Repairs & Maintenance	67,008	7,445	-	74,453
Bad Debt Expense	501,972	-	-	501,972
Interest Expense	-	-	-	-
Educational Expenses	76,610	-	-	76,610
<b>Total Expenses</b>	<b><u>\$ 5,945,459</u></b>	<b><u>\$ 705,342</u></b>	<b><u>\$ 1,145,646</u></b>	<b><u>\$ 7,796,447</u></b>
 Percentage of Total Expenses	 <u>76.26%</u>	 <u>9.05%</u>	 <u>14.69%</u>	 <u>100.00%</u>

The accompanying notes are an integral part of these financial statements.

**Son of a Saint**  
**New Orleans, Louisiana**  
Statement of Functional Expenses  
For the Year Ended December 31, 2024

Exhibit C  
(Continued)

	Program Services	General & Administrative	Fundraising	Total
Payroll Salary	\$ 1,486,663	\$ 267,923	\$ 458,444	\$ 2,213,030
Fringe Benefits	289,423	54,611	82,001	426,035
Donor Cultivation	-	-	67,339	67,339
Stipend / Scholarships	572,608	-	-	572,608
Staff Development	56,737	-	216	56,953
Transportation	196,916	-	-	196,916
Program Expenses	254,419	-	-	254,419
In-Kind Expenses	497,742	-	216,370	714,112
Depreciation	186,477	48,785	-	235,262
Contract Expenses	159,433	15,880	-	175,313
Sales and Marketing	-	-	127,154	127,154
Partnership Expenses	9,848	-	-	9,848
Utilities	76,918	-	-	76,918
Lease Expense	26,617	-	-	26,617
Fundraising	-	-	467,754	467,754
Bank Service Charges	-	876	-	876
Processing Fees	-	49	-	49
Grant Writing	-	-	79	79
Mentor and Intern Pay	57,215	-	-	57,215
Board Expenses	-	5,868	-	5,868
Insurance	82,067	-	-	82,067
Printing and Postage	10,632	-	-	10,632
Books and Subscriptions	52,663	4,656	-	57,319
Supplies	40,399	4,053	-	44,452
Technology Expense	32,993	3,666	-	36,659
Telecommunications	27,212	3,023	-	30,235
Other Expenses	122,440	27,877	-	150,317
Travel	22,673	4,047	46,145	72,865
Repairs & Maintenance	34,474	17,237	5,745	57,456
Bad Debt Expense	424,400	-	-	424,400
Interest Expense	-	-	-	-
Educational Expenses	63,251	-	-	63,251
<b>Total Expenses</b>	<b>\$ 4,784,220</b>	<b>\$ 458,551</b>	<b>\$ 1,471,247</b>	<b>\$ 6,714,018</b>
<b>Percentage of Total Expenses</b>	<b>71.26%</b>	<b>6.83%</b>	<b>21.91%</b>	<b>100.00%</b>

The accompanying notes are an integral part of these financial statements.

**Son of a Saint**  
**New Orleans, Louisiana**  
**Statements of Cash Flows**  
For the Years Ended December 31, 2025 and 2024

Exhibit D

	<u>2025</u>	<u>2024</u> <u>Restated</u>
Cash Flows from Operating Activities:		
Increase in Net Assets	\$ (682,298)	\$ 7,207,223
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation and Right of Use Assets Amortization	259,026	256,637
Gain on Sale of Asset	-	4,647
Gain on Lease Termination	(3,003)	(33,040)
Changes in Operating Assets and Liabilities:		
Grants Receivable	1,504,265	(3,815,664)
Prepaid Insurance	18,050	116,264
Other Assets	7,839	(18,750)
Accounts Payable	(141,064)	117,047
Net Cash Provided by Operating Activities	<u>962,815</u>	<u>3,834,364</u>
Cash Flows from Investing Activities:		
Purchase of Investments	(5,686,274)	(1,041,029)
Purchases of Property and Equipment	(326,932)	(103,340)
Net Cash Used in Investing Activities	<u>(6,013,206)</u>	<u>(1,144,369)</u>
Cash Flows from Financing Activities:		
Principal Payment of Vehicle Note Payable	(10,293)	(11,005)
Payments of Principal on Finance Leases	(20,940)	(21,373)
Net Cash Provided by (Used in) Financing Activities	<u>(31,233)</u>	<u>(32,378)</u>
Net Change in Cash and Cash Equivalents	(5,081,624)	2,657,617
Cash and Cash Equivalents - Beginning of the Year	<u>7,595,081</u>	<u>4,937,464</u>
Cash and Cash Equivalents - End of the Year	<u>\$ 2,513,457</u>	<u>\$ 7,595,081</u>
Supplemental Disclosure of Cash Flow Information		
Cash and Cash Equivalents per Exhibit A	\$ 1,719,953	\$ 2,258,283
Restricted Cash and Cash Equivalents per Exhibit A	<u>793,504</u>	<u>5,336,798</u>
	<u>\$ 2,513,457</u>	<u>\$ 7,595,081</u>
Cash Paid for Interest	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

**Son of a Saint**  
**New Orleans, Louisiana**  
Notes to the Financial Statements  
For the Year Ended December 31, 2025

**Introduction**

Son of a Saint (“SOAS”) is a non-profit organization established in 2011 to enhance the lives of fatherless boys through mentorship, emotional support, development of life skills, exposure to constructive experiences and formation of positive, lasting peer-to-peer relationships. SOAS serves the Greater New Orleans Area and achieves its mission through:

- **Mental Health** – Mental health specialists (LPC, P-LPC) offer evidence-based counseling and therapy sessions using modalities including talk therapy and play therapy. Our mental health specialists provide individual and group counseling to mentees on an ongoing basis, and they attend school visits to advocate for mentees and assist with interpreting and implementing 504 Plans, IEPs, and other socio-emotional interventions.
- **Case Management** – SOAS currently has full-time case managers on staff who hold an MSW or LCSW license. Case Managers perform biopsychosocial assessments for mentees and families to assess existing challenges, needs, and possible interventions. Case Managers connect mentees to appropriate services within the SOAS program and in the community and conduct referrals for families to critical community resources including housing, food access, utilities assistance, educational and workforce opportunities, and government assistance programs. Case Managers also advocate for mentees and families within schools, within the SOAS program, and in the broader community.
- **One-on-One & Group Mentorship** – Regular daylong mentorship sessions are designed to aid in our boys’ academic, personal, and overall development. The organization hosts an average of twenty group mentorship sessions per month, covering topics such as etiquette, time management, decision-making, critical thinking, anger management, moral reasoning, life skills, work ethics, leadership, civic responsibility, and teamwork. Mentees and mentors also frequent various types of outings, such as sporting events, educational trips, movies, dining, parades, and volunteer activities. Many of SOAS’ mentees are also paired with a dedicated mentor to facilitate an ongoing, one-on-one mentoring relationship.
- **Recreational Access** – SOAS mentees are exposed to horseback riding, fishing, yoga, music, chess, the arts and more. Every boy participates in at least one of these activities weekly. Mentors also support and encourage mentees in their extracurricular activities by attending various activities.
- **Academic Support** – SOAS provides ongoing tutoring for mentees in need of additional academic support. Many of our volunteer educators are current New Orleans middle school or high school teachers and are familiar with the mentees’ coursework. SOAS also serves as advocates for the boys at school, intervening in the case of behavioral or academic challenges, and providing support to guardians.
- **Tuition Assistance** – SOAS works to provide middle school and high school scholarships allowing mentees to attend tuition-based schools in the New Orleans area. If a mentee has the inclination and academic capability to attend a private or parochial school, SOAS does their best to make sure financial means are not a barrier to a quality education.
- **SOAS Scholars Program** – SOAS Scholars is a School Tuition Organization (STO), selected by the Louisiana Department of Education to help facilitate the state’s Tuition Donation Credit Program. As an STO, SOAS Scholars will be receiving and reviewing applications, selecting recipients, and awarding scholarships to low-income students across the state. It serves both our mentees, as well as boys and girls outside of our program in need of tuition assistance.

**Son of a Saint**  
**New Orleans, Louisiana**

Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2025

- College Preparation – SOAS works with mentees to ensure they have the preparation and knowledge to make an informed decision about their higher education path. SOAS reviews postsecondary education options, facilitate ACT preparation classes, guide them in the college essay writing process, teach them about college financing, and help connect them with financial aid and scholarship opportunities.
- Career Development – SOAS’s Career Development Coordinator pairs the mentees with internships, job shadowing opportunities, and academic camps. SOAS also organizes company tours and career panels for the mentees to learn about interview skills and different career options.
- Cultural Immersion – SOAS provides cultural immersion opportunities for mentees, allowing them to break down preconceived barriers about other cultures and people, all while building confidence, developing newfound cultural sensitivity, and making meaningful connections with the local ways of life in difference destinations. SOAS mentees have journeyed to places including Montreal, Costa Rica and Ghana, Africa.

## 1. Summary of Significant Accounting Policies

### A. Basis of Accounting

In accordance with generally accepted accounting principles, the accompanying financial statements have been prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

### B. Basis of Presentation

Net assets, revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of SOAS and changes therein are classified and reported as follows:

***Net Assets Without Donor Restrictions*** – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Revenues are reported as increases in net assets without restrictions, unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without restrictions.

***Net Assets with Restrictions*** – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulated that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

### C. Cash and Cash Equivalents

For purposes of the statements of cash flows, SOAS considers all short-term, highly liquid investments with an initial maturity of three months or less to be cash and cash equivalents. Cash balances in the SOAS Scholars Account, the SOAS Capital Campaign Account, and the SOAS Endowment Fund Account are restricted because the donations received were restricted by donors and the future expense of these funds are restricted only for specific purposes.

**Son of a Saint**  
**New Orleans, Louisiana**  
Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2025

In accordance with ASU 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*, the statement of cash flows includes cash, cash equivalents, restricted cash, and restricted cash equivalents.

D. Investments and Related Income, Gains and Losses

Investments are generally carried at fair market value. Investments acquired through donations are recorded at fair market value on the date of donation. Unrealized gains and losses are recorded as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulations or law. Interest earned on donor restricted investments is reported based on the existence or absence of donor-imposed restrictions. Realized and unrealized gains and losses are included in the statement of activities.

Net investment income (loss) earned on donor restricted net assets which are perpetual in nature is recorded in the statement of activities as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or law.

E. Pledge Receivables

Contributions receivable that are expected to be collected in future years are recorded at their fair value based on the present value of their estimated future cash flows and are discounted at the rate applicable to the year in which the contribution was made.

F. Property and Equipment

All significant acquisitions of property and equipment whose useful lives extend beyond a one-year period and betterments, which naturally add to the value of related assets or materially extend the useful lives of assets are capitalized. Repairs and maintenance that do not extend the asset's useful life are expensed as incurred.

Property and equipment are carried at cost, or, if donated, at their acquisition value (entry price) at the date of donation. Assets acquired through lease agreements meeting requirements under generally accepted accounting principles that require capitalization are recorded at their fair market values as of the date of the lease inception. SOAS records depreciation on its property and equipment using the straight-line method. The following is a summary of the estimated useful lives used:

Buildings and Improvements	40 Years
Vehicles	5 Years
Computer Software	5 Years
Furniture and Equipment	10 Years

SOAS periodically evaluates the carrying value of long-lived assets to be held and used when events and circumstances warrant such a review. The carrying value of a long-lived asset is considered impaired when the anticipated undiscounted cash flow from such asset is separately identifiable and is less than the assets' carrying value. In that event, a loss is recognized based on the amount by which the carrying value exceeds the fair market value of the long-lived asset. Fair market value is determined by independent market appraisals or by using the anticipated cash flows discounted at a rate commensurate with the risk involved. Losses on long-lived assets to be disposed of are determined in a similar manner except that fair market values are reduced for the cost to dispose of the asset. There were no impairments of long-lived assets recognized for the years ended December 31, 2025 and 2024.

**Son of a Saint  
New Orleans, Louisiana**

Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2025

G. Revenue and Support with Donor Restrictions and without Donor Restrictions

Contributions received are recorded as increases in net assets without donor restrictions or increases in net assets with donor restrictions, depending on the existence and / or nature of any donor restrictions.

All donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction.

When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same accounting period are reported as support and revenues without restrictions.

Fundraising and other revenues are recognized as earned.

H. Donated Assets and Services

Donated services are reported at fair value in the financial statements for voluntary donations of services when those services (1) create or enhance non-financial assets or (2) require specialized skills provided by individuals possessing those skills and are services, which would be typically purchased if not provided by donation. The estimated fair market value of donated services provided to SOAS during the fiscal year ending December 31, 2025 and 2024 was \$734,122 and \$714,112, respectively, which are recorded in the accompanying financial statements. Included in the 2025 fair market value of donated services is \$230,000 of in-kind personnel support from Ochsner Health Services. In addition, there are numerous volunteers who donate time in SOAS's programs and supporting services. During the fiscal year ending December 31, 2025 and 2024, volunteer workers donated an estimated 10,230 and 8,521 hours of time, respectively. The estimated value based on volunteer rates is \$293,002 for December 31, 2025, and \$241,626 for December 31, 2024, which are also recorded in the accompanying financial statements.

I. Income Taxes

SOAS is a non-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation. Management believes there are no uncertain tax positions included in the financial statements. SOAS's Forms 990, *Return of Organization Exempt from Income Tax*, and Forms 990-T, *Exempt Organization Business Income Tax Return*, for the years ending December 31, 2022, 2023 and 2024 are subject to examination by the IRS, generally for three years after they were filed.

J. Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses which are directly associated with program services or supportive services are charged directly to that functional area. SOAS maintains a single program concentrated on youth mentoring, and, as a result, all program services are classified as such on the statements of functional expenses.

**Son of a Saint**  
**New Orleans, Louisiana**  
Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2025

K. Concentrations

Cash on Deposit and Uninsured Balances:

SOAS maintains its cash and cash equivalent balances at various local financial institutions. Accounts are insured by Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Cash at the 2025 and 2024 year-ends exceeded federally insured limits by \$2,654,014 and \$7,299,990, respectively.

Concentration of Revenue:

For the year ended December 31, 2025, \$1,768,946 or approximately 30% of SOAS's donated revenues were received from twelve (12) individual and corporate donors concentrated primarily in the City of New Orleans, Louisiana. It is always considered reasonably possible that benefactors or contributors might be lost in the near-term.

L. Fair Value Measurements

Fair value is the price SOAS would receive to sell an asset or pay to transfer a liability (exit price) in an orderly transaction between market participants. For those assets and liabilities recorded or disclosed at fair value, SOAS determines fair value based upon the quoted market price, if available. If a quoted market price is not available for identical assets, SOAS determines fair value based upon the quoted market price of similar assets or the present value of expected future cash flows considering the risks involved, including counterparty performance risk if appropriate, and using discount rates appropriate for the duration. The fair values are assigned to a level within the fair value hierarchy, depending on the source of the inputs into the calculation.

Level 1 – Inputs based upon quoted prices in active markets for identical assets.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset (or liability), either directly or indirectly.

Level 3 – Inputs are unobservable for the asset.

M. Reclassifications

Certain reclassifications have been made to the December 31, 2025, financial statement presentation to correspond to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.

N. Advertising

SOAS expenses advertising costs as they are incurred. Such costs amounted to \$181,528 respectively for December 31, 2025 and \$127,154 for December 31, 2024.

O. Use of 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of support and revenues and expenses during the reporting period. Actual results could differ from those estimates.

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Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2025

**2. Cash, Cash Equivalents, Restricted Cash, and Restricted Cash Equivalents**

At December 31, 2025 and 2024, SOAS had cash (bank balances) totaling \$2,904,014 and \$7,601,728 consisting primarily of demand deposit accounts and money market accounts at several financial institutions. These deposits were stated at cost, which approximates market.

As of December 31, 2025 and per the statement of financial position, \$793,504 of the cash and cash equivalents are restricted by donors for future use by the SOAS Scholars, the SOAS Capital Campaign, and the SOAS Endowment Fund. The remaining \$1,719,953 cash and cash equivalents as of December 31, 2025, are unrestricted cash and cash equivalents with no donor restrictions as to their use.

As of December 31, 2024 and per the statement of financial position, \$5,336,798 of the cash and cash equivalents are restricted by donors for future use by the SOAS Scholars, the SOAS Capital Campaign, and the SOAS Endowment Fund. The remaining \$2,258,283 cash and cash equivalents as of December 31, 2024, are unrestricted cash and cash equivalents with no donor restrictions as to their use.

**3. Investments**

During the year ended December 31, 2025, SOAS transferred a portion of its cash balances related to the SOAS Endowment Fund and SOAS Scholars into a brokerage account for investment purposes, consistent with its investment policy, while maintaining sufficient liquidity for near-term needs.

As of December 31, 2025 and per the statement of financial position, \$6,727,200 of investments are restricted by donors for future use by the SOAS Scholars, the SOAS Capital Campaign, and the SOAS Endowment Fund. The remaining \$100,103 of investments as of December 31, 2025, are unrestricted investment with no donor restrictions as to their use.

As of December 31, 2024 and per the statement of financial position, \$1,040,926 of investments are restricted by donors for future use by the SOAS Scholars, the SOAS Capital Campaign, and the SOAS Endowment Fund. The remaining \$100,103 of investments as of December 31, 2024, are unrestricted investments with no donor restrictions as to their use.

**4. Promises to Give**

Promises to give consist of the following at December 31, 2025 and 2024:

	2025	2024 Restated
Receivables in Less Than One Year	\$ 3,695,635	\$ 2,318,748
Receivables in One to Five Years	1,585,000	4,525,000
Receivables in More Than Five Years	-	-
Total Promises to Give	5,280,635	6,843,748
Less: Discount on Pledge Receivables	(320,552)	(379,400)
Net Promises to Give	\$ 4,960,083	\$ 6,464,348

As of December 31, 2025 and per the statement of financial position, \$3,646,465 of the net promises to give are restricted by donors for future use by the SOAS Scholars, the SOAS Capital Campaign, and the SOAS Endowment Fund. The remaining \$1,313,618 promises to give as of December 31, 2025, are unrestricted promises to give with no donor restrictions as to their use.

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Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2025

As of December 31, 2024 and per the Statement of Financial Position, \$4,013,558 of the net promises to give are restricted by donors for future use by the SOAS Scholars, the SOAS Capital Campaign and the SOAS Endowment Fund. The remaining \$2,450,790 promises to give as of December 31, 2024, are unrestricted promises to give with no donor restrictions as to their use.

Management estimates that the receivables presented will be collected in full. However, as management becomes aware of information that would change its assessment about the collectability of these receivables, management will write off the receivables as bad debts at that time. Bad debt expense for the years ended December 31, 2025 and 2024 amounted to \$501,972 and \$424,000, respectively.

**5. Property and Equipment**

A summary of property and equipment for the years ended December 31, 2025 and 2024 is as follows:

	2025	2024
Property and Equipment Not Depreciated:		
Construction in Progress	\$ 270,714	\$ 10,979
Total Property and Equipment Not Depreciated	270,714	10,979
Property and Equipment Being Depreciated:		
Buildings and Improvements	6,045,654	6,033,272
Furniture and Equipment	238,528	230,729
Vehicles	138,195	138,195
Computer Software	224,193	177,177
Less: Accumulated Depreciation	(896,874)	(658,788)
Total Property and Equipment Being Depreciated	5,749,696	5,920,585
Total Property and Equipment	\$ 6,020,410	\$ 5,931,564

Depreciation expense for the years ended December 31, 2025 and 2024 amounted to \$238,085 and \$235,262, respectively.

**6. Long-Term Debt**

On April 23, 2022, SOAS purchased a 2022 Ford Explorer for \$40,716. This vehicle is being financed for a period of 48 months at 2.90% resulting in monthly payments of \$899.42. As of December 31, 2025, the remaining balance of this loan was \$2,588.

**7. Leases**

SOAS determines if an arrangement is a lease at the inception. If an arrangement contains a lease, SOAS performs a lease classification test to determine if the lease is an operating lease or a financing lease. Right-of-Use (ROU) assets represent the right to use an underlying asset for the lease term and lease liabilities represent SOAS's obligation to make lease payments arising from the leases. Financing lease liabilities are recognized on the commencement date of the lease based on the present value of the future lease payments over the lease term and are included in long-term liabilities and current liabilities on the statement of financial position.

**Son of a Saint**  
**New Orleans, Louisiana**  
Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2025

ROU assets are valued at the initial measurement of the lease liability, plus any indirect costs or prepayments, and reduced by any lease incentives and any deferred lease payments. Financing ROU assets are recorded in long-term assets, net on the statement of financial position and amortized on a straight-line basis over the lease term. To determine the present value of the lease payments on lease commencement, SOAS used the implicit rate when readily determinable; however, as most leases do not provide an implicit rate, SOAS utilized a rate used for the purchase of a similar asset.

SOAS has identified three financing leases for vehicles. The following is a summary of SOAS's current financing leases:

- A lease dated September 30, 2022, for a 2022 Ford Explorer, with a lease term of 36 months at 2.90% and monthly lease payments of \$705.31 (\$649.23 base lease payment plus \$56.08 for sales / use tax). The ROU asset has been recorded at \$47,390. A purchase option of \$27,244 is available for the vehicle at the end of the lease term. At the end of the lease term on August 31, 2025, the purchase option was not exercised.
- A lease dated April 12, 2024, for a 2024 Ford Expedition, with a lease term of 39 months at 2.90% and monthly lease payments of \$1,293.92 (\$1,182.50 base lease payment plus \$111.42 for sales / use tax). The ROU asset has been recorded at \$74,968. A purchase option of \$33,952 is available for the vehicle at the end of the lease term. SOAS has not decided whether to exercise this option as of December 31, 2025.
- A lease dated July 14, 2025, for a 2025 Ford Expedition, with a lease term of 48 months at 2.90% and monthly lease payments of \$824.91 (\$749.92 base lease payment plus \$74.99 for sales / use tax). The ROU asset has been recorded at \$56,342. A purchase option of \$25,053 is available for the vehicle at the end of the lease term. SOAS has not decided whether to exercise this option as of December 31, 2025.

As of December 31, 2025 and 2024, the operating ROU assets net of accumulated amortization on the statement of financial position was \$105,683 and \$93,453, respectively. As of December 31, 2025 and 2024, the financing lease liability consisted of the following:

	2025	2024
Operating Lease Liability, Current Portion	\$ 8,807	\$ 8,037
Operating Lease Liability, Long-Term Portion	96,876	88,419
	\$ 105,683	\$ 96,456

For the year ended December 31, 2025, the total lease cost for SOAS was \$30,179, comprised of \$6,985 of interest costs, \$20,941 of amortization of right to use assets and \$2,253 of other lease expenses. Future undiscounted cash flows related to SOAS's financing leases are \$23,189 for 2026; \$14,912 for 2027; \$8,999 for 2028; and \$4,500 for 2029.

## 8. Fair Value Measurements

The following table reflects assets and liabilities that are measured and carried at fair value on a recurring basis as of December 31, 2025:

**Son of a Saint**  
**New Orleans, Louisiana**  
Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2025

	<u>Level 1</u> Fair Value		<u>Level 2</u> Fair Value		<u>Level 3</u> Fair Value		<u>Carrying</u> <u>Value</u>
Financial Assets:							
Cash & Cash Equivalents	\$ 2,513,457	\$	-	\$	-	\$	2,513,457
Investments	<u>6,827,303</u>		<u>-</u>		<u>-</u>		<u>6,827,303</u>
Total Financial Assets:	\$ 9,340,760	\$	-	\$	-	\$	9,340,760

**9. Commitments and Contingencies**

Participation in Grant Programs:

SOAS is a recipient of grant funds from various funding sources. The administration of the program and activities funded by the grants are under the control and administration of SOAS and are subject to audit and / or review by the applicable funding source. Any grant funds found not to be properly spent in accordance with the terms, conditions, and regulations of the funding source may be subject to recapture.

**10. Net Assets with Donor Restrictions**

SOAS's net assets with donor restrictions at December 31 consisted of the following:

	<u>2025</u>	<u>2024</u> Restated
Son of a Saint Scholars	\$ 5,368,612	\$ 5,240,920
Capital Campaign	16,699	124,831
Endowment Fund	<u>5,466,767</u>	<u>5,471,526</u>
Total	<u>\$ 10,852,078</u>	<u>\$ 10,837,277</u>

**11. Net Assets Released from Donor Restrictions**

Net assets were released from donor restrictions by the satisfaction of restricted purposes during the years ended December 31, as follows:

	<u>2025</u>	<u>2024</u>
Son of a Saint Scholars	\$ 1,283,485	\$ 632,038
Capital Campaign	112,332	628,932
Endowment Fund	<u>216,042</u>	<u>(250,000)</u>
Total	<u>\$ 1,611,859</u>	<u>\$ 1,010,970</u>

**Son of a Saint**  
**New Orleans, Louisiana**  
Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2025

**12. Liquidity and Availability of Financial Assets**

The following reflects SOAS's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. Amounts available include donor-restricted amounts that are available for general expenditure in the following year.

	2025	2024
Financial Assets, at Year-End:		
Cash and Cash Equivalents	\$ 1,719,953	\$ 2,258,283
Accounts Receivable, Net	1,313,618	2,450,790
Financial Assets Available to Meet Cash Needs for General Expenses Within One Year	\$ 3,033,571	\$ 4,709,073

**13. Endowment Fund**

The SOAS Endowment Fund was established for the purpose of fulfilling their mission and accomplishing their goals. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported on the existence or absence of donor-imposed restrictions. Earnings, including interest, that are not required by the donor to be reinvested in corpus are maintained in net assets without donor restrictions. As of December 31, 2025, endowment assets are invested in an interest earning brokerage account identified on the statement of financial position as Restricted Investments.

**14. Board of Directors' Compensation**

The Board of Directors operates on a voluntary basis. As such, there were no payments made to any Board Member during the years ending December 31, 2025 or December 31, 2024 for services.

**15. Restated Net Assets**

During the year ended December 31, 2025, an error was identified related to restricted promises to give recorded in the prior year. Certain multi-year pledges were not discounted to present value as required under U.S. GAAP. This error has been corrected by restating the previously issued financial statements for the year ended December 31, 2024. The correction resulted in a decrease to restricted promises to give and restricted revenue of \$379,400 and a corresponding increase in discount on restricted pledge receivables. Beginning net assets as of January 1, 2025 decreased by \$379,400 as a result of the correction.

**16. Subsequent Events**

Management has evaluated the subsequent events through the date that the financial statements were available to be issued, March 16, 2026. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**Son of a Saint  
New Orleans, Louisiana**

Schedule 1

Schedule of Compensation, Benefits, and Other Payments to Agency Head  
For the Year Ended December 31, 2025

Agency Head: **Bivian 'Sonny' Lee III, Chief Executive Officer**

<u>Purpose</u>	<u>Amount</u>
Salary	\$ -
Benefits - Insurance	-
Benefits - Retirement	-
Deferred Compensation	-
Benefits - Other - Supplemental Pay	-
Car Allowance	-
Vehicle Provided by Government	-
Vehicle Rental	-
Cell Phone	-
Dues	-
Per Diem	-
Reimbursements	-
Travel	-
Registration Fees	-
Conference Travel	-
Housing	-
Unvouchered Expenses	-
Special Meals	-
Other	-
	<u>\$ -</u>

There were no payments for the benefit of the Chief Executive Officer that were derived from the public funds (state and / or local governmental funds and / or federal funds passed through a state or local government agency) that SOAS receives.

See auditor's report.