NATIONAL SKEET SHOOTING ASSOCIATION

FINANCIAL STATEMENTS

Years Ended November 30, 2025 and 2024
with Report of Independent Auditors

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REPORT OF INDEPENDENT AUDITORS

To the Audit Committee and Board of Directors of
National Skeet Shooting Association

Opinion

We have audited the accompanying financial statements of National Skeet Shooting Association ("NSSA"), which comprise the statements of financial position as of November 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of NSSA as of November 30, 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 ("GAAP").

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 NSSA 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 GAAP, 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 NSSA's ability to continue as a going concern for one year after the date that the financial statements are issued.

HLB WE ARE AN INDEPENDENT MEMBER OF THE GLOBAL ADVISORY AND ACCOUNTING NETWORK

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 NSSA'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 NSSA'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.



Fort Worth, Texas
October 7, 2026

NATIONAL SKEET SHOOTING ASSOCIATION

STATEMENTS OF FINANCIAL POSITION

	November 30, 2025	2024
Assets		
Current assets:		
Cash and cash equivalents	$ 341,075	$ 1,170,189
Receivables:		
Trade	274,242	493,873
Life members	29,293	29,995
Pledges	89,200	179,200
Other	34,427	261,801
Inventory	454,582	781,204
Prepaid expenses	246,112	227,280
Total current assets	1,468,931	3,143,542
Property and equipment, net	8,754,404	8,162,419
Right-of-use assets - finance leases	273,569	384,508
Investments	11,098,603	8,350,808
Endowment investments	1,965,609	1,417,574
Total assets	$ 23,561,116	$ 21,458,851
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued expenses	$ 1,350,580	$ 1,431,537
Current portion of finance lease liabilities	108,003	107,023
Current portion of unearned and deferred revenue	2,269,897	1,867,538
Total current liabilities	3,728,480	3,406,098
Finance lease liabilities, less current portion	174,950	282,952
Unearned and deferred revenue, less current portion	3,539,966	3,574,246
Total liabilities	7,443,396	7,263,296
Net assets:		
Without donor restrictions		
General	12,145,797	10,756,177
Board-designated funds	315,351	331,291
With donor restrictions	3,656,572	3,108,087
Total net assets	16,117,720	14,195,555
Total liabilities and net assets	$ 23,561,116	$ 21,458,851

See accompanying notes to financial statements.

NATIONAL SKEET SHOOTING ASSOCIATION

STATEMENT OF ACTIVITIES

Year Ended November 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, support, and other changes:			
Memberships dues - individual and clubs	$ 1,580,074	$ -	$ 1,580,074
Event registration, tickets, and entry fees	5,638,368	-	5,638,368
Registered target fees	1,299,455	449,279	1,748,734
Advertising revenue	557,962	-	557,962
Donations, sponsorships, and affinity programs	809,305	637,980	1,447,285
Instructor school and referee certification	120,255	-	120,255
Open shooting and practice	757,273	-	757,273
Rental income	601,599	-	601,599
Sales	2,362,013	-	2,362,013
Net investment income	773,537	139,188	912,725
Gain on disposal of property and equipment	4,152	-	4,152
Employee retention credit	400,147	-	400,147
Net assets released from restrictions	677,962	(677,962)	-
Total revenues, support, and other changes	15,582,102	548,485	16,130,587
Program activities:			
Association expenses	2,201,641	-	2,201,641
National Shooting Complex expenses	9,001,435	-	9,001,435
Total program activities	11,203,076	-	11,203,076
Supporting activities:			
Fundraising and development	17,138	-	17,138
Management and general	2,081,865	-	2,081,865
Membership magazines	906,343	-	906,343
Total supporting activities	3,005,346	-	3,005,346
Total expenses	14,208,422	-	14,208,422
Changes in net assets	1,373,680	548,485	1,922,165
Net assets at beginning of year	11,087,468	3,108,087	14,195,555
Net assets at end of year	$ 12,461,148	$ 3,656,572	$ 16,117,720

See accompanying notes to financial statements.

NATIONAL SKEET SHOOTING ASSOCIATION

STATEMENT OF ACTIVITIES

Year Ended November 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, support, and other changes:			
Memberships dues - individual and clubs	$ 1,506,600	$ -	$ 1,506,600
Event registration, tickets, and entry fees	4,893,222	-	4,893,222
Registered target fees	1,247,465	425,800	1,673,265
Advertising revenue	616,703	-	616,703
Donations, sponsorships, and affinity programs	649,108	203,573	852,681
Instructor school and referee certification	196,405	-	196,405
Open shooting and practice	740,025	-	740,025
Rental income	564,119	-	564,119
Sales	2,233,413	-	2,233,413
Net investment income	1,224,248	154,407	1,378,655
Gain on disposal of property and equipment	3,674	-	3,674
Net assets released from restrictions	660,576	(660,576)	-
Total revenues, support, and other changes	14,535,558	123,204	14,658,762
Program activities:			
Association expenses	2,385,356	-	2,385,356
National Shooting Complex expenses	7,767,439	-	7,767,439
Total program activities	10,152,795	-	10,152,795
Supporting activities:			
Fundraising and development	66,405	-	66,405
Management and general	1,741,057	-	1,741,057
Membership magazines	906,574	-	906,574
Total supporting activities	2,714,036	-	2,714,036
Total expenses	12,866,831	-	12,866,831
Changes in net assets	1,668,727	123,204	1,791,931
Net assets at beginning of year	9,418,741	2,984,883	12,403,624
Net assets at end of year	$ 11,087,468	$ 3,108,087	$ 14,195,555

See accompanying notes to financial statements.

NATIONAL SKEET SHOOTING ASSOCIATION

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended November 30, 2025

	Program Activities				Supporting Activities				
	Skeet Association	Sporting Clays Association	National Shooting Complex	Total Program Expenses	Fundraising and Development	Management and General	Membership Magazines	Total Supporting Expenses	Total Expenses
Salaries, benefits, and taxes	$ 194,454	$ 253,800	$ 1,583,746	$ 2,032,000	$ -	$ 1,153,696	$ 97,003	$ 1,250,699	$ 3,282,699
Costs of sales	2,218	5,028	1,686,861	1,694,107	-	-	-	-	1,694,107
Advertising and promotional	64,792	126,989	220,960	412,741	-	-	600	600	413,341
Contracted services - events	113,089	4,178	1,031,883	1,149,150	-	-	-	-	1,149,150
Prizes and awards	162,938	94,442	876,116	1,133,496	-	-	-	-	1,133,496
Printing and editing	-	-	24,983	24,983	-	-	696,606	696,606	721,589
Travel	25,466	52,799	229,082	307,347	-	7,086	-	7,086	314,433
Targets	-	-	1,223,797	1,223,797	-	-	-	-	1,223,797
Facilities and maintenance	1,335	9,342	743,701	754,378	-	252,704	-	252,704	1,007,082
Depreciation	44,201	24,832	549,233	618,266	-	-	-	-	618,266
Professional fees	21,185	59,185	76,082	156,452	11,450	111,955	16,500	139,905	296,357
Instructor school/referee certification	10,091	79,037	-	89,128	-	1,922	-	1,922	91,050
Insurance	-	-	1,099	1,099	-	153,744	-	153,744	154,843
Supplies and other expenses	90,650	343,368	260,316	694,334	5,688	121,556	93,398	220,642	914,976
Banking/financial services	647	82,754	394	83,795	-	230,183	2,236	232,419	316,214
Equipment rental/leases	-	-	156,423	156,423	-	49,019	-	49,019	205,442
Grants/donations/scholarships	120,873	105,818	10,748	237,439	-	-	-	-	237,439
Event expense	64,692	43,438	326,011	434,141	-	-	-	-	434,141
	$ 916,631	$ 1,285,010	$ 9,001,435	$ 11,203,076	$ 17,138	$ 2,081,865	$ 906,343	$ 3,005,346	$ 14,208,422

See accompanying notes to financial statements.

NATIONAL SKEET SHOOTING ASSOCIATION

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended November 30, 2024

	Program Activities				Supporting Activities				
	Skeet Association	Sporting Clays Association	National Shooting Complex	Total Program Expenses	Fundraising and Development	Management and General	Membership Magazines	Total Supporting Expenses	Total Expenses
Salaries, benefits, and taxes	$ 254,559	$ 332,752	$ 1,530,035	$ 2,117,346	$ -	$ 812,190	$ 92,146	$ 904,336	$ 3,021,682
Costs of sales	4,881	-	1,264,566	1,269,447	-	-	-	-	1,269,447
Advertising and promotional	66,382	238,639	183,743	488,764	-	-	1,150	1,150	489,914
Contracted services - events	113,373	9,185	809,461	932,019	-	-	-	-	932,019
Prizes and awards	165,672	124,634	709,882	1,000,188	-	-	-	-	1,000,188
Printing and editing	-	-	26,386	26,386	-	-	711,861	711,861	738,247
Travel	19,021	68,273	147,988	235,282	-	6,731	-	6,731	242,013
Targets	-	-	1,075,136	1,075,136	-	-	-	-	1,075,136
Facilities and maintenance	1,608	10,031	752,111	763,750	-	228,932	-	228,932	992,682
Depreciation	44,054	26,327	498,172	568,553	-	-	-	-	568,553
Professional fees	5,500	49,500	103,368	158,368	26,950	126,092	19,500	172,542	330,910
Instructor school/referee certification	22,866	99,218	-	122,084	-	600	-	600	122,684
Insurance	-	-	5,543	5,543	-	224,582	-	224,582	230,125
Supplies and other expenses	95,309	305,877	232,338	633,524	11,708	72,721	81,792	166,221	799,745
Banking/financial services	823	68,914	2,683	72,420	-	220,006	125	220,131	292,551
Equipment rental/leases	-	-	117,211	117,211	-	49,203	-	49,203	166,414
Grants/donations/scholarships	93,503	71,510	-	165,013	25,000	-	-	25,000	190,013
Event expense	49,990	42,955	308,816	401,761	2,747	-	-	2,747	404,508
	$ 937,541	$ 1,447,815	$ 7,767,439	$ 10,152,795	$ 66,405	$ 1,741,057	$ 906,574	$ 2,714,036	$ 12,866,831

See accompanying notes to financial statements.

NATIONAL SKEET SHOOTING ASSOCIATION

STATEMENTS OF CASH FLOWS

	Year Ended November 30, 2025	2024
Cash Flows from Operating Activities:		
Changes in net assets	$ 1,922,165	$ 1,791,931
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	618,266	568,553
Gain on disposal of property and equipment	(4,152)	(3,674)
Amortization of right-of-use assets	110,940	97,018
Credit losses	2,391	-
Net realized and unrealized gain on investments	(899,248)	(1,350,954)
Restricted endowment contributions	(443,040)	(147,251)
Changes in operating assets and liabilities:		
Receivables	535,316	(440,717)
Inventory	326,622	237,893
Prepaid expenses	(18,832)	39,730
Accounts payable and accrued expenses	(110,957)	505,009
Unearned and deferred revenue	368,079	347,769
Net cash provided by operating activities	2,407,550	1,645,307
Cash Flows from Investing Activities:		
Proceeds from sales of property and equipment	5,660	-
Proceeds from sales of investments	300,000	1,450,000
Purchases of property and equipment	(1,181,759)	(1,424,165)
Purchases of investments	(2,696,582)	(711,126)
Net cash used in investing activities	(3,572,681)	(685,291)
Cash Flows from Financing Activities:		
Payments on finance lease liabilities	(107,023)	(95,969)
Restricted endowment contributions	443,040	147,251
Net cash provided by financing activities	336,017	51,282
Net increase (decrease) in cash and cash equivalents	(829,114)	1,011,298
Cash and cash equivalents at beginning of year	1,170,189	158,891
Cash and cash equivalents at end of year	$ 341,075	$ 1,170,189
Supplemental Disclosure of Non-Cash Information:		
Property and equipment acquired through accounts payable	$ 30,000	$ -
Right-of-use assets assumed through lease liabilities	$ -	$ 299,658

See accompanying notes to financial statements.

NATIONAL SKEET SHOOTING ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

November 30, 2025 and 2024

A. Nature of Operations

Founded in 1946 and headquartered in San Antonio, Texas, the National Skeet Shooting Association ("NSSA") was incorporated in 1984 in the state of Texas as a nonprofit 501(c)(3) tax-exempt organization owned and operated by its members. Its purpose is to foster national and international amateur sports competition in shotgun target shooting, particularly skeet and sporting clay shooting. A few of the means by which NSSA accomplishes its purpose are: (1) educating individuals in the proper conduct and effective techniques of shotgun target shooting and the safe and efficient handling of shotguns; (2) assisting other organizations in promoting amateur shotgun target shooting by maintaining a standard set of rules and regulations, keeping records, and publicizing activities; (3) sponsoring an annual World Skeet Shooting and National Sporting Clays Championship; and (4) publishing a monthly magazine called Clay Target Nation. In addition, National Sporting Clays Association ("NSCA") is a division of NSSA and accomplishes many of the same objectives indicated above through the competition in sporting clays.

B. Summary of Significant Accounting Policies

A summary of NSSA's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting applicable to nonprofit organizations in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Support and revenue are reported as an increase in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of restrictions on net assets (e.g., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Under these provisions, net assets and revenue, expenses, gains, and losses are classified based upon the following criteria:

Without Donor Restrictions: Funds consist of net assets that are not subject to donor-imposed restrictions. Net assets without donor restrictions result from operating revenues, unrestricted contributions, and unrestricted dividend and interest income.

B. Summary of Significant Accounting Policies – continued

Basis of Accounting – continued

With Donor Restrictions: Funds consist of assets that are subject to donor-imposed stipulations that require the passage of time or the occurrence of a specified event. When the donor restriction expires, the 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.

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

NSSA considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. At November 30, 2025 and 2024, NSSA had no such investments.

Investments

Investments, which include cash and cash earmarked for investment purposes, are stated at fair value based upon quoted market prices, when available, or estimates of fair value in the statements of financial position. Unrealized gains and losses are included in the statements of activities.

NSSA has an investment policy that sets guidelines and constraints to ensure the portfolio is appropriately diversified. NSSA invests in a professionally managed portfolio that primarily contains common stock of publicly traded companies, mutual funds, and certificates of deposits. Such investments are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term would materially affect investment balances and the amounts reported in the financial statements. Market volatility of equity-based investments is expected to substantially impact the value of such investments at any given time. Management evaluates the investment portfolio on an ongoing basis.

B. Summary of Significant Accounting Policies – continued

Trade Receivables and Allowance for Credit Losses

Receivables are recorded at the invoiced amount and do not typically bear interest. NSSA regularly monitors and assesses its risk of not collecting amounts owed from customers. NSSA operates in the sports competition industry, and its accounts receivable are primarily derived from contracts with customers. At each statement of financial position date, NSSA recognizes an expected allowance for credit losses. In addition, at each reporting date, this estimate is updated to reflect any changes in credit risk since the receivable was initially recorded. This estimate is calculated on a pooled basis where similar risk characteristics exist. If applicable, accounts receivable are evaluated individually when they do not share similar risk characteristics which could exist in circumstances where amounts are considered at risk or uncollectible.

The allowance estimate is derived from a review of NSSA's historical losses based on the aging of receivables. This estimate is adjusted for management's assessment of current conditions, reasonable and supportable forecasts regarding future events, and any other factors deemed relevant by NSSA. NSSA believes historical loss information is a reasonable starting point in which to calculate the expected allowance for credit losses as NSSA's portfolio segment has remained constant since NSSA's inception. Due to the infrequent nature of credit losses, no allowance for credit losses has been recorded as of November 30, 2025 or 2024.

NSSA writes off receivables when there is information that indicates the debtor is facing significant financial difficulty and there is no possibility of recovery. If any recoveries are made from any accounts previously written off, they will be recognized in income in the year of recovery, in accordance with NSSA's accounting policy election. The total amount of write-offs was immaterial to the financial statements as a whole for the years ended November 30, 2025 and 2024.

Inventory

Inventory is stated at the lower of cost (weighted average method) or market (net realizable value).

Property and Equipment

Property and equipment are stated at cost if purchased, or fair value if donated. Depreciation is calculated on the straight-line method based on the following estimated useful lives: buildings and improvements - five to 35 years and equipment and furniture - three to 30 years. NSSA has adopted a capitalization policy for property and equipment of $500.

Impairment of Long-Lived Assets

NSSA reviews the carrying value of property and equipment for impairment whenever events and circumstances indicate the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets.

B. Summary of Significant Accounting Policies – continued

Impairment of Long-Lived Assets – continued

The factors considered by management in performing this assessment include current operating results; trends and prospects; and the effects of obsolescence, demand, competition, and other economic factors. NSSA did not recognize an impairment loss during the year ended November 30, 2025 or 2024.

Donated Property and Equipment

Donations of property and equipment are recorded as support at their estimated fair value. Such donations, if any, are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, NSSA reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. NSSA reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Revenue Recognition

NSSA recognizes noncontribution revenue in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification 606, which provides a five-step model for recognizing revenues from contracts with customers, as follows:

- Identify the contract with a customer.
- Identify the performance obligations in the contract.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations in the contract.
- Recognize revenue when or as performance obligations are satisfied.

NSSA recognizes revenue from contracts with customers from membership dues, event registration, tickets and entry fees, registered target fees collected, advertising revenue, sponsorships, instructor school and referee certification, open shooting/practice, and sales.

Membership Dues: Membership revenue includes fees associated with NSSA and NSCA memberships. Performance obligations include a monthly printed magazine or weekly e-newsletter subscription, access to the National Shooting Complex, access to members-only features at MyNSSA.com, and computerized scorekeeping. Memberships are paid for at the time of or in advance of delivering the services. Revenue from such arrangements is recognized over the membership period.

B. Summary of Significant Accounting Policies – continued

Revenue Recognition – continued

Event Registration, Tickets, Entry Fees, Instructor School and Referee Certification, and Open Shooting/Practice: Revenue is recognized when the performance obligation is satisfied, which is at the time the event occurs.

Registered Target Fees Collected: NSSA records the targets and scores of NSSA sanctioned events. Affiliate clubs host events, and the scores of the participants are subsequently recorded and posted to NSSA's records. Clubs pre-register events with NSSA; once targets are thrown, they are considered registered and subsequently recorded by NSSA. Revenue is recognized as the targets are thrown by the club and recorded by NSSA.

Sales: NSSA sells sporting equipment for skeet shooting and clay shooting at the Ammo Barn and Pro-Shop located at the National Shooting Complex. Revenue is recognized when control of the goods is transferred to the customer, which generally occurs upon delivery to a third-party carrier or the customer.

Sponsorships and Advertising: NSSA has entered into agreements with businesses and individuals for advertising and sponsorships that are generally renewed annually. The agreements entered into include multiple performance obligations, primarily for advertisements in published newsletters, magazines, event programs, and for signage on-site at the National Shooting Complex. The transaction price is allocated to each performance obligation using the relative stand-alone selling price, which is generally based on observable selling prices of the products and services included in the contracts.

Revenue from sponsorships is classified within donations, sponsorships, and affinity programs on the statements of activities. For the years ended November 30, 2025 and 2024, revenue from sponsorships totaled $483,589 and $361,085, respectively.

Contract Balances: The timing of revenue recognition may not align with the right to invoice the customer. NSSA records accounts receivable when it has the unconditional right to issue an invoice and receive payment, regardless of whether revenue has been recognized. If revenue has not yet been recognized, a contract liability (deferred revenue) also is recorded. If revenue is recognized in advance of the right to invoice, a contract asset (unbilled receivable) is recorded.

Payment terms on invoiced amounts are typically 30 days. In instances where the timing of revenue recognition differs from the timing of the right to invoice, NSSA has determined that a significant financing component generally does not exist. The primary purpose of NSSA's invoicing terms is to provide customers with simplified and predictable ways of purchasing the products and services and not to receive financing from or provide financing to the customer.

B. Summary of Significant Accounting Policies – continued

Revenue Recognition – continued

Donations and Affinity Programs: Contributions are recorded at fair value when NSSA is in possession of or receives an unconditional promise to give. Contributions are recorded as with or without donor restrictions based on the existence or nature of any donor restrictions. As donor or time restrictions are satisfied, net assets are reclassified to net assets without donor restrictions. NSSA's policy is to report restricted support that is satisfied in the year of receipt as restricted and then fully released in the same year.

Unconditional promises to give, or pledges, are recorded in the financial statements when there is sufficient evidence in the form of verifiable documentation that a promise is made and received. Pledges receivable of more than one year are discounted to an estimated present value. Conditional promises to give are not recognized until the conditions on which they depend are met. No conditional promises to give have been received for the years ended November 30, 2025 or 2024.

Contributed services that create or enhance nonfinancial assets or that require specialized skills that are provided by individuals possessing those skills, and which would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. Contributed goods are recorded at their fair value in the period received.

Unearned Exhibitor Buildings and Camper Rental Revenue: NSSA leases three buildings to exhibitors and rental space to campers who have prepaid for the use of those facilities over a period of up to 10 years.

Functional Allocation of Expenses

The costs of providing various programs and activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs including salaries, payroll benefits and taxes, depreciation, and repair and maintenance of facilities have been allocated among the programs and supporting services benefited.

Federal Income Taxes

NSSA is a nonprofit organization and is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code (the "Code"), except to the extent it has unrelated business activities. As such, no provision for federal income taxes has been made in the accompanying financial statements. Uncertain tax provisions, if any, are recorded in accordance with accounting guidance for income taxes, which requires the recognition of a liability for tax provisions taken that do not meet the more likely than not standard that the position will be sustained upon examination by the taxing authorities. There is no liability for uncertain tax positions recorded as of November 30, 2025 or 2024.

B. Summary of Significant Accounting Policies – continued

Contingencies

Certain conditions may exist as of the date the financial statements are issued, which may result in a loss to NSSA, but which will only be resolved when one or more future events occur or fail to occur. NSSA's management and its legal counsel assess such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against NSSA or unasserted claims that may result in such proceedings, NSSA's legal counsel evaluates the perceived merits of any legal proceedings or unasserted claims, as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in NSSA's financial statements. If the assessment indicates a potentially material loss contingency is not probable, but is reasonably possible, or is probable, but cannot be estimated, then the nature of the contingent liability, together with an estimate of the range of possible loss, if determinable and material, would be disclosed. Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the guarantees would be disclosed.

Advertising

Advertising costs totaled $48,871 and $47,326 for the years ended November 30, 2025 and 2024, respectively, and are expensed as incurred.

Adoption of New Accounting Standards

During 2025, NSSA adopted FASB Accounting Standards Update ("ASU") 2025-05: *Measurement of Credit Losses for Accounts Receivable and Contract Assets*, which provides a practical expedient for an entity to assume that current conditions as of the statement of financial position date will persist through the reasonable and supportable forecast period for eligible assets, as well as provides a policy election to consider subsequent collections of balances received after the statement of financial position date through a date selected by the entity. NSSA applied the standard on a prospective basis to its eligible assets of accounts receivable. There was no material impact on NSSA's results of operations or financial condition upon adoption of the new standard.

C. Investments

Investments are valued at market value, as determined by their closing sales prices at November 30, 2025 and 2024. The following are the major categories of assets measured at fair value on a recurring basis using quoted prices in active markets for identical assets at November 30:

	2025	
	Cost	Fair Market Value
Cash	$ 182,180	$ 182,180
Domestic stocks	3,108,443	3,421,980
Certificates of deposit	500,000	504,382
Mutual funds	537,969	567,617
Money market funds	2,954,224	2,954,224
Alternative investments	890,420	890,014
Exchange-traded and closed-end funds	2,017,697	2,121,381
Corporate fixed income	1,108,755	1,117,276
Government securities	1,287,209	1,305,158
Total	$12,586,897	$13,064,212

	2024	
	Cost	Fair Market Value
Cash	$ 155,802	$ 155,802
Domestic stocks	849,390	1,608,380
Mutual funds	5,701,821	6,885,162
Money market funds	1,119,038	1,119,038
Total	$ 7,826,051	$ 9,768,382

During the years ended November 30, 2025 and 2024, NSSA had brokerage fees of $36,132 and $58,301, respectively, on these investments and other cash balances. These have been netted against investment income in the statements of activities.

D. Fair Value Measurements and Disclosures

The requirements of *Fair Value Measurements and Disclosures* of U.S. GAAP apply to all financial instruments and all nonfinancial assets and nonfinancial liabilities that are being measured and reported on a fair value basis. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. *Fair Value Measurements and Disclosures* also establishes a fair value hierarchy that prioritizes the inputs used in valuation methodologies into the following three levels.

D. Fair Value Measurements and Disclosures – continued

Level 1: Inputs are unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs are observable and other than Level 1 prices, such as quoted prices for similar assets or liabilities, or other inputs that can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Inputs are unobservable and are supported by little or no market activity and are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or other valuation techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

The following table summarizes the assets measured at fair value on a recurring basis segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

	Fair Value Measurement at November 30, 2025			
	Level 1	**Level 2**	**Level 3**	**Total**
Domestic stocks	$ 3,421,980	$ -	$ -	$ 3,421,980
Money market funds	2,954,224	-	-	2,954,224
Mutual funds	567,617	-	-	567,617
Certificates of deposit	-	504,382	-	504,382
Exchange-traded and closed-end funds	2,121,381	-	-	2,121,381
Corporate fixed income	-	1,117,276	-	1,117,276
Government securities	1,305,158	-	-	1,305,158
	$10,370,360	$ 1,621,658	$ -	11,992,018
Investments measured at net asset value[(a)]				890,014
No fair value measurement assigned:				
Cash				182,180
				$13,064,212

D. Fair Value Measurements and Disclosures – continued

	Fair Value Measurement at November 30, 2024			
	Level 1	**Level 2**	**Level 3**	**Total**
Domestic stocks	$ 1,608,380	$ -	$ -	$ 1,608,380
Money market funds	1,119,038	-	-	1,119,038
Mutual funds	6,885,162	-	-	6,885,162
	$ 9,612,580	$ -	$ -	9,612,580
No fair value measurement assigned:				
Cash				155,802
				$ 9,768,382

[(a)] In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of financial position.

These items are classified in their entirety based on the lowest priority level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement of assets and liabilities within the levels of the fair value hierarchy.

E. Profit Sharing Plan

The Board approved a profit-sharing plan (the "Plan") effective January 1, 1993, in which substantially all full-time employees become qualified participants after attaining 21 years of age and completing one year of continuous employment with NSSA. NSSA's contribution was determined annually by the Board but could not exceed the maximum allowable deduction permitted under the Code at the time of the contribution.

This Plan was restated effective January 1, 2005, as the National Skeet Shooting Association 401(k) Profit Sharing Plan. NSSA makes a nonelective matching contribution equal to 100% of elective deferrals of the first 3% of a participant's base compensation, plus 50% of elective deferrals up to 7% of a participant's base compensation. Total contributions for the years ended November 30, 2025 and 2024, were $46,315 and $41,533, respectively.

F. Commitments and Contingencies

Claims and Litigation

NSSA is involved in claims and litigation in the normal course of business. Management believes the applicable insurance coverage is adequate to cover costs of settlement and defense of such claims and litigation.

Environmental Remediation

NSSA has instituted a lead management program to control and contain lead migration and to take all practical steps to remove and recycle lead. In the event the real estate of NSSA is sold, the buyer may request remediation as a condition of the sale. Because there is no legal or contractual requirement to remediate the property, and the extent of remediation, if any, is unknown, no liability is recorded in the financial statements.

G. Line of Credit

In June 2020, NSSA entered into a $3,000,000 line of credit, which expired and was renewed in June 2022, available with a local bank at prime rate plus 0.25% (7.25% and 8.00% at November 30, 2025 and 2024, respectively). The collateral and security for the indebtedness is real property. On June 24, 2026, the line of credit was renewed for the same terms and matures in July 2028. There was no outstanding balance on the line of credit at November 30, 2025 or 2024.

H. Inventory

Inventory consists of the following at November 30:

	2025	2024
General store merchandise	$ 25,103	$ 17,280
Targets	279,825	317,634
Ammunition	47,071	356,175
Guns	102,583	90,115
	$ 454,582	$ 781,204

I. Property and Equipment

A summary of property and equipment is as follows at November 30:

	2025	2024
Land and improvements	$ 4,475,909	$ 4,475,909
Buildings and improvements	9,900,690	9,446,134
Equipment and furniture	2,832,536	2,621,836
Construction in progress	872,769	338,473
	18,081,904	16,882,352
Less accumulated depreciation	9,327,500	8,719,933
	$ 8,754,404	$ 8,162,419

J. Unearned and Deferred Revenue

Unearned and deferred revenue consists of the following at November 30:

	2025	2024
Annual dues		
Sporting clays and skeet	$ 131,795	$ 74,528
Clubs	48,025	45,500
Three-year membership dues	371,881	383,899
Lifetime membership dues	3,705,839	3,729,230
Prepaid exhibitor buildings and camper rental	8,797	7,587
Advanced deposits-subsequent year shoots	1,543,526	1,201,040
	5,809,863	5,441,784
Less current portion	2,269,897	1,867,538
	$ 3,539,966	$ 3,574,246

K. Major Suppliers

For the year ended November 30, 2025, approximately $4,138,173 of NSSA's ammunition and clay target purchases were purchased from four suppliers. For the year ended November 30, 2024, approximately $5,797,308 of NSSA's ammunition and clay target purchases were purchased from four suppliers. At November 30, 2025 and 2024, there were $113,169 and $0, respectively, outstanding trade payables to these suppliers. Other suppliers would be available if needed.

L. Net Assets with Donor Restrictions

Net assets restricted by time or purpose consist of the following at November 30:

	2025	2024
NSCA USA Sporting Clays Team	$ 191,235	$ 209,099
Scholarships	185,362	169,037
Youth education	59,652	63,622
NSCA Marketing Fund	868,970	786,438
NSSA Marketing Fund	567,831	558,371
Museum Fund	20,813	51,247
NSSA/NSCA Endowment Fund	1,760,787	1,270,273
Museum Expansion	1,922	-
	$ 3,656,572	$ 3,108,087

Net assets released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors are as follows at November 30:

	2025	2024
NSCA USA Sporting Clays Team	$ 237,780	$ 129,990
Scholarships	29,375	25,000
Youth education	4,000	6,000
NSCA Marketing Fund	281,585	410,486
NSSA Marketing Fund	75,702	62,159
Museum Fund	47,805	23,693
Kolar US Open Future Event Fund	-	3,248
NSSA/NSCA Endowment Fund	1,715	-
	$ 677,962	$ 660,576

M. Endowment Funds

Interpretation of Relevant Law for Donor-Restricted Endowment Funds

In July 2006, the Uniform Law Commission approved the Uniform Prudent Management of Institutional Funds Act of 2006 ("UPMIFA") as a modernized version of the Uniform Management of Institutional Funds Act of 1972, the model act governing the investment and management of donor-restricted endowment funds by not-for-profit organizations. Among its changes, UPMIFA prescribes new guidelines for expenditure of a donor-restricted endowment fund, including Subsection 4(a), which states, "unless stated otherwise in the gift instrument, the assets in an endowment fund are donor-restricted assets until appropriated for expenditure by the institution."

M. Endowment Funds – continued

Interpretation of Relevant Law for Donor-Restricted Endowment Funds – continued

Management has interpreted the Texas Uniform Prudent Management of Institutional Funds Act ("TUPMIFA") as requiring the preservation of fair value of the original gift as of the gift date of the donor-restricted endowment fund, absent explicit donor stipulations to the contrary. As a result, NSSA classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in net assets held in perpetuity is classified as net assets restricted by time or purpose until those amounts are appropriated for expenditure by NSSA in a manner consistent with the standard of prudence prescribed by TUPMIFA. In accordance with TUPMIFA, NSSA considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund;
- The purposes of the organization and the donor-restricted endowment fund;
- General economic conditions;
- The possible effect of inflation and deflation;
- The expected total return from income and the appreciation of investments;
- Other resources of NSSA; and
- The investment policies of NSSA.

The endowment net assets composition by type of fund is comprised of the following:

	November 30, 2025		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Donor-restricted endowment funds	$ -	$ 1,760,787	$ 1,760,787
Board-designated endowment funds	315,351	-	315,351
Total endowment funds	$ 315,351	$ 1,760,787	$ 2,076,138

M. Endowment Funds – continued

	November 30, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 1,270,273	$ 1,270,273
Board-designated endowment funds	331,291	-	331,291
Total endowment funds	$ 331,291	$ 1,270,273	$ 1,601,564

NSSA had the following changes in endowment net assets:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets at November 30, 2023	$ 235,229	$ 1,082,916	$ 1,318,145
Contributions	75,053	32,950	108,003
Investment return, net	46,009	154,407	200,416
Appropriated for expenditure	(25,000)	-	(25,000)
Endowment net assets at November 30, 2024	331,291	1,270,273	1,601,564
Contributions	11,461	353,040	364,501
Investment return, net	42,264	139,189	181,453
Appropriated for expenditure	(69,665)	(1,715)	(71,380)
Endowment net assets at November 30, 2025	$ 315,351	$ 1,760,787	$ 2,076,138

Return Objectives and Risk Parameters

The NSSA endowment funds are managed by the investment manager, and NSSA has adopted an investment policy for the endowment assets, which attempts to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that NSSA must hold in perpetuity or for a donor-specified period(s), as well as Board-designated funds. Under this policy, as approved by the Board, the endowment assets are invested in a manner that is intended to produce results which, when compared to the current marketplace, would be better than average performance for fund managers with similar styles primarily based upon three-year rolling returns and net of (after) investment fees and expenses. NSSA expects its endowment funds, over time, to provide an average rate of return comparable to the benchmarks outlined in the investment policy. Actual returns in any given year may vary from these benchmarks.

M. Endowment Funds – continued

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the investment manager diversifies its portfolio among a number of investments, within the feasibility of cost efficiency, to limit risk and maximize investment opportunities. The goal of the investment manager is to achieve consistent positive real returns and maximize long-term return within prudent levels of risk through a well-diversified portfolio of investments primarily in common stock and bond funds.

Spending Policy

NSSA's current practice is to approve the annual budget for appropriation of expenditures. A formal spending or disbursement policy has not been adopted since NSSA is building the endowment fund balance prior to appropriating amounts for expenditure.

N. Credit Risk

NSSA maintains its cash in bank deposit accounts that, at times, may exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation up to $250,000. NSSA has not experienced any losses in such accounts. See Note S for further discussion held.

O. Leases

A lease provides the lessee the right to control the use of an identified asset for a period of time in exchange for consideration. Finance lease right-of-use assets ("ROU assets") represent NSSA's right to use an underlying asset for the lease term. Finance lease liabilities ("lease liabilities") represent NSSA's obligation to make lease payments arising from the lease. NSSA determines if an arrangement is a lease at inception. ROU assets and lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. NSSA excludes short-term leases having initial terms of 12 months or less from ROU assets and lease liabilities and recognizes rent expense on a straight-line basis over the lease term.

NSSA has leases for certain equipment. Most operating leases contain renewal options that provide for rent increases based on prevailing market conditions. NSSA has lease extension terms for its equipment that have either been extended or are likely to be extended. The terms used to calculate the ROU assets and lease liabilities for these properties include the renewal options that NSSA is reasonably certain to exercise.

The discount rate used to determine the commencement date present value of lease payments is the interest rate implicit in the lease, or when that is not readily determinable, NSSA utilizes its secured borrowing rate. ROU assets include any lease payments required to be made prior to commencement and exclude lease incentives. Both ROU assets and lease liabilities exclude variable payments not based on an index or rate, which are treated as period costs. NSSA's lease agreements do not contain significant residual value guarantees, restrictions, or covenants.

O. Leases – continued

Total finance lease costs for amortization of ROU assets and interest on lease liabilities during the years ended November 30, 2025 and 2024, were approximately $125,000 and $96,000, respectively. Short-term lease costs, for leases with terms of less than 12 months, during 2025 and 2024 were approximately $205,000 and $146,000, respectively.

Maturities of lease liabilities as of November 30, 2025, are as follows:

	Finance Leases
2026	$ 127,607
2027	112,980
2028	59,105
2029	-
Thereafter	-
Total lease payments	299,692
Less present value discount	(16,739)
Lease liabilities	$ 282,953

Weighted average lease term and discount rate as of November 30, 2025 and 2024, are as follows:

	2025	2024
Weighted average remaining lease term (years)		
Finance leases	2.57	3.54
Weighted average discount rate		
Finance leases	4.37%	4.36%

Cash paid during the years ended November 30, 2025 and 2024, for finance leases is as follows:

	2025	2024
Finance leases		
Operating cash flows	$ 14,892	$ 10,487
Financing cash flows	$ 107,023	$ 95,969

ROU assets obtained in exchange for lease liabilities during the years ended November 30, 2025 and 2024, are as follows:

	2025	2024
Finance leases	$ -	$ 299,658

P. Related-Party Transactions

The current NSSA executive director's wife is the owner of EVO Business, and NSSA has a contract with EVO Business to market sponsorship opportunities and advertising.

The contract with EVO Business is in effect until December 31, 2026. EVO Business receives commissions of 20% for new sponsors and for new sponsor agreements from existing sponsors, and 15% for all renewing sponsorship agreements. EVO Business also receives a 15% commission on advertising sales for existing advertisers and a 20% commission on advertising sales for new advertisers in the first 12 months. During the years ended November 30, 2025 and 2024, $186,724 and $194,367, respectively, was billed and expensed in relation to these contracts.

Q. Financial Assets Available and Liquidity

The following reflects NSSA's financial assets as of November 30, 2025 and 2024, reduced by amounts not available for general expenditures due to contractual or donor-imposed restrictions within one year.

	2025	2024
Cash	$ 341,075	$ 1,170,189
Accounts receivable-trade and life members	303,535	523,868
Pledges receivable	89,200	179,200
Other receivables, net	34,427	261,801
Investments	11,098,603	8,350,808
Endowment investments	1,965,609	1,417,574
Total financial assets	13,832,449	11,903,440
Less:		
Amounts subject to donor restrictions	3,656,572	3,108,087
Amounts board-designated	315,351	331,291
Financial assets not available to be used within one year	3,971,923	3,439,378
Financial assets available to meet cash needs for general expenditures within one year	$ 9,860,526	$ 8,464,062

NSSA is supported by membership dues, event and target fees, advertising revenue, donations and sponsorship programs, merchandise sales, rental income, and investment income. All sources of income without donor restrictions are considered to be available to meet cash needs for general expenditures. General expenditures include program and support, fundraising and development, management and general, and membership magazine expenses.

Q. Financial Assets Available and Liquidity – continued

NSSA manages its cash available to meet general expenditures by operating within a prudent range of financial soundness and stability and maintaining a sufficient level of asset liquidity. NSSA also has access to a line of credit available with a local bank in the amount of $3,000,000 to draw upon as needed. See Note G.

NSSA's governing board has designated a portion of its resources to support future expenses related to maintaining life memberships. Those amounts are identified in the table above.

R. Employee Retention Credit

In March 2020, the Treasury Department and Internal Revenue Service enacted the Employee Retention Credit ("ERC") program, which was a credit designed to encourage organizations to keep employees on their payroll. During the year ended November 30, 2025, the Organization received an ERC of approximately $400,000, which is included within employee retention credit on the accompanying statement of activities for the year ended November 30, 2025.

S. Subsequent Events

In preparing the financial statements, management has evaluated all subsequent events and transactions for potential recognition or disclosure through October 7, 2026, the date the financial statements were available for issuance.

During July 2026, NSSA experienced a fraud loss of $483,501. The matter has been reported to the appropriate parties, and management continues to pursue recovery of the funds through available channels. The ultimate outcome and amount of any recovery cannot be determined as of the date the financial statements were available for issuance.