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UNITED AMERICAN PATRIOTS, INC.

Financial Statements and Independent Auditors' Report

Fiscal Year Ended December 31, 2021 and 2020

UNITED AMERICAN PATRIOTS, INC.
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DECEMBER 31, 2021 and 2020

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INDEPENDENT AUDITORS' REPORT

Board of Directors
United American Patriots, Inc.
Alexandria, Virginia

Report on Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of the United American Patriots, Inc., as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements as listed in the table of contents. In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United American Patriots, Inc., as of December 31, 2021 and 2020, and the changes to its net assets and its cash flows for the year 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 United American Patriots, Inc., 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 audit opinions.

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 Foundation's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 opinions. 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:

- 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 Not-For-Profit'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 Foundation's ability to continue as a going concern for a reasonable period.

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.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements of United Patriots of America, Inc., taken as a whole. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2023, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

CWDL, Certified Public Accountants

San Diego, California
March 13, 2023

FINANCIAL STATEMENTS

UNITED AMERICAN PATRIOTS, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021

	<u>2021</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 1,176,067
Accounts receivable	<u>34,531</u>
Total current assets	<u>1,210,598</u>
Non-current assets:	
Office equipment	35,220
Vehicles	53,522
Less: accumulated depreciation	<u>(88,742)</u>
Total non-current assets	<u>-</u>
Total assets	<u>\$ 1,210,598</u>
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 169,498
Note payable, current	24,000
Capital lease, current portion	<u>4,050</u>
Total current liabilities	<u>197,548</u>
Non-current liabilities:	
Note payable, non-current portion	98,055
SBA loan	<u>1,999,900</u>
Total non-current liabilities	<u>2,097,955</u>
Total liabilities	<u>2,295,503</u>
NET ASSETS	
Net assets without donor restrictions	<u>(1,084,905)</u>
Total net assets	<u>(1,084,905)</u>
Total liabilities and net assets	<u>\$ 1,210,598</u>

UNITED AMERICAN PATRIOTS, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020

	<u>2020</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 98,825
Deposit	<u>30,872</u>
Total current assets	<u>129,697</u>
Non-current assets:	
Office equipment	35,220
Vehicles	53,522
Less: accumulated depreciation	<u>(83,956)</u>
Total non-current assets	<u>4,786</u>
Total assets	<u>\$ 134,483</u>
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 436,245
Accrued expenses	25,964
Note payable, current	24,000
Capital lease, current portion	<u>2,616</u>
Total current liabilities	<u>488,825</u>
Non-current liabilities:	
Note payable, non-current portion	108,057
Capital lease, non-current portion	999
SBA loan	<u>149,900</u>
Total non-current liabilities	<u>258,956</u>
Total liabilities	<u>747,781</u>
NET ASSETS	
Net assets without donor restrictions	<u>(613,298)</u>
Total net assets	<u>(613,298)</u>
Total liabilities and net assets	<u>\$ 134,483</u>

UNITED AMERICAN PATRIOTS, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
DECEMBER 31, 2021

Year Ended December 31, 2021	Net Assets Without Donor Restrictions
SUPPORT AND REVENUE	
Donations	\$ 391,654
Mailer donations	368,075
Total Support and Revenue	<u>759,729</u>
EXPENSES	
Program	1,309,242
General and administrative	100,426
Fundraising	179,102
Total Expenses	<u>1,588,770</u>
Change in Net Assets	(829,041)
Net Assets - Beginning of Year	(613,298)
Prior Period Adjustment	357,434
Net Assets - End of Year	<u>\$ (1,084,905)</u>

UNITED AMERICAN PATRIOTS, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
DECEMBER 31, 2020

Year Ended December 31, 2020	Net Assets Without Donor Restrictions
SUPPORT AND REVENUE	
Donations	\$ 947,891
Interest and dividends	862
Other income	53,212
Total Support and Revenue	<u>1,001,965</u>
EXPENSES	
Program	1,260,675
General and administrative	260,501
Fundraising	136,067
Total Expenses	<u>1,657,243</u>
Change in Net Assets	(655,278)
Net Assets - Beginning of Year	41,980
Net Assets - End of Year	<u>\$ (613,298)</u>

UNITED AMERICAN PATRIOTS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021

Year Ended December 31, 2021	General and			Total
	Program	Administrative	Fundraising	
Salaries and Benefits	\$ 255,730	\$ 71,269	\$ 92,230	\$ 419,229
Warrior fund beneficiaries	543,678	-	-	543,678
Advocacy and case awareness	7,255	-	-	7,255
Payments to professional fundraising organization*	448,520	-	36,892	485,412
Rent	22,177	7,040	5,984	35,201
Membership, fees, and dues	-	-	30,165	30,165
Travel and conferences	-	6,907	3,719	10,626
Insurance	1,109	555	1,109	2,773
Equipment	-	1,342	722	2,064
Bank Fees	-	3,574	-	3,574
Office expense	1,826	580	493	2,899
Advertising	89	-	-	89
Office supplies	7,091	2,251	1,914	11,256
Tax	112	35	30	177
Depreciation	3,015	957	814	4,786
Other	18,640	5,916	5,030	29,586
Total	\$ 1,309,242	\$ 100,426	\$ 179,102	\$ 1,588,770

	Program	Management	Fundraising	Total
	Services	and General		
Mailing and postage	\$ 365,575	\$ -	\$ 30,069	\$ 395,644
List rental expense	17,110	-	1,407	18,517
Caging & escrow services	8,665	-	713	9,378
Bank charges	1,516	-	125	1,641
Professional Fees	54,076	-	4,448	58,524
Other	1,578	-	130	1,708
Total payments to professional fundraising organization	\$ 448,520	\$ -	\$ 36,892	\$ 485,412

*Scoring of the direct mailers was completed by The Compliance Consulting Company of Virginia LLC. on August 2nd, 2022. Allocation of the 2021 contact letter scoring was deemed to be 92.4% program and 7.6% fundraising. See unaudited supplementary information section for illustration of the scoring detail UAP.

UNITED AMERICAN PATRIOTS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2021 AND DECEMBER 31, 2020

Year Ended December 31, 2020	Program	General and Administrative	Fundraising	Total
Salaries and benefits	\$ 207,286	\$ 57,768	\$ 74,758	\$ 339,812
Payroll taxes	-	178,448	-	178,448
Professional service and fees	14,959	4,169	5,395	24,523
Warrior fund beneficiaries	601,916	-	-	601,916
Advocacy and case awareness	81,265	-	-	81,265
Payments to professional fundraising organization*	317,909	-	34,932	352,841
Rent	30,864	9,798	8,328	48,990
Membership, fees, and dues	-	-	7,768	7,768
Depreciation	-	3,032	1,633	4,665
Insurance	1,472	736	1,472	3,680
Equipment	-	1,561	841	2,402
Utilities	-	2,493	-	2,493
Travel and conferences	1,418	89	266	1,773
Bank fees	-	1,614	-	1,614
Office expense	884	281	239	1,404
Advertising	1,088	-	-	1,088
Office supplies	500	159	135	794
Tax	412	131	111	654
Postage	86	27	23	136
Miscellaneous expense	616	195	166	977
Total	\$ 1,260,675	\$ 260,501	\$ 136,067	\$ 1,657,243

	Program Services	Management and General	Fundraising	Total
Mailing and postage	\$ 204,365	\$ -	\$ 22,455	\$ 226,820
Printing	31,408	-	3,451	34,859
List rental expense	39,631	-	4,355	43,986
Caging & escrow services	16,761	-	1,842	18,603
Professional services	2,431	-	267	2,698
Bank charges	1,670	-	183	1,853
Professional Fees	17,551	-	1,929	19,480
Other	4,092	-	450	4,542
Total payments to professional fundraising organization	\$ 317,909	\$ -	\$ 34,932	\$ 352,841

See accompanying notes to these financial statements

UNITED AMERICAN PATRIOTS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2021 AND DECEMBER 31, 2020

*Scoring of the direct mailers was completed by The Compliance Consulting Company of Virginia LLC. on June 14th, 2022. Allocation of the 2020 contact letter scoring was deemed to be 90.9% program and 9.1% fundraising. See unaudited supplementary information section for illustration of the scoring detail UAP.

UNITED AMERICAN PATRIOTS, INC.
STATEMENTS OF CASH FLOW
FOR THE YEARS ENDED DECEMBER 31, 2021 AND DECEMBER 31, 2020

Year Ended December 31,	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (829,041)	\$ (655,278)
Reconciliation to net cash provided (used) by operating activities:		
Depreciation and amortization	4,786	4,665
(Increase) decrease in:		
Accounts receivable	(3,659)	(30,872)
Increase (decrease) in:		
Accounts payable	90,687	353,826
Accrued expenses	(25,964)	6,884
Net Cash Provided (Used) by Operating Activities	(763,191)	(320,775)
CASH FLOWS FROM FINANCING ACTIVITIES		
Notes payable	(10,002)	327
Payments on capital lease obligations	435	(2,616)
SBA loan proceeds	1,850,000	149,900
Net Cash Provided (Used) in Investing Activities	1,840,433	147,611
Net Increase (Decrease) in Cash and Cash Equivalents	1,077,242	(173,164)
Cash and Cash Equivalents - Beginning of Year	98,825	271,989
Cash and Cash Equivalents - End of Year	\$ 1,176,067	\$ 98,825

UNITED AMERICAN PATRIOTS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization: United American Patriots, Inc. (the "Organization") was incorporated March 28, 2005, under the laws of the State of North Carolina. The Organization generates public awareness, provides funds for legal services, and assists in transition and reintegration into civilian society for military personnel who have been charged with crimes while in combat. To provide funding for these activities, the Organization solicits contributions and grants from various sources throughout the United States.

A summary of significant accounting policies follows:

Basis of Presentation: The Organization reports resources classified for accounting and reporting purposes into two net asset categories, according to externally (donor) imposed restrictions: net assets without donor restrictions and net assets with donor 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 stipulations and are available for the support of the Organization's operating activities.
- *Net assets with donor restrictions* - resources that carry a donor-imposed restriction that permits the Organization to use or expend the donated assets as specified for which the restrictions are satisfied by the passage of time or by actions of the Organization. As those restrictions are met, the contributions are released from net assets with donor restrictions and are transferred to net assets without donor restrictions. Those resources for which the restrictions are met in the same fiscal year they are received are included in net assets without donor restrictions. There were no net assets with donor restrictions as of December 31, 2021 and 2020.

Cash Equivalents: For purposes of reporting the statement of cash flows, the Organization includes all cash on hand and amounts in banks, and investments with a maturity of three months or less to be cash and cash equivalents.

Property and Equipment: Property and equipment are stated at cost, or if donated, at estimated fair market value at the date of donation. The Organization capitalizes property and equipment in excess of \$5,000. Depreciation is computed on a straight-line method over the estimated useful lives of the assets ranging from 5 to 10 years.

Accounts Receivable: Accounts receivable consist of collected contributions from a third party fundraiser that have not yet been remitted to the Organization. Accounts outstanding longer than the contractual payment terms are considered past due. The Organization determines its allowance by considering a number of factors, including the length of time trade accounts receivable are past due, the Organization's previous loss history, and the condition of the general economy and the industry as a whole. The Organization writes off accounts receivable when they become uncollectible, and payments subsequently received on such receivables are credited to the allowance for doubtful accounts. As of December 31, 2021 and 2020, the allowance for doubtful accounts was \$0 and \$0, respectively.

Donations: The Organization records contributions received as unrestricted or restricted support, depending on the existence and/or nature of any donor restrictions.

UNITED AMERICAN PATRIOTS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

Donor restricted support is reported as an increase in net assets with donor restrictions. 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 and change in net assets as net assets released from restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as without donor restrictions.

Tax Status: The Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code.

It is the Organization's policy to evaluate all tax positions to identify those that may be considered uncertain. All identified material tax positions will be assessed and measured by a more likely than not threshold to determine if the tax position is uncertain and what, if any, the effect of the uncertain tax position may have on the financial statements. No material uncertain tax positions were identified for 2021 or 2020.

Concentrations of Credit Risk: The Organization maintains its cash in financial institutions insured by the Federal Deposit Insurance Corporation. Deposit accounts, at times, may exceed federally insured limits.

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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Functional Classification of Expenses: The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Certain costs related to payments to professional fundraising organizations are allocated based on the basis and number of direct mailing efforts for solicitation of contributions and material content. Salaries and benefits, and related costs such as payroll taxes, rent, utilities and office expenses, are allocated on the basis of estimates of time, responsibilities, and efforts of the Organizations employees. Such allocations are determined by management on a reasonable basis that has been consistently applied.

Subsequent Events: Management has evaluated events and transactions for potential recognition or disclosure through March 13, 2023, which is the date the financial statements were available to be issued.

UNITED AMERICAN PATRIOTS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 2 – CASH AND CASH EQUIVALENTS

For purposes of reporting the statement of cash flows, the Organization includes all cash on hand and amounts in banks, and investments with a maturity of three months or less to be cash and cash equivalents.

NOTE 3 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization'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 not available include amounts set aside for reserves that could be drawn upon if the governing board approves that action.

	<u>2021</u>	<u>2020</u>
Financial assets, at year-end:		
Cash and cash equivalents	\$ 1,176,067	\$ 98,825
Financial assets available to meet cash needs		
for general expenditure within one year	<u>\$ 1,176,067</u>	<u>\$ 98,825</u>

The Organization manages liquidity needed for operations primarily through budgeted monthly cash inflows and outflows. Cash outflows are planned accordingly so as not to exceed expected inflows.

NOTE 4 – JOINT COSTS RELATING TO PROGRAM AND FUNDRAISING

During 2019, the Organization had a direct mail fundraising agreement with a professional fundraising service organization to solicit contributions to support the Organization's charitable purpose. The professional fundraising service organization was paid \$105 per 1,000 direct mailing packages processed and a 20 percent rental of provided lists of contributors. The Organization terminated the agreement in May 2019 by giving 30 days written notice as required by the contract.

In June 2019, the Organization entered into a contract with a professional fundraising organization that stipulates that the Organization pay a flat monthly rate of \$3,500 plus costs incurred for postage and other direct costs. The Organization terminated the agreement in December 2019 by giving 30 days written notice as required by the contract.

Starting in 2020, the Organization used two separate direct mail fundraising firms to confirm which firm brought in the best traffic, donations, and mission representation to the public. A single firm was selected and the Organization entered into a direct mail fundraising agreement with a professional fundraising service organization to solicit contributions to support the Organization's charitable purpose. This professional fundraising service organization is paid \$95 per 1,000 direct mailing packages processed for the first 2 million pieces per year, \$85 per 1,000 direct mailing packages processed for the second 2 million pieces per year, and \$75 per 1,000 direct mailing packages processed after 4 million pieces per year, adjusted for inflation annually based on the Consumer price index. In addition, a 20% or 40% commission will be paid for standard list rentals based on their origin. The Organization may terminate the agreement by giving 90 days written notice at any time during the contract period which extends through December 31, 2039.

UNITED AMERICAN PATRIOTS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 4 – JOINT COSTS RELATING TO PROGRAM AND FUNDRAISING, continued

The Organization entered into a digital advertising agreement with a professional fundraising service organization to solicit contributions to support the Organization's charitable purpose. This professional fundraising service organization is paid 25% of the gross revenue raised by the in-house list of customers and 15% of gross revenue raised through third party email lists. The fundraising organization is also paid a fee for each email sent. The frequency of emails sent by the fundraising service organization is determined by the Organization. The Organization may terminate the agreement by giving 30 days written notice at any time during the contract period.

Subsequent to year end, the Organization terminated its contract with its digital mail fundraising service organization and is currently providing these services in-house.

During the years ending December 31, 2021 and 2020, the Organization had direct mail and digital advertising fundraising agreements with professional fundraising service organizations. These activities included requests for contributions to support the Organization's charitable purposes, as well as program and administrative components. The costs of conducting those activities included a total of \$485,412 and \$352,841 of joint costs for the years ending December 31, 2021 and 2020, respectively, which are not specifically attributable to particular components of the activities. These joint costs were allocated as follows:

	2021	2020
Program	\$ 448,520	\$ 317,909
Fundraising	36,892	34,932
Total	<u>\$ 485,412</u>	<u>\$ 352,841</u>

NOTE 5– ADVERTISING COSTS

Advertising costs are expensed as incurred. Advertising costs were \$89 and \$1,088 for the years ended December 31, 2021 and 2020, respectively.

NOTE 6 – LEASE COMMITMENT

The Organization rents office space in Alexandria, VA under a lease agreement requiring monthly payments of \$5,015 through August 2020 and \$2,781 through August 2021. Minimum future rental payments under these leases are as follows:

Year Ending December 31,	
2021	\$ 22,248
Total	<u>\$ 22,248</u>

UNITED AMERICAN PATRIOTS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 7 – CAPITAL LEASE

The Organization entered into a lease agreement for a copier, which is accounted for as a capital lease. Cost and accumulated amortization for the asset is as follows as of December 31:

	2021	2020
Cost of equipment	\$ 13,734	\$ 13,734
Less accumulated amortization	<u>(13,015)</u>	<u>(10,399)</u>
	<u>\$ 719</u>	<u>\$ 3,335</u>

Minimum future lease payments are as follows:

Future Lease payments	
<u>Year Ending December 31,</u>	
2022	<u>\$ 4,051</u>
	<u>\$ 4,051</u>

NOTE 8 - NOTE PAYABLE

The Organization entered into an agreement with the prior professional fundraiser organization to pay outstanding balances due in the amount of \$122,055. Monthly payments of \$2,000 are due starting July 30, 2020.

Future maturities of the note payable are due as follows:

<u>Year Ending December 31,</u>	
2022	\$ 24,000
2023	24,000
2024	24,000
2025	24,000
2026	24,000
Thereafter	<u>2,055</u>
	<u>\$ 122,055</u>

NOTE 9 – SUBSEQUENT EVENTS

In September of 2020 and 2021, the Company downsized its office rental property. This was a direct result of the COVID-19 pandemic. In January of 2023 the Company contracted with an outside accounting firm for bookkeeping services.

UNAUDITED SUPPLEMENTARY INFORMATION

THE COMPLIANCE CONSULTING COMPANY
OF VIRGINIA, LLC

MEMORANDUM

Date: August 9, 2022

From: Tim Beall 

To: Mr. Jon Gurfein

Re: 2021 Contact Letters Scoring

United American Patriots (UAP) engaged The Compliance Consulting Company of Virginia, LLC (CCVA) for the purpose of “scoring” its 2021 Contact letters in support of an internal audit to determine the ratio of Program Services (PS) content vs. Fundraising Appeal (FA) content.

As we have previously established, our method of “scoring” is as follows:

1. We review each letter, in full, and determine the number of paragraphs in total for each letter. Paragraphs are counted as full paragraphs regardless of size, format, or placement in a letter (e.g., “postscript” addendums are counted as paragraphs even though they are not part of the body of the letter).
2. Any letter that contains a page that is clearly not in letter format is divided into “items” (e.g. if half of the page is a listing of potential donation amounts, that is considered one item; if the lower half of a page is an informational graphic, it is considered one item).
3. Using our best judgment and experience, we score each paragraph or “item” as Program Services or Fundraising Appeal.
4. The calculation is then straight forward, and we arrive at a percentage of the whole of PS vs. FA.

The results of our scoring of the submitted UAP letters are as follows:

Letter ID	Description	Tot. Paragraphs or Items	PS Par.	FA Par.	Program %	Fundraising %
CUBA Ph 03	Allen West - Hartley	61	55	6	90.2	9.8
CUBA Ph 04	Allen West - Hartley	61	55	6	90.2	9.8
CUBB Ph 02	Allen West - Raiders	60	54	6	90.0	10.0
CUBB Ph 03	Allen West - Raiders	60	54	6	90.0	10.0
CUBD Ph 01	Bev Nicoson - Rob Nicoson	172	164	8	95.3	4.7
CUBE Ph01	Allen West - Nicoson	63	58	5	92.1	7.9
CUBE Ph02	Allen West - Nicoson	63	58	5	92.1	7.9
CUBF Ph01	David Gurfein - General Amnesty	64	57	7	89.1	10.9
CUAA 01	Destiny Draher - Danny Draher	65	60	5	92.3	7.7
CUAA 02	Allen West - Nicoson	61	57	4	93.4	6.6
CUAA 03	David Gurfein - First Class Stamp	50	47	3	94.0	6.0
CUAA 04	Bev Nicoson - Rob Nicoson	71	67	4	94.4	5.6
	Total	851	786	65	92.4	7.6

Please do not hesitate to contact me if you have any questions or require additional information.