ACTION FOR HEALTHY KIDS, INC.
AND AFFILIATE

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

TOGETHER WITH AUDITOR'S REPORT

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Dugan + Lopatka
Certified Public Accountants
4320 WINFIELD ROAD, SUITE 450
WARRENVILLE, IL 60555
630 665 4440
duganlopatka.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Management of
Action for Healthy Kids, Inc. and Affiliate:

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Action for Healthy Kids, Inc. and Affiliate (an Illinois nonprofit) (collectively, the Organization) which comprise the consolidated statement of financial position as of June 30, 2025 and 2024, and the related consolidated statements of activities, cash flows and functional expenses for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated financial statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 and *Government 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 judgement made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated 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 consolidated financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, which raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The consolidating schedules of financial position and activities is also presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued a report dated March 6, 2026, on our consideration of the Organization's internal control over financial reporting and our tests on its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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.

Dugan + Lopatka

DUGAN & LOPATKA

Warrenville, Illinois
March 6, 2026

Dugan + Lopatka
Certified Public Accountants
4320 WINFIELD ROAD, SUITE 450
WARRENVILLE, IL 60555
630 665 4440
duganlopatka.com

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors and Management of
Action for Healthy Kids, Inc. and Affiliate:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Action for Healthy Kids, Inc. and Affiliate (collectively, the Organization) which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated March 6, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Independent Auditor's Report on
Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an
Audit of Financial Statements
Performed in Accordance with
Government Auditing Standards
To the Board of Directors and Management of
Action for Healthy Kids, Inc. and Affiliate

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control 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. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Dugan + Lopatka

DUGAN & LOPATKA

Warrenville, Illinois
March 6, 2026

ACTION FOR HEALTHY KIDS, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2025 AND 2024

	2025	2024
A S S E T S		
CURRENT ASSETS:		
Cash and cash equivalents	$ 670,381	$ 944,791
Receivables - Government grants	1,287,791	3,059,301
- Contributions, current	238,759	6,622
- Program services	563,259	347,573
- Other	10,337	1,665
Investments	1,111,154	1,185,567
Inventory	45,717	19,903
Prepaid expenses	59,991	109,609
Total current assets	3,987,389	5,675,031
PROPERTY AND EQUIPMENT, net	13,399	33,360
OTHER ASSETS:		
Receivables - Contributions, long-term	50,000	-
Right of use asset - Operating	370,352	474,181
Security deposits	5,928	5,928
Total other assets	426,280	480,109
Total assets	$ 4,427,068	$ 6,188,500
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	$ 1,346,780	$ 2,570,471
Operating lease liability, current	101,378	98,384
Deferred revenue	17,352	47,743
Total current liabilities	1,465,510	2,716,598
NON-CURRENT LIABILITIES:		
Operating lease liability, net of current	282,440	383,818
Total liabilities	1,747,950	3,100,416
NET ASSETS:		
Without donor restrictions - Designated	1,653,948	1,615,471
- Undesignated	121,702	112,498
Total net assets without donor restrictions	1,775,650	1,727,969
With donor restrictions	903,468	1,360,115
Total net assets	2,679,118	3,088,084
Total liabilities and net assets	$ 4,427,068	$ 6,188,500

The accompanying notes are an integral part of this statement.

ACTION FOR HEALTHY KIDS, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:						
Contributions	$ 481,024	$ 1,357,600	$ 1,838,624	$ 395,483	$ 1,119,000	$ 1,514,483
In-kind contributions	5,500	-	5,500	-	-	-
Government grants	18,800,411	-	18,800,411	14,337,749	-	14,337,749
Conferences and other	41,734	-	41,734	14,885	-	14,885
Consulting income	1,498,757	-	1,498,757	814,620	-	814,620
Product sales	7,653	-	7,653	34,976	-	34,976
Investment income	131,798	-	131,798	150,159	-	150,159
Loss on disposal of property and equipment	(5,592)	-	(5,592)	-	-	-
Other income	-	-	-	1,715	-	1,715
Total support and revenue	20,961,285	1,357,600	22,318,885	15,749,587	1,119,000	16,868,587
Net assets released from restrictions - Satisfaction of program restrictions	1,814,247	(1,814,247)	-	1,685,934	(1,685,934)	-
Net support and revenue	22,775,532	(456,647)	22,318,885	17,435,521	(566,934)	16,868,587
EXPENSES:						
Program services	20,880,552	-	20,880,552	15,789,150	-	15,789,150
Management and general	976,180	-	976,180	853,378	-	853,378
Fundraising and marketing	871,119	-	871,119	785,306	-	785,306
Total expenses	22,727,851	-	22,727,851	17,427,834	-	17,427,834
CHANGE IN NET ASSETS	47,681	(456,647)	(408,966)	7,687	(566,934)	(559,247)
NET ASSETS, Beginning of year	1,727,969	1,360,115	3,088,084	1,720,282	1,927,049	3,647,331
NET ASSETS, End of year	$ 1,775,650	$ 903,468	$ 2,679,118	$ 1,727,969	$ 1,360,115	$ 3,088,084

ACTION FOR HEALTHY KIDS, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ (408,966)	$ (559,247)
Adjustments to reconcile change in net assets to net cash (used in) operating activities:		
Depreciation	14,369	17,802
Net realized and unrealized (gain) on investments	(82,664)	(68,196)
Loss on disposal of property and equipment	5,592	-
Non-cash portion of lease expense for operating leases	103,829	103,980
Changes in assets and liabilities -		
(Increase) decrease in receivables	1,265,015	(2,511,815)
(Increase) decrease in inventory	(25,814)	16,325
(Increase) decrease in prepaid expenses	49,618	(49,034)
Increase (decrease) in accounts payable and accrued liabilities	(1,223,691)	2,286,159
(Decrease) in operating lease liabilities	(98,384)	(98,162)
(Decrease) in deferred revenue	(30,391)	(9,177)
Net cash (used in) operating activities	(431,487)	(871,365)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(362,923)	(191,384)
Proceeds from sale of investments	520,000	605,769
Purchase of property and equipment	-	(24,235)
Net cash provided by investing activities	157,077	390,150
NET CHANGE IN CASH AND CASH EQUIVALENTS	(274,410)	(481,215)
CASH AND CASH EQUIVALENTS, Beginning of year	944,791	1,426,006
CASH AND CASH EQUIVALENTS, End of year	$ 670,381	$ 944,791
NON-CASH TRANSACTIONS:		
Right of use assets acquired through operating lease	$ -	$ 547,492

The accompanying notes are an integral part of this statement.

ACTION FOR HEALTHY KIDS, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
FOR YEARS ENDED JUNE 30, 2025 AND 2024

	2025				2024			
	Program Services	Management and General	Fundraising and Marketing	Total	Program Services	Management and General	Fundraising and Marketing	Total
Accounting and legal fees	$ -	$ 148,130	$ -	$ 148,130	$ -	$ 134,927	$ -	$ 134,927
Board meetings and expense	-	33,213	-	33,213	-	21,759	-	21,759
Consulting fees	496,797	9,650	103,768	610,215	177,686	620	99,426	277,732
Insurance	36,748	2,201	2,201	41,150	27,152	1,508	1,508	30,168
Office expenses	412,966	17,344	65,074	495,384	438,633	21,137	61,169	520,939
Personnel	2,922,998	753,095	558,891	4,234,984	2,715,966	635,259	548,507	3,899,732
Postage and delivery	11,146	366	931	12,443	5,747	320	2,482	8,549
Grant and project expenses	16,137,151	-	107,221	16,244,372	12,035,891	-	47,576	12,083,467
Occupancy	103,610	5,756	5,756	115,122	103,921	5,773	5,773	115,467
Travel and conference costs	746,489	5,564	26,416	778,469	268,132	31,185	17,975	317,292
Depreciation	12,647	861	861	14,369	16,022	890	890	17,802
Total functional expenses	$ 20,880,552	$ 976,180	$ 871,119	$ 22,727,851	$ 15,789,150	$ 853,378	$ 785,306	$ 17,427,834

The accompanying notes are an integral part of this statement.

(1) NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Action for Healthy Kids, Inc. (AFHK) is a charitable organization incorporated in Washington, D.C. in September 2002. AFHK is a nationwide grassroots network that mobilizes school professionals, parents, and communities to activate school-based programs that are in support of children's physical, social and emotional health, and well-being. Through training, funding, wellness programs and a shared determination to see all children become healthy, successful adults, AFHK provides the comprehensive support and resources needed to build healthy schools in every community.

Effective October 2022, AFHK entered into an affiliation agreement with Rocky Mountain Center for Health Promotion and Education (RMC), a Colorado nonprofit organization. The affiliation intends to advance both the organization's missions and charitable and educational purposes by furthering their collective goal of reaching more school champions, families, and youth with better programs and services. As part of the agreement, AFHK and RMC will operate under common governance and consolidate programs.

The consolidated financial statements were available to be issued on March 6, 2026 with subsequent events being evaluated through this date.

The following summarizes the significant accounting policies and practices reflected in the accompanying consolidated financial statements:

Principles of Consolidation -

The accompanying consolidated financial statements include the accounts of Action for Healthy Kids, Inc. and its affiliate under common control, Rocky Mountain Center for Health Promotion and Education (collectively, the Organization). AFHK is the sole corporate member of RMC and has the ability to approve the election of directors and remove the Board of Directors for the entity. All significant intercompany transactions have been eliminated.

Accounting Method -

The Organization records its financial transactions and maintains its books and records on the accrual basis of accounting, which recognizes revenues as they are earned and expenses as they are incurred.

Basis of Presentation -

The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Without donor restrictions - Net assets that are not subject to donor-imposed stipulations and may be expensed for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of management and the board of directors.

(1) NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Basis of Presentation - (Continued)

With donor restrictions - Net assets subject to donor-imposed stipulations. Some donor restrictions are temporary in nature; those restrictions will be met either by actions of the Organization and/or the passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity.

Cash and Cash Equivalents -

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

Financial Instruments -

The carrying values of cash and cash equivalents, receivables, prepaid expenses and other assets, and accounts payable and accrued liabilities are reasonable estimates of fair value due to the short-term nature of these financial instruments.

Concentrations of Credit Risk -

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of cash. the Organization places its cash and deposits with high credit quality financial institutions; however, deposits may exceed the federally insured limits in various banks from time to time.

Government Grants Receivable -

Grants receivable represent grants due to the Organization from federal and state governmental agencies. The Organization considers government grants receivable to be fully collectible.

Program Services Receivable -

Program service receivables are stated at amortized cost and recorded at the original invoice amount, net of an allowance for expected credit losses. The allowance is recognized upon origination of the receivable and reflects management's estimate of amounts expected to be collected over the receivable's contractual term.

The allowance for credit losses is determined primarily based on historical loss experience with similar assets, adjusted for current conditions. Receivables are evaluated collectively by pooling assets with similar risk characteristics, with individual evaluation for receivables that do not share those characteristics. As a nonpublic entity, the Organization has adopted the practical expedients permitted under ASU 2025-05 for short-term trade receivables which include assuming the economic conditions as of year-end will remain unchanged for the remaining life of the current receivable; and electing the accounting policy to consider subsequent cash collection activity received after year end but before the financial statements are issued. The Organization considered cash collections through March 6, 2026 in estimating expected credit losses.

(1) NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Program Services Receivable - (Continued)

The Organization considers a receivable to be past due when the normal invoice terms have been exceeded. Receivables are written off once they are deemed uncollectable. Write offs are recognized as a deduction from the allowance for credit losses. Amounts previously written off that are now expected to be recovered are included in the determination of the allowance for credit losses. The Organization has determined that due to the nature of their program service revenue, an allowance would be immaterial as of June 30, 2025 and 2024.

Contributions Receivable -

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the contributions are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met. All contributions receivables are considered fully collectible based on past experience and management's judgment; therefore, no allowance for doubtful pledge receivables is needed.

Investments -

The Organization invests in certificates of deposit (CDs), mutual funds, and exchange traded funds. The CDs are guaranteed by the FDIC and are recorded at cost due to low market volatility and tradability of the securities. Mutual funds and exchange traded funds are carried at fair value. Net realized and unrealized gains and losses are reflected in the statement of activities. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of market risk associated with certain investment securities, it is possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

Inventory -

Inventory consists of educational materials and poster sets and is valued at the lower of cost, on a first-in, first-out basis (FIFO), or market.

Property and Equipment -

The Organization follows the practice of capitalizing all expenditures for property and equipment having a useful life in excess of one year. Property and equipment are recorded at cost or, if donated, at the estimated fair market value at the date of donation and are depreciated over their estimated useful lives, which range from three to seven years, using the straight-line method. Any purchases over $1,000 are capitalized.

(1) NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Revenue Recognition for Contributions and Grants -

The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor 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 statement of activities as net assets released from restrictions.

The Organization reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

A portion of the Organization's revenue is derived from a federal cost-reimbursable grant, which is conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized when the Organization has incurred expenditures in compliance with specific grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position.

Revenue Recognition for Program Fees -

The Organization receives program revenue from consulting contracts with schools, districts, health-related organizations and government entities. These services are considered a single performance obligation which is satisfied at a point in time. The performance obligation is met, and revenue recognized, when the services are provided to a client.

Product Sales -

The Organization recognizes product sales revenue from its inventory. The performance obligation is met, and revenue is recognized when the sale has occurred.

In-Kind Contributions -

The Organization receives contributed nonfinancial assets that include donated assets, supplies and services. Gifts in-kind revenue is recorded at the respective fair values of the goods or services received at the time of the donation. The Organization received in-kind contributions of $5,500 and $-0- for the years ended June 30, 2025 and 2024, respectively.

In addition, volunteers contribute significant amounts of time to program services, administration, and fundraising activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles that prohibits the recording of donated services unless they create or enhance a nonfinancial asset or are specialized skills that would have been purchased if they were not donated.

(1) NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Deferred Revenue -

Contract liabilities include deferred revenue related to advanced payments for consulting revenue for future periods. These deposits are deferred until the performance obligation is completed.

Estimates -

The Organization prepares its financial statements according to generally accepted accounting principles which require the use of estimates and assumptions that affect reported amounts and disclosures. Actual results could differ from those estimates.

Income Taxes -

The Organization has been determined by the Internal Revenue Service to be exempt from income tax under Section 501(c)(3) of the Internal Revenue Code, except for taxes on unrelated business income. Accordingly, no provision for income tax has been established.

The Organization files income tax returns in the U.S. federal jurisdiction, Illinois, and Colorado. With few exceptions, the Organization is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for fiscal years before 2022. The Organization does not expect a material net change in unrecognized tax benefits in the next twelve months.

Leases -

The Organization determines if an arrangement is a lease or contains a lease at inception of the contract. The Organization's operating leases are presented in operating lease right-of-use assets, and current and long-term portion of operating lease liabilities in the accompanying consolidated statement of financial position.

Operating lease right-of-use assets and lease liabilities are measured based on the present value of future lease payments over the lease term at each lease's commencement date. As most of the Organization's leases do not specify their implicit rate, the Organization has elected a practical expedient to use the nominal yield, at lease inception, applicable to U.S. Treasury instruments with a maturity of similar length of the lease term.

Operating lease right-of-use assets include all fixed contractual lease payments and initial direct costs incurred by the Organization, less any lease incentives the Organization receives from the lessor. The Organization has elected a practical expedient to account for lease and non-lease components together as a single lease component. The terms of the Organization's leases generally contain lease payments and reimbursements to the lessor of the Organization's proportionate share of common area maintenance (CAM), real estate taxes and other pass-through charges. Only the fixed lease components are included in the right-of-use assets and lease liabilities. Additionally, the Organization has elected not to apply these lease accounting policies to leases with a term of one year or less at the commencement date.

Operating lease expense for lease payments is recognized on a straight-line basis over the terms of each lease. Variable lease components include CAM, real estate taxes and other charges and are recorded as lease expense as incurred.

(1) NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Leases - (Continued)

The Organization's leases can contain options granting the right to renew or extend the term of the lease for specified option periods. The decision as to whether the Organization will exercise the renewal options is generally at the Organization's sole discretion. The Organization includes lease extensions in the lease term when it is reasonably certain that the Organization will exercise the extension.

Allocation of Expenses -

Directly identifiable expenses are charged to programs and supporting services, as determined by management. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include personnel, occupancy, and depreciation, which are allocated on the basis of estimates of time and effort.

(2) CONTRIBUTIONS RECEIVABLE:

Contributions receivable representing outstanding promises to give made by donors to the Organization are as follows as of June 30, 2025 and 2024:

	2025	2024
Receivable in less than one year	$ 238,759	$ 6,622
Receivable in greater than one year and less than five years	50,000	-
Total contributions receivable	288,759	6,622
Less unamortized discounts	-	-
Net contributions receivable	$ 288,759	$ 6,622

(3) INVESTMENTS:

Investments consisted of the following as of June 30, 2025 and 2024:

	2025	2024
Mutual funds	$ 75,028	$ 694,862
Exchange traded funds	334,782	490,705
Government securities	451,509	-
Certificate of deposits – at cost	249,835	-
Total investments	$ 1,111,154	$ 1,185,567

(3) INVESTMENTS: (Continued)

Investment income consists of the following for the years ended June 30, 2025 and 2024:

	2025	2024
Interest and dividends	$ 53,843	$ 82,907
Unrealized gain on investments	82,664	68,196
Investment fees	(4,709)	(944)
Total investment income	$ 131,798	$ 150,159

(4) FAIR VALUE MEASUREMENTS:

The Accounting Standards Codification for Fair Value Measurements established a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1:

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2:

Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3:

Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

(4) FAIR VALUE MEASUREMENTS: (Continued)

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2025 and 2024.

Mutual Funds and Exchange Traded Funds: Valued at the closing price (net asset value) reported on the active market on which the individual funds are traded.

Government Securities: Valued at the closing price reported on the active market on which the individual securities are traded.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes their valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value:

	Assets at Fair Value as of June 30, 2025			
Description	Level 1	Level 2	Level 3	Total
Mutual funds	$ 75,028	$ -	$ -	$ 75,028
Exchange traded funds	334,782	-	-	334,782
Government securities	451,509	-	-	451,509
Total assets at fair value	$ 861,319	$ -	$ -	861,319
Certificate of deposits				249,835
Total investments				$ 1,111,154

	Assets at Fair Value as of June 30, 2024			
Description	Level 1	Level 2	Level 3	Total
Mutual funds	$ 694,862	$ -	$ -	$ 694,862
Exchange traded funds	490,705	-	-	490,705
Total assets at fair value	$ 1,185,567	$ -	$ -	$ 1,185,567

(5) PROPERTY AND EQUIPMENT:

Property and equipment consist of the following on June 30, 2025 and 2024:

	2025	2024
Computer equipment	$ 179,715	185,307
Furniture and equipment	67,626	67,626
Leasehold improvements	61,187	61,187
	308,528	314,120
Less - Accumulated depreciation	295,129	280,760
	$ 13,399	$ 33,360

Depreciation expense was $14,369 and $17,802 for the years ended June 30, 2025 and 2024.

(6) NET ASSETS:

Board designated net assets are as follows as of June 30, 2025 and 2024:

	2025	2024
Operating reserve	$ 1,403,948	$ 1,365,471
Program development fund	250,000	250,000
	$ 1,653,948	$ 1,615,471

Net assets with donor restrictions are as follows as of June 30, 2025 and 2024:

	2025	2024
Family School Partnership	$ -	$ 225,031
Georgia Schools' Health and Wellness	62,850	-
NourishEd Programming	516,537	845,245
Active Schools	-	19,188
Healthy Schools Coalition – El Paso	116,860	87,585
Texas Family School Partnership Programming	-	1,184
Maryland Family School Partnership Programming	-	18,697
Vaping Education Programming – El Paso TX	107,221	163,185
Time restricted	100,000	-
	$ 903,468	$ 1,360,115

(7) CONTRACT LIABILITIES:

The following table provides information about significant changes in deferred revenue (or contract liabilities) as of June 30, 2025 and 2024:

	2025	2024
Deferred revenue, beginning of the year	$ 47,743	$ 56,920
Revenue recognized that was included in deferred revenue at the beginning of the year	(47,743)	(56,920)
Increase in deferred revenue due to cash received during the year	17,352	47,743
Deferred revenue, end of the year	$ 17,352	$ 47,743

(8) LEASES:

The Organization leases its office under an operating lease with a non-related party. The Organization is also responsible for its share of real estate taxes, insurance and maintenance costs for the building. Additionally, the Organization has an operating lease for a printer. The operating leases will expire at various dates through February 2029.

The components of lease expense for the years ending June 30, 2025 and 2024 are as follows:

	2025	2024
Operating lease cost	$ 110,295	$ 110,051
Variable lease cost	3,924	5,416
Total lease expense	$ 114,219	$ 115,467

Future minimum lease payments under noncancelable leases as of June 30, 2025 are as follows:

2026	$ 107,843
2027	107,461
2028	109,507
2029	81,866
Total future minimum lease payments	406,677
Less imputed interest included	(22,859)
Present value of net minimum lease payments	$ 383,818

(8) LEASES: (Continued)

The following provides additional information related to the Organization's leases as of and for the years ended June 30, 2025 and 2024:

	2025	2024
Current portion of lease liabilities	$ 101,378	$ 98,384
Long-term portion of lease liabilities	282,440	383,818
Total lease liabilities	$ 383,818	$ 482,202
Weighted average lease term	3.63 years	4.62 years
Weighted average discount rate	2.14%	2.14%

Cash paid for amounts included in the measurements of the Organization's leases for the years ended June 30, 2025 and 2024 are as follows:

	2025	2024
Operating cash from operating leases	$ 104,849	$ 104,233

(9) REVENUE CONCENTRATION:

The Organization received approximately 84% and 82% of its total support and revenue from one grantor for the years ended June 30, 2025 and 2024, respectively.

(10) IN KIND CONTRIBUTIONS:

The Organization received in-kind contributions for the years ended June 30, 2025 and 2024 as follows:

	2025	2024
Professional services	$ 5,500	$ -

Fair value of in-kind contributions is determined as follows:

Professional services: The professional services provided are for the website rebranding and video creation from a marketing agency and are billed by the vendor at a discounted rate, with the discount recorded as an in-kind contribution. The Organization valued at fair value based on current rates for similar professional services.

(11) LIQUIDITY AND AVAILABILITY:

The following represents the Organization's financial assets on June 30, 2025 and 2024:

	2025	2024
Financial assets -		
Cash and cash equivalents	$ 670,381	$ 944,791
Investments	1,111,154	1,185,567
Receivables	2,150,146	3,415,161
Total financial assets	3,931,681	5,545,519
Less - Donor imposed restrictions	903,468	1,360,115
Net financial assets after donor-imposed restrictions	3,028,213	4,185,404
Internal designations -		
Board advised funds	1,653,948	1,615,471
Financial assets available to meet cash needs for general expenditures that are without donor or other restrictions limiting their use within one year	$ 1,374,265	$ 2,569,933

The Organization receives significant contributions, some of which are restricted by donors to fund specific programs or projects. Such restricted funds are tracked for use for the identified program or project. Restricted contributions of $1,357,600 and $1,119,000 were received during the years ended June 30, 2025 and 2024, respectively.

The Organization has certain board designated assets that are designated for future expenditures and are not available for general expenditure within the next year. However, the board designated amounts could be made available for general expenditure, if necessary.

The Organization manages its liquidity and reserves following three guiding principles:

- operating within a prudent range of financial soundness and stability
- maintaining adequate liquid assets to fund near-term operating needs
- maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

(12) RETIREMENT PLAN:

The Organization has a retirement accumulation 403(b) plan for all employees working more than 1,000 hours in the plan year. Employee contributions are voluntary and are made on a pre-tax basis. The Organization made matching contributions totaling $81,755 and $84,325 for the years ended June 30, 2025 and 2024, respectively.

(13) SUBSEQUENT EVENT:

In October 2025, the Organization entered into an affiliation agreement with GENYOUth, Inc., a nonprofit organization that operates throughout the United States to empower schools and create healthier environments. Under the terms of the agreement, the Organization and GENYOUth, Inc. will operate under a shared operational framework that includes affiliated boards and consolidation of certain administrative functions. The agreement is designed to align the Organizations' missions and strategic objectives while maintaining separate legal existence.

Dugan + Lopatka
Certified Public Accountants
4320 WINFIELD ROAD, SUITE 450
WARRENVILLE, IL 60555
630 665 4440
duganlopatka.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors and Management of
Action for Healthy Kids, Inc. and Affiliate:

Report on Compliance for Each Major Program

Opinion on Each Major Federal Program

We have audited Action for Healthy Kids, Inc. and Affiliate's (collectively, the Organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2025. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Independent Auditor's Report on
Compliance for each Major Federal Program and on
Internal Control Over Compliance Required by the
Uniform Guidance
To the Board of Directors and Management of
Action for Healthy Kids, Inc. and Affiliate

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Dugan + Lopatka

DUGAN & LOPATKA

Warrenville, Illinois
March 6, 2026

ACTION FOR HEALTHY KIDS, INC. AND AFFILIATE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025

Federal Grantor/Program Title	Assistance Listing Number	Pass-Through Grantor	Pass-Through Number	Passed Through to Sub-Recipients	Total Program Expenditures
Department of Agriculture:					
Child Nutrition Discretionary Grants	10.579			$12,951,232	$18,800,411*
TOTAL EXPENDITURES OF FEDERAL AWARDS				$12,951,232	$18,800,411

* Major Program

ACTION FOR HEALTHY KIDS, INC. AND AFFILIATE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025

Note A - Basis of Presentation:

The accompanying schedule of expenditures of federal awards includes the federal award activity of Action for Healthy Kids, Inc. and Affiliate (collectively, the Organization) under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to, and does not represent, the financial position, changes in net assets, or cash flows of the Organization.

Note B - Summary of Significant Accounting Policies:

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note C - Indirect Cost Rates:

The Organization has elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note D - Non-Cash Awards:

The Organization did not have any outstanding federal loans or loan guarantees or insurance at June 30, 2025, and did not receive any federal non-cash awards during the year ended June 30, 2025.

ACTION FOR HEALTHY KIDS, INC. AND AFFILIATE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025

PART 1: SUMMARY OF AUDIT RESULTS -

1. The auditor's report expresses an unmodified opinion on the consolidated financial statements of Action for Healthy Kids, Inc. and Affiliate.

2. There were no material weaknesses disclosed during the audit of the consolidated financial statements. No significant deficiencies related to the audit of the consolidated financial statements are reported.

3. No instances of noncompliance material to the consolidated financial statements Action for Healthy Kids, Inc. and Affiliate were disclosed during the audit.

4. There were no material weaknesses disclosed during the audit of the major federal award programs. No significant deficiencies related to the audit of the major federal award program are reported.

5. The auditor's report on compliance for the major federal award programs for Action for Healthy Kids, Inc. and Affiliate expresses an unmodified opinion on all major federal programs.

6. There were no audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a).

7. The program tested as major programs included:

Child Nutrition Discretionary Grants	10.579

8. The threshold for distinguishing Types A and B programs was $750,000.

9. Action for Healthy Kids, Inc. and Affiliate was determined to be a low-risk auditee.

PART 2: FINDINGS - FINANCIAL STATEMENTS AUDIT (GAGAS) -

There are no audit findings.

PART 3: FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT -

There are no audit findings or questioned costs.

PART 4: SUMMARY SCHEDULE OF PRIOR FINDINGS -

There are no prior audit findings.

ACTION FOR HEALTHY KIDS, INC. AND AFFILIATE
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
JUNE 30, 2025

	AFHK	RMC	Elimination	Consolidated Total
A S S E T S				
CURRENT ASSETS:				
Cash and cash equivalents	$ 299,438	$ 370,943	$ -	$ 670,381
Receivables - Government grants	1,287,791	-	-	1,287,791
- Contributions, current	238,759	-	-	238,759
- Program services	324,500	272,254	(33,495)	563,259
- Other	1,368	8,969	-	10,337
- Related party	303,764	(303,764)	-	-
Investments	-	1,111,154	-	1,111,154
Inventory	-	45,717	-	45,717
Prepaid expenses	58,483	1,508	-	59,991
Total current assets	2,514,103	1,506,781	(33,495)	3,987,389
PROPERTY AND EQUIPMENT, net	12,213	1,186	-	13,399
OTHER ASSETS:				
Receivables - Contributions, long-term	50,000	-	-	50,000
Operating lease right-of-use asset	370,352	-	-	370,352
Security deposits	5,928	-	-	5,928
Total other assets	426,280	-	-	426,280
Total assets	$ 2,952,596	$ 1,507,967	$ (33,495)	$ 4,427,068
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES:				
Accounts payable and accrued liabilities	$ 1,378,265	$ 2,010	$ (33,495)	$ 1,346,780
Operating lease liability, current	101,378	-	-	101,378
Deferred revenue	-	17,352	-	17,352
Total current liabilities	1,479,643	19,362	(33,495)	1,465,510
NON-CURRENT LIABILITIES				
Operating lease liability, net of current	282,440	-	-	282,440
Total liabilities	1,762,083	19,362	(33,495)	1,747,950
NET ASSETS:				
Without donor restrictions - Designated	425,000	1,228,948	-	1,653,948
- Undesignated	(137,955)	259,657	-	121,702
Total net assets without donor restrictions	287,045	1,488,605	-	1,775,650
With donor restrictions	903,468	-	-	903,468
Total net assets	1,190,513	1,488,605	-	2,679,118
Total liabilities and net assets	$ 2,952,596	$ 1,507,967	$ (33,495)	$ 4,427,068

ACTION FOR HEALTHY KIDS, INC. AND AFFILIATE
CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

	AFHK	RMC	Elimination	Total
SUPPORT AND REVENUE:				
Contributions	$ 1,792,049	$ 46,575	$ -	$ 1,838,624
In-kind contributions	5,500	-	-	5,500
Government grants	18,800,411	-	-	18,800,411
Conferences and other	41,734	-	-	41,734
Consulting income	386,241	1,439,464	(326,948)	1,498,757
Product sales	-	7,653	-	7,653
Investment income	12,667	119,131	-	131,798
Loss on sale of property and equipment	(5,592)	-	-	(5,592)
Total support and revenue	21,033,010	1,612,823	(326,948)	22,318,885
EXPENSES:				
Program services	20,102,988	1,104,512	(326,948)	20,880,552
Management and general	697,374	278,806	-	976,180
Fundraising and marketing	615,738	255,381	-	871,119
Total expenses	21,416,100	1,638,699	(326,948)	22,727,851
CHANGE IN NET ASSETS	(383,090)	(25,876)	-	(408,966)
NET ASSETS, Beginning of year	1,573,603	1,514,481	-	3,088,084
NET ASSETS, End of year	$ 1,190,513	$ 1,488,605	$ -	$ 2,679,118