Shaohannah’s Hope, Inc.
dba Show Hope

Consolidated Financial Statements
For the Years Ended June 30, 2026 and 2025

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BLANKENSHIP

Independent Auditor's Report

Board of Directors
Shaohannah's Hope, Inc. dba Show Hope

Opinion
We have audited the consolidated financial statements of Shaohannah's Hope, Inc. dba Show Hope and its subsidiary (the Organization), which comprise the consolidated statements of financial position as of June 30, 2026 and 2025, the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2026 and 2025, 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 (GAAS). 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 the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

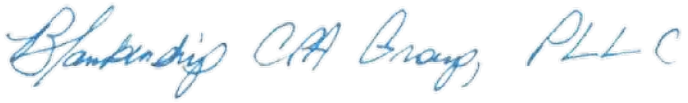
Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable 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 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 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 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 the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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.



Blankenship CPA Group, PLLC
Brentwood, Tennessee
September 4, 2026

Shaohannah's Hope, Inc.
dba Show Hope
Consolidated Statements of Financial Position
June 30, 2026 and 2025

	2026	2025
Assets		
Cash and cash equivalents	$ 1,666,309	$ 1,898,362
Investments	13,179,980	11,733,474
Accounts receivable	-	269
Prepaid expenses	51,342	45,166
Property and equipment, net	4,053,335	4,114,597
Total assets	**$ 18,950,966**	**$ 17,791,868**
Liabilities and Net Assets		
Liabilities		
Grants payable	$ 5,421,435	$ 5,657,626
Accounts payable	35,693	53,295
Deferred revenues	13,423	30,101
Accrued vacation	226,648	196,929
Accrued payroll	34,695	33,553
Total liabilities	5,731,894	5,971,504
Net assets		
Without donor restrictions	13,219,072	11,820,364
With donor restrictions	-	-
Total net assets	13,219,072	11,820,364
Total liabilities and net assets	**$ 18,950,966**	**$ 17,791,868**

Shaohannah's Hope, Inc.
dba Show Hope
Consolidated Statement of Activities
For the Year Ended June 30, 2026

	Without donor restrictions	With donor restrictions	Total
Support and Revenues			
Contributions			
Adoption assistance	$ -	$ 3,244,442	$ 3,244,442
Adoption awareness	-	31,615	31,615
Orphan care	-	621,366	621,366
General, other	6,341,008	-	6,341,008
Investment income, net	432,940	-	432,940
Unrealized gain/(loss) on investments	966,973	-	966,973
Other income	244,068	-	244,068
Net assets released from restrictions	3,897,423	(3,897,423)	-
Total support and revenues	11,882,412	-	11,882,412
Expenses			
Program services	7,486,245	-	7,486,245
Management and general	1,290,820	-	1,290,820
Fundraising	1,706,639	-	1,706,639
Total expenses	10,483,704	-	10,483,704
Change in net assets	1,398,708	-	1,398,708
Net assets, beginning of year	11,820,364	-	11,820,364
Net assets, end of year	**$ 13,219,072**	**$ -**	**$ 13,219,072**

Shaohannah's Hope, Inc.
dba Show Hope
Consolidated Statement of Activities
For the Year Ended June 30, 2025

	Without donor restrictions	With donor restrictions	Total
Support and Revenues			
Contributions			
Adoption assistance	$ -	$ 3,542,229	$ 3,542,229
Adoption awareness	-	31,433	31,433
Orphan care	-	351,035	351,035
General, other	5,859,715	-	5,859,715
Investment income, net	161,860	-	161,860
Unrealized gain/(loss) on investments	1,072,636	-	1,072,636
Net assets released from restrictions	3,924,697	(3,924,697)	-
Total support and revenues	11,018,908	-	11,018,908
Expenses			
Program services	7,122,426	-	7,122,426
Management and general	1,242,356	-	1,242,356
Fundraising	1,433,324	-	1,433,324
Total expenses	9,798,106	-	9,798,106
Change in net assets	1,220,802	-	1,220,802
Net assets, beginning of year	10,599,562	-	10,599,562
Net assets, end of year	**$ 11,820,364**	**$ -**	**$ 11,820,364**

Shaohannah's Hope, Inc.
dba Show Hope
Consolidated Statement of Functional Expenses
For the Year Ended June 30, 2026

	Program services	Management and general	Fundraising	Total
Salaries and wages	$ 763,420	$ 480,373	$ 536,100	$ 1,779,893
Payroll taxes	53,048	35,612	37,532	126,192
Employee benefits	135,340	100,875	80,946	317,161
Other payroll expenses	-	3,912	-	3,912
Audio visual	-	133	-	133
Bank service charges	-	3,617	-	3,617
Business meals	2,316	7,913	3,054	13,283
Cleaning and maintenance	394	42,370	-	42,764
Conference fee	71,570	359	16,714	88,643
Continuing education	4,861	8,506	69	13,436
Contract labor	141,487	111,810	141,671	394,968
Credit card processing	1,760	149,713	-	151,473
Depreciation	10,000	98,369	-	108,369
Dues and subscriptions	2,566	7,666	-	10,232
Equipment lease	-	2,843	-	2,843
Gifts	6,923	11,041	20,455	38,419
Grants awarded	5,428,904	-	-	5,428,904
Honorariums	17,500	-	10,500	28,000
Insurance	294	23,176	686	24,156
IT services	38,073	46,062	52,693	136,828
Marketing	177,660	-	33,700	211,360
Miscellaneous	24	5,405	196	5,625
Postage	13,271	6,137	23,095	42,503
Printing and reproduction	58,001	7,200	77,752	142,953
Production of event	48,181	-	119,200	167,381
Professional fees	60,043	78,474	22,256	160,773
Repairs and maintenance	-	10,700	-	10,700
Supplies	2,012	17,673	2,793	22,478
Telephone	900	9,512	1,500	11,912
Tour sponsorship	331,000	-	374,000	705,000
Travel	116,697	10,740	151,727	279,164
Utilities	-	10,629	-	10,629
	$ 7,486,245	**$ 1,290,820**	**$ 1,706,639**	**$ 10,483,704**
Percent of total	72%	12%	16%	100%

Shaohannah's Hope, Inc.
dba Show Hope
Consolidated Statement of Functional Expenses
For the Year Ended June 30, 2025

	Program services	Management and general	Fundraising	Total
Salaries and wages	$ 778,223	$ 458,269	$ 497,201	$ 1,733,693
Payroll taxes	55,253	33,052	35,181	123,486
Employee benefits	153,628	109,771	82,244	345,643
Other payroll expenses	-	3,685	-	3,685
Audio visual	1,423	400	306	2,129
Bank service charges	-	3,382	-	3,382
Business meals	1,825	7,277	1,469	10,571
Cleaning and maintenance	-	40,981	-	40,981
Conference fee	70,571	-	3,155	73,726
Continuing education	232	8,690	2,485	11,407
Contract labor	121,125	102,041	68,809	291,975
Credit card processing	2,533	137,128	-	139,661
Depreciation	7,500	114,309	-	121,809
Design	-	-	38	38
Dues and subscriptions	1,566	7,765	383	9,714
Equipment lease	-	2,828	-	2,828
Gifts	180	5,079	18,770	24,029
Grants awarded	5,171,637	-	-	5,171,637
Insurance	414	20,732	370	21,516
IT services	49,405	44,859	56,369	150,633
Marketing	192,665	-	41,055	233,720
Miscellaneous	209	5,691	851	6,751
Postage	14,505	5,974	23,337	43,816
Printing and reproduction	54,570	7,095	96,953	158,618
Production of event	73,239	-	126,295	199,534
Professional fees	61,426	74,598	26,231	162,255
Supplies	558	15,568	2,085	18,211
Telephone	-	9,828	2,100	11,928
Tour sponsorship	234,250	-	223,250	457,500
Travel	75,489	13,613	124,387	213,489
Utilities	-	9,741	-	9,741
	$ 7,122,426	**$ 1,242,356**	**$ 1,433,324**	**$ 9,798,106**
Percent of total	73%	13%	14%	100%

Shaohannah's Hope, Inc.
dba Show Hope
Consolidated Statements of Cash Flows
For the Years Ended June 30, 2026 and 2025

	2026	2025
Cash and cash equivalents, beginning of year	$ 1,898,362	$ 1,574,124
Cash flows from operating activities		
Change in net assets	1,398,708	1,220,802
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	108,369	121,809
Unrealized (gain) loss on investments	(966,973)	(1,072,636)
Reinvested interest and dividends, net of fees	(155,797)	(150,158)
Change in:		
Accounts receivable	269	(169)
Prepaid expenses	(6,176)	(24,695)
Grants payable	(236,191)	268,555
Accounts payable	(17,602)	(49,194)
Deferred revenues	(16,678)	30,101
Accrued vacation	29,719	18,755
Accrued payroll	1,142	6,961
Net cash provided (used) by operating activities	138,790	370,131
Cash flows from investing activities		
Purchases of property and equipment	(47,107)	(58,298)
Proceeds from sales of investments	7,644,390	4,618,288
Purchases of investments	(7,968,126)	(4,605,883)
Net cash provided (used) by investing activities	(370,843)	(45,893)
Net change in cash and cash equivalents	(232,053)	324,238
Cash and cash equivalents, end of year	**$ 1,666,309**	**$ 1,898,362**
Supplemental disclosures of noncash investing activities		
Disposal of property and equipment	$ 3,078	$ 10,712

Note 1. **Summary of Significant Accounting Policies**

Nature of Activities

Shaohannah's Hope, Inc. (the Organization) was incorporated in 2002 in the state of Virginia for the purpose of engaging the church to care for orphans, raising awareness of the plight of orphaned children throughout the world, and working to reduce financial barriers to adoptions. The Organization was authorized to conduct business in Tennessee in 2006 and relocated its corporate offices to Franklin, Tennessee in 2007. In 2009, the Organization adopted and trademarked the dba name "Show Hope." In 2020, the Organization incorporated in the state of Tennessee and merged the existing Virginia nonstock corporation into the Tennessee nonprofit organization. The Organization is a publicly supported, not-for-profit corporation and contributions are solicited and received over a broad geographic region of the country.

The Organization's major program services include providing financial assistance to families adopting children, providing financial assistance to families who have adopted children experiencing medical needs, and increasing adoption awareness by mobilizing the church to engage in adoption and orphan care. Of note, Show Hope provided funding for Maria's Big House of Hope and other care centers which provided surgical care and medical care to special needs orphans in China through August 2020.

The affairs of the Organization are managed by a seven-member Board of Directors consisting of four Directors and three Officers. Each Director and Officer is entitled to one vote on all voting matters. While major policies and decisions are determined by the Board of Directors, day-to-day management is performed by the executive team, led by the Executive Director hired by the Board.

Basis of Accounting

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP).

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

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. Some donor restrictions are temporary in nature; those restrictions will be met by actions 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.

Note 1. **Summary of Significant Accounting Policies**

Principles of Consolidation
In 2022, the Organization formed SH Property, LLC, a wholly-owned subsidiary, to facilitate the purchase of land and a building where the corporate office is located.

The accompanying financial statements include the accounts of Shaohannah's Hope, Inc. and its wholly-owned subsidiary, after elimination of all material intercompany accounts, transactions, and profits.

Use of Estimates
The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents
Cash and cash equivalents include highly-liquid investments with an original maturity of three months or less, except for cash held in investment accounts.

Investments
Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. Gains or losses on such investments are reported as a change in net assets in the period they occur.

Property and Equipment
The Organization capitalizes expenditures for those items reasonably expected to last beyond the current year and above $1,000. Contributed property and equipment is recorded at estimated fair value at the date of donation. Depreciation is provided by use of the straight-line method over the estimated useful lives of the related assets, which range from 3 to 39 years. Routine repairs and maintenance are expensed as incurred.

Grants Payable
Grants payable consist of adoption assistance grants payable to various adoption agencies and are designated for the benefit of specific individuals. If a grant is rescinded, the payable is relieved and the related expense account is credited.

Revenue Recognition
All contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor are reported as net assets with donor restrictions.

Deferred revenues represent collections for events taking place after year end. Prepaid expenses represent expenditures for events taking place after year end.

Note 1. **Summary of Significant Accounting Policies**

Contributions of Nonfinancial Assets
Contributions of nonfinancial assets are reflected as contributions at their estimated fair value at the date of donation and are reported as unrestricted support unless explicit donor stipulations specify how donated assets must be used. The Organization recognizes the fair value of contributed services received if such services a) create or enhance nonfinancial assets or b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed. The Organization receives services from a large number of volunteers who give significant amounts of their time to the Organization's programs and fundraising campaigns but which do not meet the criteria for financial statement recognition.

Marketing
All marketing costs are expensed when incurred.

Functional Allocation of Expenses
The costs of providing program services and supporting services have been summarized on a functional basis in the statements of activities. Salaries and related expenses are allocated to the various program and supporting services based on actual or estimated time employees spend on each function. The remaining expenses are specifically allocated.

Program and Supporting Services
The following program and supporting services are included in the accompanying financial statements:

Program services – Includes the direct cost of operating the Organization and all of the related programs.

Management and general – Includes the functions necessary to ensure an adequate working environment and costs not identifiable with a single program. Applicable costs include those associated with providing coordination and articulation of the Organization's program strategy, business management, general recordkeeping, budgeting, and related purposes.

Fundraising – Includes costs of activities directed toward appeals for financial support, including special events. Other activities include the cost of solicitations and creation and distribution of fundraising materials.

Income Taxes
The Organization is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3). This code section enables the Organization to accept donations that qualify as charitable contributions to the donor.

US GAAP requires the Organization's management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service (IRS). Management has analyzed the tax positions taken by the Organization and has concluded that, as of June 30, 2026, no uncertain positions have been taken or are expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Organization is no longer subject to IRS audit for the years ended before June 30, 2023.

Note 2. **Liquidity and Availability**

The following represents the Organization's financial assets:

	2026	2025
Financial assets		
Cash and cash equivalents	$ 1,666,309	$ 1,898,362
Investments	13,179,980	11,733,474
Less board designations		
Endowment	(1,473,039)	(1,131,904)
Grants operating reserve	(1,000,000)	(1,038,215)
Financial assets available to meet cash needs for general expenditures within one year	**$ 12,373,250**	**$ 11,461,717**

As part of its liquidity plan, the Organization has a policy to structure its financial assets in order to have the funds available to meet its general expenditures, liabilities, and other obligations as they come due.

Note 3. **Investments**

Investments, at fair value consist of the following:

	2026	2025
Money market funds	$ 1,228,190	$ 1,470,929
US Treasury bills	3,439,760	3,578,838
Corporate bonds	46,173	44,333
Equities	6,800,599	5,422,167
Mutual funds	1,564,849	1,217,207
Exchange traded funds	100,409	-
	$ 13,179,980	**$ 11,733,474**

Note 4. **Fair Value Measurements**

Financial Accounting Standards Board ASC 820, *Fair Value Measurements and Disclosures*, establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value.

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Organization has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect the Organization's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

Note 4. **Fair Value Measurements**

The following table sets forth by level, the investments at fair value as of June 30, 2026:

	Level 1	Level 2	Level 3	Total
Money market funds	$ 1,228,190	$ -	$ -	$ 1,228,190
US Treasury bills	-	3,439,760	-	3,439,760
Corporate bonds	-	46,173	-	46,173
Equities	6,800,599	-	-	6,800,599
Mutual funds	1,564,849	-	-	1,564,849
Exchange traded funds	100,409	-	-	100,409
Total investments	**$ 9,694,047**	**$ 3,485,933**	**$ -**	**$ 13,179,980**

The following table sets forth by level, the investments at fair value as of June 30, 2025:

	Level 1	Level 2	Level 3	Total
Money market funds	$ 1,470,929	$ -	$ -	$ 1,470,929
US Treasury bills	-	3,578,838	-	3,578,838
Corporate bonds	-	44,333	-	44,333
Equities	5,422,167	-	-	5,422,167
Mutual funds	1,217,207	-	-	1,217,207
Total investments	**$ 8,110,303**	**$ 3,623,171**	**$ -**	**$ 11,733,474**

Note 5. **Property and Equipment**

Property and equipment consist of the following:

	2026	2025
Land	$ 1,895,000	$ 1,895,000
Building and improvements	2,244,942	2,219,572
Computers and equipment	171,018	154,859
Furniture and fixtures	161,403	161,403
Software	52,500	50,000
Less: accumulated depreciation	(471,528)	(366,237)
	$ 4,053,335	**$ 4,114,597**

Note 6. **Endowment Funds**

The Board of Directors has designated endowment funds to support the mission of the Organization. As required by US GAAP, net assets associated with endowment funds, including those designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. Since the amount resulted from an internal designation and is not donor-restricted, it is classified and reported as a portion of the Organization's net assets without donor restrictions.

In accordance with Uniform Prudent Management of Institutional Funds Act, the Organization considers the following factors in making a determination to appropriate or accumulate endowment funds:

(1) The duration and preservation of the fund.
(2) The purposes of the Organization and the endowment fund.
(3) General economic conditions.
(4) The possible effect of inflation and deflation.
(5) The expected total return from income and the appreciation of investments.
(6) Other resources of the Organization.
(7) The investment policies of the Organization.

Endowment net asset composition by type of fund as of June 30, 2026:

	Without donor restrictions	With donor restrictions	Total
Board designated endowment funds	$ 1,473,039	$ -	$ 1,473,039

Endowment net asset composition by type of fund as of June 30, 2025:

	Without donor restrictions	With donor restrictions	Total
Board designated endowment funds	$ 1,131,904	$ -	$ 1,131,904

Note 6. **Endowment Funds**

Changes in endowment net assets for the year ended June 30, 2026:

	Without donor restrictions	With donor restrictions	Total
Endowment net assets, June 30, 2025	$ 1,131,904	$ -	$ 1,131,904
Investment return			
Interest and dividends	33,470	-	33,470
Expenses	(9,935)	-	(9,935)
Realized gain/(loss)	25,887	-	25,887
Unrealized gain/(loss)	143,713	-	143,713
Contributions	148,000	-	148,000
Endowment net assets, June 30, 2026	**$ 1,473,039**	**$ -**	**$ 1,473,039**

Changes in endowment net assets for the year ended June 30, 2025:

	Without donor restrictions	With donor restrictions	Total
Endowment net assets, June 30, 2024	$ 1,001,430	$ -	$ 1,001,430
Investment return			
Interest and dividends	30,474	-	30,474
Expenses	(7,274)	-	(7,274)
Realized gain/(loss)	618	-	618
Unrealized gain/(loss)	106,656	-	106,656
Endowment net assets, June 30, 2025	**$ 1,131,904**	**$ -**	**$ 1,131,904**

The Organization has established investment policies for endowments which set certain expectations for target asset allocations, expected rates of return, and risk tolerances sufficient to achieve long–term investment objectives. Investment performance is reviewed at least annually with comparisons made to market indices.

Note 7. **Program Services**

The following is a detailed summary of program services as presented on the statements of activities:

	2026	2025
Adoption assistance	$ 5,346,069	$ 5,465,997
Adoption awareness	1,156,656	919,819
Orphan care	983,520	736,610
Program services	**$ 7,486,245**	**$ 7,122,426**

Note 8. **Retirement Plan**

The Organization maintains a SIMPLE IRA plan for all eligible employees. Employees are eligible to participate in the plan after 12 months of employment. The Organization matches employee contributions up to 3% of employee salary. The Organization's contribution to employees' accounts for the years ended June 30, 2026 and 2025 was $46,112 and $41,022, respectively.

Note 9. **Concentrations and Uncertainties**

Financial instruments that are exposed to concentrations of credit risk consist of cash on deposit with financial institutions. At June 30, 2026 and 2025, the Organization had no cash on deposit with financial institutions in excess of the federally insured limit of $250,000.

Note 10. **Related Party Transactions**

A tour production company owned by an officer of the Organization was paid $264,000 for services rendered to benefit the Organization which included house concerts, individual concert sponsorships, event honorariums, and reimbursement for a personal assistant for the fiscal year ending June 30, 2026. In addition, a related party was paid $59,000 for consulting fees, for adoption advocacy and organizational history, for the fiscal year ending June 30, 2026. The house concerts and individual concerts generated additional income to Show Hope during the fiscal year ending June 30, 2026.

This compares to $563,000 paid to a tour production company owned by the officer for services rendered to benefit the Organization which included house concerts, tour concert sponsorships, individual concert sponsorships, event honorariums and reimbursement for a personal assistant for the fiscal year ending June 30, 2025. In addition, a related party was paid $68,000 for consulting fees, for adoption advocacy and organizational history, for the year ending June 30, 2025.

The amounts paid to the tour production company owned by an officer of the Organization are significantly less than the industry standard average amount. The decrease in the amounts paid in the current fiscal year compared to the prior fiscal year is due to a reduction in the number of tour concert sponsorships paid directly to a company owned by the officer.

The transactions were conducted in accordance with the Organization's conflict of interest policy including approval by majority vote by the independent parties of the Organization's Board of Directors. This officer made a contribution of $156,564 and $86,528 for the years ending June 30, 2026 and 2025, respectively, to the Organization.

Note 11. **Subsequent Events**

Management has evaluated subsequent events through September 4, 2026, the date on which the financial statements were available for issuance.