LAKE O' THE PINES DREAM CENTER, INC.

2025 FINANCIAL REPORT

Year ended December 31, 2025

MANAGEMENT-PREPARED | CASH BASIS

Prepared for grant application and organizational reporting

249 Avinger Cut Off Road | Avinger, Texas 75630

Prepared August 24, 2026

Basis of presentation and preparation is described in Note 2.

Financial Report Overview

Cash-basis financial statements for calendar year 2025

Lake O' The Pines Dream Center, Inc. is a tax-exempt nonprofit serving East Texas through food rescue, food distribution, community outreach, and support for partner ministries. This report presents the organization's recorded cash activity and year-end cash position for 2025.

TOTAL SUPPORT AND REVENUE **$39,184.41**	TOTAL CASH-BASIS EXPENSES **$38,154.26**
ENDING CASH BALANCE **$7,028.84**	REPORTED LIABILITIES **$0.00**

Contents

Statement of Financial Position

As of December 31, 2025

ASSETS	
Cash and cash equivalents	$7,028.84
Bank-level detail	Redacted for public copy
Total cash	**$7,028.84**
Total recorded cash-basis assets	**$7,028.84**
LIABILITIES AND NET ASSETS	
Liabilities	$0.00
Net assets - cash basis	$7,028.84
Total liabilities and net assets - cash basis	**$7,028.84**

Important context. This statement presents recorded cash amounts. County-appraised real-property values and donor-reported equipment values are presented in the supplemental schedules on pages 8 and 9; they are not included as book values in this statement.

Cash position

Beginning cash - January 1, 2025	$5,998.69
Increase in net assets	$1,030.15
Ending cash - December 31, 2025	**$7,028.84**

See accompanying notes to the financial statements.

Statement of Activities and Changes in Net Assets

For the year ended December 31, 2025

SUPPORT AND REVENUE	
Farmers Insurance charitable grant	$7,500.00
Walmart grants	$6,665.00
Other contributions deposited directly	$23,909.41
Gross contributions received through PayPal	$1,110.00
Total support and revenue	**$39,184.41**
EXPENSES	
Facilities, equipment, and building improvements	$13,704.79
Vehicles and transportation	$10,878.23
Utilities	$4,461.76
Insurance	$4,049.40
Program supplies and other operating costs	$4,414.18
Administrative and professional expenses	$645.90
Total expenses	**$38,154.26**
Increase in net assets	**$1,030.15**
Net assets - beginning of year	$5,998.69
Net assets - end of year	**$7,028.84**

Scope of reported revenue. Donated food, volunteer services, and contributed equipment are not included in these cash-basis amounts. Documented quantities and donor-reported or management-estimated values are presented separately in Notes 5 and 6 and the supplemental schedule on page 9.

See accompanying notes to the financial statements.

Statement of Functional Expenses

For the year ended December 31, 2025

Natural classification	Program services	Management & general	Fundraising	Total
Facilities, equipment, and building improvements	$13,704.79	$0.00	$0.00	$13,704.79
Vehicles and transportation	$10,878.23	$0.00	$0.00	$10,878.23
Utilities	$4,461.76	$0.00	$0.00	$4,461.76
Insurance	$4,049.40	$0.00	$0.00	$4,049.40
Program supplies and other operating costs	$4,414.18	$0.00	$0.00	$4,414.18
Administrative and professional expenses	$0.00	$645.90	$0.00	$645.90
Total functional expenses	**$37,508.36**	**$645.90**	**$0.00**	**$38,154.26**

PROGRAM SERVICES

98.3%

spent on mission-related program services

MANAGEMENT & GENERAL

1.7%

spent on management and general administration

Expense profile. For every $100 of recorded cash expenses, approximately $98.30 supported food rescue, storage, distribution, facilities, transportation, and outreach; about $1.70 supported management and general administration. Classifications reflect the primary purpose of each expenditure. No separately identifiable fundraising expenses were recorded.

See accompanying notes to the financial statements.

Statement of Cash Receipts and Disbursements

For the year ended December 31, 2025

CASH RECEIPTS	
Farmers Insurance charitable grant receipts	$7,500.00
Walmart grant receipts	$6,665.00
Other direct contribution receipts	$23,909.41
Gross PayPal contribution receipts	$1,110.00
Total cash receipts	**$39,184.41**
CASH DISBURSEMENTS	
Facilities, equipment, and building improvements	$13,704.79
Vehicles and transportation	$10,878.23
Utilities	$4,461.76
Insurance	$4,049.40
Program supplies and other operating costs	$4,414.18
Administrative and professional expenses	$645.90
Total cash disbursements	**$38,154.26**
Net increase in cash	**$1,030.15**
Cash - beginning of year	$5,998.69
Cash - end of year	**$7,028.84**

See accompanying notes to the financial statements.

Notes to the Financial Statements

December 31, 2025

1. Organization and Nature of Activities

Lake O' The Pines Dream Center, Inc. is a nonprofit organization serving communities across East Texas. The organization conducts food rescue and distribution, community outreach, and support for other ministries and charitable programs.

2. Basis of Presentation

These financial statements were prepared by management using the cash basis of accounting, a special-purpose framework. Revenue is recognized when cash is received, and expenses are recognized when cash is disbursed. Accordingly, these statements do not include all assets, liabilities, revenue, and expenses that would be required under accounting principles generally accepted in the United States of America.

The statements were developed from 2025 bank activity, monthly bank statements, check images, PayPal transaction records, and explanations supplied by the organization. No independent accountant has audited, reviewed, or compiled these statements.

3. Cash

Cash held in the organization's financial institution accounts totaled $7,028.84 as of December 31, 2025. The balance reconciles to the underlying bank records. The organization reported no petty cash at year-end.

4. Contributions, Grant Revenue, and Payment Processing

Reported cash support includes a $7,500.00 charitable grant from Farmers Insurance, $6,665.00 of Walmart grants, $23,909.41 of other contributions deposited directly, and $1,110.00 of gross contributions received through PayPal.

PayPal processing fees totaled $27.97. Matching net PayPal transfers of $1,082.03 deposited into the bank account were eliminated from duplicate revenue counting.

5. Donated Food and Volunteer Services

East Texas Food Bank's January through December 2025 Retail Program Impact Report documents 182,580 pounds of rescued food associated with the organization, equivalent to approximately 152,133 meals. The report also documents $23,281.18 in shared maintenance fee savings. These operational measures are presented in the supplemental schedule on page 9.

Management also estimates that 125,000 pounds of food were received in 2025 from the Longview Dream Center / Dollar General Distribution Center. This estimate annualizes approximately 62,500 pounds documented from February 1 through July 29, 2026, based on management's representation that the donation volume was consistent with 2025 activity. This amount is presented separately from the East Texas Food Bank-documented quantities.

Management estimates a combined food-only retail value of $1,214,860.42 using a provisional internal community-impact rate of $4.74 per meal equivalent. The rate reflects management's review of actual distributed items, documented quantities, and representative retail prices. Pepsi donations are not included because that relationship began after 2025. Volunteer services are also not assigned a value. These noncash resources are excluded from the cash-basis statements and presented only as supplemental program impact information.

Notes to the Financial Statements

December 31, 2025 - continued

6. Property and Equipment

The organization owns and uses its operating site and land, a warehouse, refrigerated vehicles, cold-storage units, freezers, refrigeration equipment, a forklift, and pallet-handling equipment in its charitable operations. A descriptive schedule of major operating assets appears on page 8.

The Marion Central Appraisal District's 2025 certified appraisal roll identifies the organization's 1.16-acre property at 249 Avinger Cut Off Road with a land value of $9,740.00, an improvement value of $38,440.00, a total market value of $48,180.00, and a taxable value of $0.00. These county appraisal values are disclosed supplementally on page 8 and are not substituted for historical cost in the cash-basis statement of financial position.

East Texas Food Bank's year-end report documents 2025 capital equipment support valued by the donor at $248,197.08: a refrigerated truck valued at $176,424.50, three refrigerated containers valued at $68,002.00, and a phase converter valued at $3,770.58. These donor-reported values are presented supplementally on page 9 and are not included in the cash-basis statement of financial position.

Verified historical costs, acquisition or donation dates, useful lives, and accumulated depreciation records for the full asset base were not available. Consequently, property and equipment are not assigned book values in the statement of financial position, and depreciation expense is not recorded in these cash-basis statements.

7. Functional Classification of Expenses

Cash expenditures were classified by management according to their primary purpose. Facilities, equipment, building improvements, vehicles, transportation, utilities, insurance, and operating supplies directly support food rescue, storage, distribution, and outreach and are presented as program services. Accounting, tax preparation, payment-processing charges, bank fees, and similar costs are presented as management and general expenses.

No separately identifiable fundraising cash expenditures were recorded for 2025.

8. Income Tax Status

Lake O' The Pines Dream Center, Inc. is recognized as exempt from federal income tax under Internal Revenue Code Section 501(c)(3). No provision for federal income taxes is included in these statements.

9. Liabilities, Commitments, and Management Responsibility

Management reported no loans, credit-card balances, unpaid bills, or other debts as of December 31, 2025. All known 2025 cash receipts and disbursements were processed through the organization's bank or payment-processor accounts.

Management is responsible for the completeness and accuracy of the source information and the classifications reflected in these statements. These statements are intended for grant applications and organizational reporting.

> The accompanying statements, notes, and supplemental schedules should be read together. The cash-basis framework provides a clear account of recorded cash activity; the supplemental schedules document significant operating resources that did not pass through the organization's bank accounts.

Major Operating Assets

Supplemental schedule as of December 31, 2025

Real Property - 2025 County Appraisal

Land - 1.16-acre operating site	$9,740.00
Improvements	$38,440.00
Total appraised market value	**$48,180.00**
Taxable value	$0.00

Other Major Operating Assets

Category	Qty.	Major operating asset	Primary charitable use
Facilities	1	Approximately 40-foot by 60-foot warehouse and distribution facility	Food storage, sorting and distribution
Cold-chain	2	40-foot refrigerated container freezers	Frozen-food storage
Cold-chain	1	40-foot combination refrigerator/freezer container	Refrigerated and frozen-food storage
Cold-chain	3	Stand-up freezers	Supplemental frozen-food capacity
Cold-chain	1	Three-door commercial refrigerator	Refrigerated-food storage
Vehicles	1	30-foot refrigerated box truck	Cold-chain pickup and transportation
Vehicles	1	26-foot refrigerated box truck	Cold-chain pickup and transportation
Vehicles	1	Three-quarter-ton van	Food rescue and operational transportation
Material handling	1	Forklift	Pallet movement and warehouse operations
Material handling	3	Electric pallet jacks	Warehouse and distribution operations
Material handling	3	Manual pallet jacks	Warehouse and distribution operations
Electrical	1	Phase converter	Cold-chain electrical service

County appraisal source: Marion Central Appraisal District 2025 certified appraisal roll. The appraisal values are supplemental and do not represent book values. Other listed assets remain unvalued where verified historical-cost and depreciation records were unavailable; donor-reported 2025 equipment values appear on page 9.

Supplemental Schedule of Food Rescue and Program Resources

2025 documented activity and management estimates - excluded from the cash-basis statements

COMBINED FOOD VOLUME
307,580 lb

COMBINED MEAL EQUIVALENTS
256,300

ESTIMATED FOOD-ONLY RETAIL VALUE
$1,214,860.42

OTHER DOCUMENTED SUPPORT
$271,478.26

Food source	Evidence basis	Pounds	Meals	Estimated retail value
East Texas Food Bank	Year-end report	182,580	152,133	$721,110.42
Longview Dream Center / Dollar General Distribution Center	Management estimate	125,000	104,167	$493,750.00
Combined food-only impact	Documented and estimated	307,580	256,300	$1,214,860.42

DOCUMENTED CAPITAL EQUIPMENT SUPPORT	
Refrigerated truck	$176,424.50
Three refrigerated containers	$68,002.00
Phase converter	$3,770.58
Total documented capital equipment support	**$248,197.08**
OTHER DOCUMENTED PROGRAM SUPPORT	
Shared-maintenance-fee savings	$23,281.18
Combined estimated food-only retail value	$1,214,860.42
Total documented and estimated resource impact	**$1,486,338.68**

Food-only valuation method. East Texas Food Bank's 152,133 documented meal equivalents and Longview's estimated 104,167 meal equivalents were valued at a provisional management-approved rate of $4.74 per meal equivalent. The rate reflects the organization's internal community-impact review of actual distributed items, documented quantities, and representative retail prices. It will be refined as supporting valuation records are developed. Longview's 125,000 pounds annualize approximately 62,500 pounds documented from February 1 through July 29, 2026. Pepsi donations are not included because that relationship began after 2025.

The $1,486,338.68 total combines management's estimated food-only retail value with East Texas Food Bank-documented shared maintenance fee savings and capital equipment support. It is supplemental and is not included in the cash-basis revenue, expense, asset, or net-asset totals on pages 2-5.

Sources: East Texas Food Bank, January through December 2025 Retail Program Impact Report; Lake O' The Pines Dream Center community-impact valuation records; management's Longview Dream Center activity records and representation.