BLUE SKIES FOR THE GOOD GUYS AND GALS WARRIOR FOUNDATION

Financial Statements
June 30, 2026 and 2025
with Independent Auditor's Report

BLUE SKIES FOR THE GOOD GUYS AND GALS WARRIOR FOUNDATION

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Independent Auditor's Report

To the Board of Directors of
Blue Skies for the Good Guys and Gals Warrior Foundation
Dayton, Ohio

Opinion

I have audited the accompanying financial statements of Blue Skies for the Good Guys and Gals Warrior Foundation (a nonprofit organization), which comprise the statements of financial position as of June 30, 2026 and 2025, and related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Blue Skies for the Good Guys and Gals Warrior Foundation as of June 30, 2026 and 2025, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements of my report. I am required to be independent of Blue Skies for the Good Guys and Gals Warrior Foundation and to meet my other ethical responsibilities in accordance with the relevant ethical requirements related to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Responsibility 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 Blue Skies for the Good Guys and Gals Warrior Foundation'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 Responsibility for the Audit of the Financial Statements

My 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 my opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Blue Skies for the Good Guys and Gals Warrior Foundation'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Blue Skies for the Good Guys and Gals Warrior Foundation's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Matthew J. Scarr, CPA LLC

Centerville, Ohio
October 26, 2026

BLUE SKIES FOR THE GOOD GUYS AND GALS WARRIOR FOUNDATION

Statements of Financial Position

June 30, 2026 and 2025

	2026	2025
Assets		
Current assets:		
Cash and cash equivalents	$ 268,951	290,945
Prepaid expenses and deposits	1,300	-
Total assets	$ 270,251	290,945
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	$ 1,794	-
Net assets without donor restrictions	268,457	290,945
Total liabilities and net assets	$ 270,251	290,945

See accompanying notes to the financial statements.

BLUE SKIES FOR THE GOOD GUYS AND GALS WARRIOR FOUNDATION

Statements of Activities

Years Ended June 30, 2026 and 2025

	2026	2025
Revenue and support:		
Contributions	$ 169,066	195,128
Fundraising events, net of expenses of $5,078 and $19,753, respectively	1,455	49,639
In-kind	11,647	1,636
	182,168	246,403
Expenses:		
Program expenses	171,981	199,979
Management and general	32,675	9,462
Fundraising	-	-
	204,656	209,441
Change in net assets without donor restrictions	(22,488)	36,962
Net assets without donor restrictions, beginning of year	290,945	253,983
Net assets without donor restrictions, end of year	$ 268,457	290,945

See accompanying notes to the financial statements.

BLUE SKIES FOR THE GOOD GUYS AND GALS WARRIOR FOUNDATION

Statement of Functional Expenses

Year Ended June 30, 2026

	Program Services	Management and General	Fundraising	Total
Program expenses	$ 125,047	-	-	125,047
Office expense	-	32,675	-	32,675
Travel	35,287	-	-	35,287
In-kind	11,647	-	-	11,647
	$ 171,981	32,675	-	204,656

See accompanying notes to the financial statements.

BLUE SKIES FOR THE GOOD GUYS AND GALS WARRIOR FOUNDATION

Statement of Functional Expenses

Year Ended June 30, 2025

	Program Services	Management and General	Fundraising	Total
Program expenses	$ 161,942	-	-	161,942
Office expense	-	9,462	-	9,462
Travel	35,927	-	-	35,927
Depreciation	474	-	-	474
In-kind	1,636	-	-	1,636
	$ 199,979	9,462	-	209,441

See accompanying notes to the financial statements.

BLUE SKIES FOR THE GOOD GUYS AND GALS WARRIOR FOUNDATION

Statements of Cash Flows

Years Ended June 30, 2026 and 2025

	2026	2025
Cash flows from operating activities:		
Change in net assets without donor restrictions	$ (22,488)	36,962
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	-	474
Effects of change in operating assets and liabilities:		
Prepaid expenses and deposits	(1,300)	5,403
Accounts payable and accrued expenses	1,794	(1,468)
Change in cash and cash equivalents	(21,994)	41,371
Cash and cash equivalents, beginning of year	290,945	249,574
Cash and cash equivalents, end of year	$ 268,951	290,945

See accompanying notes to financial statements.

BLUE SKIES FOR THE GOOD GUYS AND GALS WARRIOR FOUNDATION

Notes to Financial Statements

Years Ended June 30, 2026 and 2025

1. NATURE OF OPERATIONS:

Blue Skies for the Good Guys and Gals Foundation (the "Organization") is a not-for-profit corporation formed in 2015. The Organization's mission is to enrich the lives of active duty and veteran military injured in combat deployments by hosting events to help with the healing process. The Organization operates throughout the greater Dayton, Ohio area, and receives the majority of its funding from contributions and fundraising events.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The following accounting principles and practices of the Organization are set forth to facilitate the understanding of data presented in the financial statements:

Method of accounting—The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America for not-for-profit organizations.

Basis of presentation—The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. A description of each class as it pertains to the Organization is as follows:

Net Assets With Donor 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 stipulates 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.

Net Assets Without Donor Restrictions—Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Revenue recognition—The Organization records contributions as with donor restrictions or without donor restrictions depending on the existence and/or nature of any donor restrictions. Contributions that are restricted by the donor are reported as increases in net assets without restrictions if the restrictions expire in the year in which the contributions are received.

Contributions of materials ("in-kind") which meet the requirement for recognition are reported as revenues and expenses at estimated fair market values (see Note 5). In addition to the recorded contributions, volunteers have donated a significant amount of their time to the Organization's program services and fundraising activities. Since these services do not meet the requirement for recognition, the value thereof is not reflected in the accompanying financial statements.

Accounts receivable—The Organization carries its receivables at cost. On a periodic basis, the Organization evaluates these amounts based on current information and believes that all receivable amounts will be collected. Therefore, no allowance for doubtful accounts is considered necessary.

Property and equipment—Property and equipment are stated at cost (fair value at date of donation for donated assets) and depreciated over their estimated useful lives using the straight-line method. Expenditures for maintenance and repairs are charged to expense when incurred.

Income taxes—The Organization qualifies as a tax-exempt, nonprofit organization under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal income tax is required. Management does not believe that the Organization conducts any activities subject to taxation as unrelated business income. In addition, management concluded that there are no uncertain tax positions and, accordingly, there is no adjustment to the financial statements.

With few exceptions, the Organization's federal information returns are no longer subject to examination by the Internal Revenue Service for the years before 2023.

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 certain reported amount and disclosures. Accordingly, actual results could differ from those estimates.

Concentrations of credit risk—Financial instruments, which potentially subject the Organization to concentration of credit risk, consist principally of deposits in banks. At times, deposits in banks may exceed federally insured limits.

3. LIQUIDITY AND AVAILABILITY:

The Organization's financial assets available to meet cash needs for general expenditures within one year totaled $268,951 and $290,945 as of June 30, 2026 and 2025, respectively.

The Organization is substantially supported by contributions, which may contain donor restrictions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities. Consequently, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. It is the policy of the Organization to regularly review and assess the need for funds to meet operating obligations and to ensure the availability of cash or collateral to fulfill those requirements.

4. PROPERTY AND EQUIPMENT:

Property and equipment consist of parachute equipment. Cost of the property and equipment was $12,792, which is fully depreciated.

5. IN-KIND:

In-kind contributions consisted of contributed raffle and auction items and food totaling $11,647 and $1,636 for the years ended June 30, 2026 and 2025, respectively.

The Organization recognized in-kind contributions within revenue and support, including contributed raffle and auction items and food, all of which were utilized for the Organization's operations. Unless otherwise noted, in-kind contributions did not have donor-imposed restrictions.

Contributed raffle and auction items and food are valued and reported at the estimated fair value in the financial statements based on current rates for similar goods.

6. SUBSEQUENT EVENTS:

The Organization evaluates events and transactions occurring subsequently to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements considering events through October 26, 2026, the date on which the financial statements were available to be issued.