SIMON'S Heart

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Simon's Heart
Conshohocken, Pennsylvania

Opinion

We have audited the accompanying financial statements of Simon's Heart (a nonprofit corporation), which comprise the statement of financial position as of June 30, 2025 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Simon's Heart as of June 30, 2025 and the changes in 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 Simon's Heart 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 opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

Umbriet, Wilczek & Associates, P.C.

Kennett Square, Pennsylvania
February 2, 2026

SIMON'S HEART

STATEMENT OF FINANCIAL POSITION
JUNE 30, 2025

	2025
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	$ 430,220
Accounts receivable	2,500
Promises to give	15,000
Prepaid expenses	7,440
TOTAL CURRENT ASSETS	455,160
Property and equipment, net	25,000
TOTAL ASSETS	$ 480,160
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts payable	$ 16,884
Deferred revenue	35,348
TOTAL CURRENT LIABILITIES	52,232
NET ASSETS	
Without donor restrictions	
Undesignated	355,719
Board designated	20,000
Total net assets without donor restrictions	375,719
With donor restrictions	52,209
TOTAL NET ASSETS	427,928
TOTAL LIABILITIES AND NET ASSETS	$ 480,160

SIMON'S HEART

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

	Without Donor Restrictions	With Donor Restrictions	**2025 Total**
REVENUE AND SUPPORT			
Individuals	$ 101,733	$ 15,000	$ 116,733
Foundations	56,933	-	56,933
In-kind contributions	259,600	-	259,600
Special events (less direct costs of $399,430)	278,037	-	278,037
Interest income	13,686	-	13,686
Net assets released from restrictions	20,000	(20,000)	-
TOTAL REVENUE AND SUPPORT	729,989	(5,000)	724,989
EXPENSES			
Program services	672,649	-	672,649
Management and general	59,480	-	59,480
Fundraising	23,643	-	23,643
TOTAL EXPENSES	755,772	-	755,772
CHANGE IN NET ASSETS	(25,783)	(5,000)	(30,783)
NET ASSETS - BEGINNING OF YEAR	401,502	57,209	458,711
NET ASSETS - END OF YEAR	$ 375,719	$ 52,209	$ 427,928

See Independent Auditor's Report and Notes to Financial Statements

SIMON'S HEART

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025

	Program	Management & General	Fundraising	2025 Total
COMPENSATION RELATED				
Salaries	$ 185,221	$ 8,035	$ 8,035	$ 201,291
Payroll taxes	14,044	1,823	1,823	17,690
Employee benefits	3,132	-	-	3,132
TOTAL COMPENSATION RELATED	202,397	9,858	9,858	222,113
Accounting	-	43,299	-	43,299
Advertising	13,595	32	3,800	17,427
Bank fees	4,170	450	7,329	11,949
Dues and memberships	2,257	365	1,324	3,946
Education	23,507	-	-	23,507
Insurance	7,187	1,285	-	8,472
Lease	10,031	1,770	-	11,801
Medical equipment	198,860	-	-	198,860
Medical professionals	33,240	-	-	33,240
Meetings and training	3,187	512	-	3,699
Postage	1,196	30	-	1,226
Professional services	1,427	252	-	1,679
Program expenses	106,787	-	-	106,787
Software	58,798	601	1,248	60,647
Supplies	1,968	672	-	2,640
Telephone	3,976	280	84	4,340
Travel	66	74	-	140
TOTAL EXPENSES	$ 672,649	$ 59,480	$ 23,643	$ 755,772

See Independent Auditor's Report and Notes to Financial Statements

SIMON'S HEART

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	2025
CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	$ (30,783)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
(Increase) decrease in operating assets:	
Accounts receivable	(2,500)
Promises to give	(15,000)
Prepaid expenses	135
Decrease in operating liabilities:	
Accounts payable	(3,137)
Accrued expenses	(2,101)
Deferred revenue	(8,387)
NET CASH USED BY OPERATING ACTIVITIES	(61,773)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	491,993
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 430,220

SIMON'S HEART

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Simon's Heart (the "Organization") was incorporated as a tax-exempt 501(c)(3) not-for-profit Pennsylvania corporation to raise awareness about and to prevent sudden cardiac arrest and death in children, teens and young adults. Contributions from individuals, corporations and foundations and fundraising events are the Organization's primary sources of revenue.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Financial Statement Presentation

Under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-10-65-1, the Organization is required to report information regarding its financial position and activities according to two mutually exclusive classes according to the existence or absence of donor-imposed restrictions. See Net Assets with Donor Restrictions and Net Assets without Donor Restrictions.

Net Assets with Donor Restrictions

Net assets with donor restrictions is the part of net assets of the Organization that is subject to donor-imposed restrictions (donors include other types of contributors, including makers of certain grants). Some donors impose restrictions that are temporary in nature, for example, stipulating that resources be used after a specified date, for particular programs or services, or to acquire buildings or equipment. Other donors impose restrictions that are perpetual in nature, for example, stipulating that resources be maintained in perpetuity. Laws may extend those limits to investment returns from those resources and to other enhancements (diminishments) of those resources. Thus, those laws extend donor-imposed restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction is met in the same reporting period in which the support is received and recognized.

SIMON'S HEART

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Net Assets without Donor Restrictions

Net assets without donor restrictions is the part of net assets of the Organization that is not subject to donor-imposed restrictions.

Cash and Cash Equivalents

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

Accounts Receivable

Accounts receivable are stated at the amount the Organization expects to collect. Provision for losses on receivables is made when considered necessary to maintain an adequate allowance to cover bad debts. Receivables are charged against the allowance when the Organization determines that payments will not be received. Any subsequent receipts are credited to the allowance. As of June 30, 2025, the Organization estimates that no reserve for losses on receivables is required.

Promises to Give

Unconditional promises to give are recorded at estimated fair market value at the date in which notification of such promise is received. Unconditional promises to give expected to be collected in less than one year are recorded at their net realizable value. Unconditional promises to give due in more than one year are recorded at the present value of estimated future cash flows using a risk-free rate of return on the date of donation. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Provision for losses on promises to give is made when considered necessary to maintain an adequate allowance. As of June 30, 2025, the Organization estimates that no reserve for losses on promises to give is required.

Property and Equipment

Property and equipment are recorded at cost. Major renewals and improvements are capitalized while maintenance and repairs, which do not improve or extend the life of the respective assets, are expensed. Amortization is calculated using the straight-line method of 3 years for software.

SIMON'S HEART

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Deferred Revenue

Deferred revenue consists of income received in advance of special events.

Revenue Recognition

Contributions, bequests, and gifts are recognized on receipt and formal acceptance by the Organization. Grant revenues are recognized when received or when spent, whichever occurs first. Revenue from special events is recognized as earned having applicable costs concurrently recognized. Interest is recognized as earned.

The Organization recognizes revenue when it satisfies a performance obligation by transferring control of a promised good or service to the customer. The Organization's principal activity resulting in contracts with customers is special events.

The Organization recognizes revenue from special events in the period the goods and services are provided. The performance obligation related to special events is to provide the customer with access to the event on a specified date. The transaction price is based on published rates.

Because the benefit received from special events has an original expected duration of one year or less, the Organization has elected the practical expedient and not disclosed the value of unsatisfied performance obligations and expected timing for completion related to the revenue.

Donated Materials and Services

Donated materials and services are recorded at their estimated fair value at the date of donation and have been included in revenue and expenses for the year.

The Organization receives donated services from a variety of unpaid volunteers assisting the Organization. Accounting standards require that only volunteer services that (1) create or enforce long-lived assets or (2) require specialized skills provided by individuals possessing skills that would typically need to be purchased if not donated must be recorded. The Organization receives donated services that meet this criteria. These services are recorded at estimated fair market value at the time the services are rendered and have been recognized as revenue and related expense in the accompanying financial statements.

Advertising

Advertising costs are expensed as incurred. Advertising expense was $17,427 for the year ended June 30, 2025.

SIMON'S HEART

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Leases

The Organization determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the lease payments over the lease term. The Organization does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

Allocation of Functional Expenses

The costs of providing the various programs and services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Fundraising expenses are costs related to campaigns, development, grant writing, and other fundraising efforts. Program costs consist of medical equipment and program professionals. Management and general expenses are costs directly related to the overall operation of the Organization, but are not associated with program or fundraising services. Certain management and general expenses, such as payroll, insurance, and utilities, are allocated to program and fundraising services based on the usage of employees' time and other resources available.

Income Tax Status

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code and therefore has made no provision for federal income taxes in the accompanying financial statements. The Organization is not a private foundation.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Date of Management's Review

The Organization has evaluated those events and transactions that occurred after the statement of financial position date of June 30, 2025 through February 2, 2026, the date the financial statements were available to be issued, and determined there were no other items to be disclosed.

SIMON'S HEART

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 2 – FINANCIAL ASSETS AND LIQUIDITY RESOURCES

As of June 30, 2025, financial assets and liquidity resources available within one year for general expenditures such as operating expenses were as follows:

Financial assets:		
Cash and cash equivalents	$	430,220
Accounts receivable		2,500
Promises to give		15,000
Less: donor restricted financial assets		(37,209)
Total financial assets available within one year	$	410,511

At June 30, 2025, the Organization had $410,511 of financial assets available within one year of the statement of financial position date, to meet cash needs for general expenditures. Management evaluates, at least annually, any additional investment or designated reserve options for excess liquidity, based on expected operations.

NOTE 3 – CONCENTRATION OF CREDIT RISK FOR CASH HELD IN BANK

The Organization maintains cash and cash equivalent balances at several financial institutions. These balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. One of the Organization's accounts is covered under the Securities Investor Protection Corporation (SIPC) in the amount of $500,000. In the normal course of operations, cash balances may exceed FDIC and SIPC limits. At times during the year, cash may also be temporarily held by a third-party agent that is not FDIC insured. Uninsured balances were $979 at June 30, 2025.

NOTE 4 – PROMISES TO GIVE

Unconditional promises to give consisted of the following at June 30, 2025:

Gross amounts due in less than one year	$	15,000

NOTE 5 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30, 2025:

Software	$	25,000
Less: accumulated amortization		-
Property and equipment, net	$	25,000

SIMON'S HEART

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 5 – PROPERTY AND EQUIPMENT (Cont'd)

As of June 30, 2025, software costs were still under development and not yet placed in service; therefore, the Organization did not begin amortizing the costs. The Organization will begin to amortize the costs in the year ended June 30, 2026, the year the platform was placed in service.

NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following at June 30, 2025:

HeartBytes licensing	$	32,635
Marketing internship		4,574
Time restricted promises to give		15,000
	$	52,209

Net assets with donor restrictions released during the year ended June 30, 2025 were as follows:

HeartBytes licensing	$	20,000

NOTE 7 – BOARD DESIGNATED NET ASSETS

The Organization's governing board has the authority to designate a portion of net assets without donor restrictions for specific purposes. These designations reflect internal actions by the Board and do not represent donor-imposed restrictions. As the designations are voluntary and may be modified or removed at the Board's discretion, the related net assets continue to be classified as net assets without donor restrictions.

During the year ended June 30, 2025, the Board of Directors established the Caroline Kyle Memorial Scholarship Fund, a reserve fund to be used for its annual Senior Ambassador of the Year scholarship in honor of Caroline Kyle. Board designated assets at June 30, 2025 were $20,000.

NOTE 8 – REVENUE RECOGNITION

Performance Obligations

Revenue and support received for the Organization's special events are comprised of an exchange element based upon the benefits provided to the participants and a contribution element for the portion of the payment received in excess of the participant benefits. The Organization recognizes exchange revenue from its special events at the point in time to which the special event relates. The performance obligation consists of providing participants with access to the event.

SIMON'S HEART

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 8 – REVENUE RECOGNITION (Cont'd)

Performance Obligations (Cont'd)

The Organization does not have any significant payment terms as payment is received before, during, or shortly after the contract period or at the point in time of the transaction.

Disaggregation of Revenue

The disaggregation of the timing of recognizing revenue from contracts with customers for the year ended June 30, 2025, was as follows:

	Point in Time	Over Time	Total
Special events	$ 677,467	$ -	$ 677,467

Contract Balances

The timing of revenue recognition, billings and cash collection results in billed accounts receivable, unbilled receivables (contract assets), and deferred revenue (contract liabilities) on the statement of financial position.

Accounts receivable - special events, beginning of year	$ -
Amounts received that were included in accounts receivable - special events at the beginning of the year	-
Increase in accounts receivable - special events due to amounts billed during the period	2,500
Accounts receivable - special events, end of year	$ 2,500

Contract assets arise when the Organization recognizes revenue for amounts that cannot be billed under the terms of the contract with the customer. The Organization does not have any material contract assets as of June 30, 2025.

SIMON'S HEART

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 8 – REVENUE RECOGNITION

Contract Balances (Cont'd)

Contract liabilities arise when the Organization receives payment from customers in advance of recognizing revenues. Contract liabilities include advance payments for special event sponsorships and are reported on the statement of financial position as deferred revenue.

Deferred revenue - special events, beginning of year	$	43,735
Revenue recognized that was included in contract liabilities at the beginning of the year		(43,735)
Increase in contract liabilities due to cash received during the period		35,348
Deferred revenue - special events, end of year	$	35,348

NOTE 9 – MAJOR CONTRIBUTORS

During the year ended June 30, 2025, the Organization received approximately 20% of its total revenue from one donor.

NOTE 10 – DONATED MATERIALS AND SERVICES

The Organization received contributions of the following nonfinancial assets reflected within the statement of activities for the year ended June 30, 2025:

Donated materials	$	198,860
Donated medical professional services		33,240
Donated database services		27,500
	$	259,600

All donated materials and services were utilized by the Organization's programs and supporting services. Unless otherwise noted, no donor restrictions existed for contributed nonfinancial assets.

The Organization received various types of donated materials consisting primarily of AED equipment during the year ended June 30, 2025. These materials were utilized to support all programming efforts of the Organization. Donated materials are valued at the retail prices for acquiring similar materials.

SIMON'S HEART

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10 – DONATED MATERIALS AND SERVICES (Cont'd)

The Organization received donated medical professional services for heart screenings during the year ended June 30, 2025. These services were utilized to support general programming of the Organization. Donated medical services are valued at the standard hourly rates charged for those services.

The Organization received donated database services for hosting and imaging services for the HeartBytes registry during the year ended June 30, 2025. These services were utilized to support general programming of the Organization. Donated database services are valued at the standard hourly rates charged for those services.

The Organization also received various items to be sold at its special event auction. Contributed auction items are valued based on the actual cash proceeds received from the sale of the items. These amounts have been recognized as revenue and expense in special events on the statement of activities.

NOTE 11 – LEASE COMMITMENTS

On February 1, 2023 the Organization entered into a sublease agreement to sublet furnished office space in Conshohocken, Pennsylvania. The sublease was month-to-month, with a required monthly payment of $1,000, and was cancelled by the Organization with June 2025 being the last month. Lease expense for the office space was $11,000 for the year ended June 30, 2025.

The Organization leases a storage unit under a short-term, cancelable, month-to-month lease with required monthly payments of $400. Lease expense for the storage unit was $801 for the year ended June 30, 2025.