STACK-UP.ORG

FINANCIAL STATEMENTS
Years Ended December 31, 2025 and 2024

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Activities and Changes in Net Assets	4
Statements of Functional Expenses	6
Statements of Cash Flows	8
Notes to Financial Statements	9

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Stack-Up.Org

Opinion

We have audited the accompanying financial statements of Stack-Up.Org (a nonprofit organization), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities and changes in net assets, 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 Stack-Up.Org 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 audits in accordance with auditing standards generally accepted in the United States of America. 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 Stack-Up.Org and to meet our 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 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 Stack-Up.Org's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Stack-Up.Org'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 Stack-Up.Org'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.

Hennessy Blotzer, LLC

Pittsburgh, Pennsylvania
August 13, 2026

STACK-UP.ORG
STATEMENTS OF FINANCIAL POSITION
December 31, 2025 and 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 258,621	$ 155,886
Contributions receivable	23,773	-
Inventory	345,186	93,197
Prepaid inventory	40,061	-
Prepaid expenses	-	5,250
Total current assets	667,641	254,333
PROPERTY AND EQUIPMENT		
Equipment and furniture	20,254	20,254
Less accumulated depreciation	(17,933)	(15,670)
Net property and equipment	2,321	4,584
OTHER ASSETS		
Security deposit	-	1,600
TOTAL ASSETS	$ 669,962	$ 260,517
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 13,315	$ 22,842
Total current liabilities	13,315	22,842
NET ASSETS		
Without donor restrictions	323,250	151,786
With donor restrictions	333,397	85,889
Total net assets	656,647	237,675
TOTAL LIABILITIES AND NET ASSETS	$ 669,962	$ 260,517

See accompanying notes to the financial statements.

STACK-UP.ORG
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
Year Ended December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Grants and contributions	$ 923,255	$ -	$ 923,255
Government grants	17,078	-	17,078
In-kind donations	197,394	510,133	707,527
Miscellaneous revenue	3,200	-	3,200
	1,140,927	510,133	1,651,060
Net assets released from donor restrictions	262,625	(262,625)	-
Total Support and Revenue	1,403,552	247,508	1,651,060
EXPENSES			
Program services	748,616	-	748,616
Management and general	142,467	-	142,467
Fundraising	341,005	-	341,005
Total Expenses	1,232,088	-	1,232,088
CHANGES IN NET ASSETS	171,464	247,508	418,972
NET ASSETS, BEGINNING OF YEAR	151,786	85,889	237,675
NET ASSETS, END OF YEAR	$ 323,250	$ 333,397	$ 656,647

See accompanying notes to the financial statements.

STACK-UP.ORG
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Grants and contributions	$ 834,947	$ -	$ 834,947
Government grants	29,858	-	29,858
In-kind donations	197,394	603,050	800,444
	1,062,199	603,050	1,665,249
Net assets released from donor restrictions	760,709	(760,709)	-
Total Support and Revenue	1,822,908	(157,659)	1,665,249
EXPENSES			
Program services	1,352,097	-	1,352,097
Management and general	114,570	-	114,570
Fundraising	405,814	-	405,814
Total Expenses	1,872,481	-	1,872,481
CHANGES IN NET ASSETS	(49,573)	(157,659)	(207,232)
NET ASSETS, BEGINNING OF YEAR	201,359	243,548	444,907
NET ASSETS, END OF YEAR	$ 151,786	$ 85,889	$ 237,675

See accompanying notes to the financial statements.

STACK-UP.ORG
STATEMENT OF FUNCTIONAL EXPENSES
Year ended December 31, 2025

	Program Services	Management and General	Fundraising	Total
Bank fees	$ -	$ 322	$ 44,975	$ 45,297
Convention	3,830	34	2,065	5,929
Dues and subscriptions	3,361	11,632	853	15,846
Game code/equipment expense	336,914	-	-	336,914
Insurance	-	9,931	-	9,931
Marketing	471	4,516	31,129	36,116
Meals and entertainment	439	366	1,594	2,399
Occupancy	216,733	676	-	217,409
Office expense	2,032	47	-	2,079
Phone and internet	-	5,271	-	5,271
Printing, postage, and shipping	301	21	3,543	3,865
Professional fees	-	28,052	-	28,052
Salaries and wages	140,565	72,896	231,007	444,468
Payroll taxes	11,342	5,673	19,581	36,596
Travel	21,180	767	6,258	28,205
Vehicle rental	11,448	-	-	11,448
Depreciation	-	2,263	-	2,263
	$ 748,616	$ 142,467	$ 341,005	$ 1,232,088

See accompanying notes to the financial statements.

STACK-UP.ORG
STATEMENT OF FUNCTIONAL EXPENSES
Year ended December 31, 2024

	Program Services	Management and General	Fundraising	Total
Bank fees	$ 137	$ 122	$ 46,377	$ 46,636
Convention	6,189	-	114	6,303
Dues and subscriptions	1,903	11,335	716	13,954
Game code/equipment expense	865,525	-	-	865,525
Insurance	-	10,735	-	10,735
Interest expense	-	167	-	167
Marketing	10,692	3,841	25,575	40,108
Meals and entertainment	102	3	496	601
Miscellaneous	430	-	531	961
Occupancy	229,586	80	411	230,077
Office expense	3,069	1,155	286	4,510
Phone and internet	-	4,314	-	4,314
Printing, postage, and shipping	266	334	1,159	1,759
Professional fees	-	28,010	-	28,010
Salaries and wages	183,705	46,140	296,587	526,432
Payroll taxes	14,443	5,016	23,752	43,211
Travel	24,602	469	9,810	34,881
Vehicle rental	11,448	-	-	11,448
Depreciation	-	2,849	-	2,849
	$ 1,352,097	$ 114,570	$ 405,814	$ 1,872,481

See accompanying notes to the financial statements.

STACK-UP.ORG
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2025 and 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 418,972	$ (207,232)
Adjustments to reconcile change in net assets		
to net cash provided by (used in) operating activities		
Depreciation	2,263	2,849
Amortization of operating lease right-of-use asset	-	4,760
(Increase) decrease in:		
Contributions receivable	(23,773)	-
Inventory	(251,989)	159,253
Prepaid inventory	(40,061)	-
Prepaid expenses	5,250	(5,250)
Security deposit	1,600	-
Accounts payable and accrued expenses	(9,527)	13,259
Operating lease liability	-	(4,760)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	102,735	(37,121)
NET INCREASE (DECREASE) IN CASH	102,735	(37,121)
CASH AND CASH EQUIVALENTS, AT BEGINNING OF YEAR	155,886	193,007
CASH AND CASH EQUIVALENTS, AT END OF YEAR	$ 258,621	$ 155,886
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for interest	$ -	$ 167

See accompanying notes to the financial statements.

NOTE A – ORGANIZATION

Stack-Up.Org ("Organization") is a nonprofit organization, which was incorporated in the Commonwealth of Pennsylvania. The Organization's main purpose is to bring both veterans and civilian supporters together through a shared love of video gaming through three primary programs: The Stacks, Supply Crates, and Air Assaults. Stack-Up.Org helps United States, NATO (UK, Canada, etc.), Australian and New Zealand veterans get through deployments to combat zones and recover from traumatic physical and emotional injuries with the power of video gaming.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - Assets, liabilities, revenues and expenses are recognized on the accrual basis of accounting in accordance with generally accepted accounting principles applicable to nonprofit organizations.

Financial Statement Presentation - The financial statements of the Organization have been prepared in accordance with U.S. Generally Accepted Accounting Principles ("US GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by action of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Measure of Operations - The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization's ongoing veteran services and interest earned on investments. Non-operating activities are limited to resources from other activities considered to be of more unusual or nonrecurring nature.

Furniture and Equipment - Expenditures for furniture and equipment in excess of $ 1,000 are capitalized at their original cost. Donated assets are capitalized at their fair market value at the time of their donations. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets (five years). The Organization assesses for impairment losses when conditions warrant.

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

Cash and Cash Equivalents – For purposes of the statement of cash flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Concentration of Credit Risk - The Organization maintains bank accounts at two financial institutions. The balances are insured by the FDIC up to $ 250,000. Cash did not exceed the federally insured limits at December 31, 2025 and 2024. Additionally, the Organization maintains a PayPal account, which is not insured. This account had a balance of $ 27,718 and $ 14,483 at December 31, 2025 and 2024, respectively.

Income Taxes – The Internal Revenue Service has determined that the Organization is tax exempt under Section 501(c)(3) of the Internal Revenue Code. The Organization is not classified as a private foundation.

The Financial Accounting Standards Board (FASB) has issued FASB ASC No. 740, which clarifies accounting principles generally accepted in the United States of America for recognition, measurement, presentation and disclosure relating to uncertain tax positions. FASB ASC No. 740 applies to business enterprises, not-for-profit entities, and pass-through entities, such as S corporations and limited liability companies. The Organization evaluates uncertain tax positions in accordance with FASB ASC No. 740 and has determined there is no material impact on the Organization's financial position or results of operations for the years ended December 31, 2025 and 2024.

The Organization annually files a federal Exempt Organization Tax Return (Form 990) as applicable. The filed form is subject to examination by the Internal Revenue Service generally for three years after it is filed.

Fair Value - The Financial Accounting Standards Board (FASB) has issued FASB ASC No. 820, "Fair Value Measurements", which defines fair value, establishes guidelines for measuring fair value and expands disclosures regarding fair value measurements. This pronouncement does not require any new fair value measurements, but rather eliminates inconsistencies in guidance found in various prior accounting pronouncements. The carrying value of Organization's cash, contributions receivable, prepaid expenses, accounts payable and accrued expenses approximates fair value primarily because of the short maturity of these instruments.

The Board of Directors reviews and approves the Organization's fair value measurement policies and procedures annually. At least annually, the finance committee and the Board determine if the valuation techniques used in fair value measurements are still appropriate.

Contributions Receivable – Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses, depending on the form of the benefits received. Promises to give are recorded at net realizable value if expected to be collected in one year and at fair value if expected to be collected in more than one year. The fair value of contributions receivable is determined at the present value of expected future cash flows using a discount rate based on when the grant was made.

Unconditional promises to give at December 31, 2025 and 2024 are $ 23,773 and $0, respectively. Full collection is expected by December 31, 2026.

Conditional promises to give are recognized when the condition on which they depend are substantially met. There were no conditional promises to give for the years ended December 31, 2025 and 2024.

Revenue Recognition - Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. All donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of 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 statements of activities as net assets released from restrictions. When a restriction is met in the same reporting period that the contributions are received, it is reported as without donor restrictions.

Inventory Valuation - The Organization receives a substantial amount of donated goods from various game publishers consisting of game codes and game equipment. Inventory consists of undistributed game codes and equipment at year end. In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) topic Fair Value Measurement and Disclosures, fair value was determined using transactional data in similar markets, as determined by face value of the game multiplied by the number of games donated.

Prepaid inventory consists of amounts paid to vendors for inventory that had not been received by the Organization as of year end. Such amounts are transferred to inventory when the related goods are received.

Contributed Nonfinancial Assets - Contributed nonfinancial assets include donated equipment and other in-kind contributions which are recorded at their stated fair values at the date of donation. Significant services, materials and facilities are donated to the Organization by various individuals and organizations. Donated materials (game codes and equipment) were $ 510,133 and $ 603,050 in 2025 and 2024, respectively. Donated materials are recorded at fair value at the date of donation, and have been included in revenue and inventory. As these game codes and equipment are released to military personnel they are removed from inventory and expensed.

Functional Allocation of Expenses - The costs of providing program and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis of time and effort.

Advertising - Advertising costs are expensed as incurred.

Leases - The Organization determines if an arrangement is a lease at inception. Operating leases are included as operating lease right-of-use (ROU) assets and operating lease liabilities on the statements of financial position.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. In determining the discount rate used to measure the right-of-use asset and lease liability, the Organization uses rates implicit in the lease, or if not readily available, the risk-free Treasury rate is used in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives.

The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that they will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

The Organization's lease agreement does not contain any material residual value guarantees or material restrictive covenants. In evaluating contracts to determine if they qualify as a lease, the Organization considers factors such as if they have obtained substantially all the rights to the underlying asset through exclusivity, if they can direct the use of the asset by making decisions about how and for what purpose the asset will be used, and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

The Organization has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on a straight-line basis.

NOTE C – COMPENSATED ABSENCES

Employees are not allowed to carry over unused vacation at year end. Therefore, compensated absences are not accrued on the financial statements.

NOTE D – LIQUIDITY AND AVAILABILITY

The following represents the Organization’s financial assets at December 31:

	2025	2024
Financial assets at year-end:		
Cash and cash equivalents	$ 258,621	$ 155,886
Contributions receivable	23,773	-
Total financial assets	282,394	155,886
Less amounts not available for general expenditures within one year, excluding inventory:		
Net assets with donor or time restrictions	-	-
Financial assets available to meet cash needs for general expenditures within one year	$ 282,394	$ 155,886

Net assets with donor restrictions of $333,397 and $85,889 at December 31, 2025 and 2024, respectively, are represented entirely by inventory. Because inventory is not included in financial assets above, no further reduction for donor restrictions is necessary in determining financial assets available for general expenditures within one year.

The Organization's goal currently is to have enough reserves to cover three months of operating expenses. As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts.

NOTE E – NET ASSETS

Net assets with donor restrictions consisted of the following purposes at December 31:

	2025	2024
Game Program	$ 333,397	$ 85,889

Net assets were released from restrictions for the following purposes at December 31:

	2025	2024
Game Program	$ 262,625	$ 760,709

Net assets without donor restrictions are as follows at December 31:

	2025	2024
Undesignated	$ 323,250	$ 151,786

NOTE F – OPERATING LEASE

The Organization leases warehouse space located in Bunnell, Florida.

During the year ended December 31, 2024, the lease agreement was modified by extending the lease term through March 31, 2025. Upon modification, the remaining non-cancelable lease term was twelve months or less.

Upon expiration of the lease in March 2025, the Organization entered into a new lease for storage space on a month-to-month basis.

Accordingly, the Organization elected to apply the short-term lease exemption during the years ended December 31, 2025 and 2024.

As a result, the lease is not recognized on the statements of financial position, and no right-of-use asset or lease liability is recorded at December 31, 2025 or 2024. Lease expense for the operating lease is recognized on a straight-line basis over the lease term and is included in operating lease expense.

Operating lease expense was $ 7,270 and $ 20,749 for the years ended December 31, 2025 and 2024, respectively.

NOTE G – PROPERTY AND EQUIPMENT

	2025	2024
Equipment and furniture	$ 20,254	$ 20,254
Less: accumulated depreciation	(17,933)	(15,670)
	$ 2,321	$ 4,584

NOTE H – IN-KIND DONATIONS

The value of in-kind donations recognized in the financial statements and the corresponding expenses and/or inventory for the years ended December 31, 2025 and 2024 are as follows:

	2025	2024
House rental	$ 185,946	$ 185,946
Vehicle rental	11,448	11,448
Game codes/gaming equipment	510,133	603,050
	$ 707,527	$ 800,444

The Organization utilizes contributed nonfinancial assets in its program services rather than monetizing them. Contributed house and vehicle rentals are used in program services and are valued using comparable rental rates in the applicable markets. Donated game codes and gaming equipment are used in the Organization's gaming programs, valued using transactional data for similar items, and included in inventory until distributed.

NOTE I – SUBSEQUENT EVENTS

Management has evaluated subsequent events through August 13, 2026, the date on which the financial statements were available to be issued.