HEAL AFRICA USA

FINANCIAL STATEMENTS

For the years ended
December 31, 2025 and 2024

HUNGERFORD
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INDEPENDENT AUDITOR'S REPORT

June 15, 2026

To the Board of Directors
Heal Africa USA
Grand Rapids, Michigan

Opinion

We have audited the accompanying financial statements of Heal Africa USA (a non-profit organization), which comprise the statements of financial position as of December 31, 2025 and 2024; 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 financial statements referred to above present fairly, in all material respects, the financial position of Heal Africa USA as of December 31, 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. 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 Heal Africa USA 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 opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Heal Africa USA'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 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 the Heal Africa USA's internal control. Accordingly, no such opinion is expressed.

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

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Heal Africa USA'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.

Hungerford

Certified Public Accountants
Grand Rapids, Michigan

FINANCIAL STATEMENTS

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STATEMENTS OF FINANCIAL POSITION

HEAL AFRICA USA
December 31, 2025 and 2024

ASSETS

	2025	2024
Assets		
Cash and cash equivalents	**$ 134,723**	**$ 122,903**
Net Assets		
Without donor restrictions:		
Undesignated	$ 98,141	$ 104,798
With donor restrictions	36,582	18,105
Total Net Assets	**$ 134,723**	**$ 122,903**

STATEMENTS OF ACTIVITIES

HEAL AFRICA USA
For the year ended December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support:			
Contributions of cash and other financial assets	$ 85,829	$ 822,992	$ 908,821
Interest income	402	-	402
Net assets released from restrictions	804,515	(804,515)	-
Total Revenue and Support	890,746	18,477	909,223
Expenses			
Program services	829,234	-	829,234
Management and general	44,905	-	44,905
Fundraising	23,264	-	23,264
Total Expenses	897,403	-	897,403
Change in Net Assets	(6,657)	18,477	11,820
Net Assets - beginning of year	104,798	18,105	122,903
Net Assets - end of year	**$ 98,141**	**$ 36,582**	**$ 134,723**

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STATEMENTS OF ACTIVITIES (Continued)

HEAL AFRICA USA
For the year ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support:			
Contributions of cash and other financial assets	$ 91,251	$ 274,243	$ 365,494
Interest income	740	-	740
Net assets released from restrictions	276,472	(276,472)	-
Total Revenue and Support	368,463	(2,229)	366,234
Expenses			
Program services	391,538	-	391,538
Management and general	64,436	-	64,436
Fundraising	22,668	-	22,668
Total Expenses	478,642	-	478,642
Change in Net Assets	(110,179)	(2,229)	(112,408)
Net Assets - beginning of year	214,977	20,334	235,311
Net Assets - end of year	**$ 104,798**	**$ 18,105**	**$ 122,903**

STATEMENTS OF FUNCTIONAL EXPENSES

HEAL AFRICA USA
For the year ended December 31, 2025

	Program Services	Supporting Services		
	Medical and Community Support	Management and General	Fundraising	Total
Bank fees	$ 442	$ 1,421	$ 1,768	$ 3,631
Community based services	195,215	-	-	195,215
Contract services	-	-	18,970	18,970
Education and mentoring	47,850	-	-	47,850
Medical and facilities assistance	567,727	-	-	567,727
Office expenses	251	-	-	251
Other expenses	305	-	-	305
Payroll taxes	-	1,530	-	1,530
Personnel support	17,444	-	-	17,444
Professional services	-	21,954	-	21,954
Salaries and wages	-	20,000	-	20,000
Website maintenance	-	-	2,526	2,526
Total Expenses	**$ 829,234**	**$ 44,905**	**$ 23,264**	**$ 897,403**

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STATEMENTS OF FUNCTIONAL EXPENSES (Continued)

HEAL AFRICA USA
For the year ended December 31, 2024

	Program Services	Supporting Services		
	Medical and Community Support	Management and General	Fundraising	Total
Bank fees	$ 800	$ 1,099	$ 795	$ 2,694
Community based services	116,276	-	-	116,276
Contract services	-	-	19,430	19,430
Education and mentoring	20,800	-	-	20,800
Medical and facilities assistance	232,866	-	-	232,866
Office expenses	216	-	80	296
Other expenses	5,255	-	-	5,255
Payroll taxes	-	1,530	-	1,530
Personnel support	15,325	-	-	15,325
Professional services	-	21,610	-	21,610
Salaries and wages	-	20,000	-	20,000
Travel	-	20,197	-	20,197
Website maintenance	-	-	2,363	2,363
Total Expenses	**$ 391,538**	**$ 64,436**	**$ 22,668**	**$ 478,642**

STATEMENTS OF CASH FLOWS

HEAL AFRICA USA
For the years ended December 31, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Change in net assets	$ 11,820	$ (112,408)
Net Increase (Decrease) in Cash and Cash Equivalents	11,820	(112,408)
Beginning Cash and Cash Equivalents	122,903	235,311
Ending Cash and Cash Equivalents	**$ 134,723**	**$ 122,903**

Note A – Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities

The accompanying financial statements present the financial position, results of operations and cash flows of Heal Africa USA (the "Organization"). The Organization was organized in Michigan as a not-for-profit corporation in 2006. The work of the Organization is to serve vulnerable people and communities in the Democratic Republic of the Congo through a holistic approach to Healthcare, Education, Community Action, and Leadership development in response to changing needs.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting, recording revenue when earned rather than when received, and recording expenses when incurred rather than when paid.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Cash and Cash Equivalents

Cash consists of cash on hand. For purposes of the statement of cash flows, the Organization considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents. The Organization maintains cash balances in checking and savings accounts and a money market account. The cash accounts are insured by the Federal Deposit Insurance Corporation up to $250,000 per financial institution. From time to time during the year, the Organization may have cash in a bank checking or savings account in excess of the federally insured limit.

Net Assets

The Organization reports information regarding its financial position and activities according to the following net asset classifications:

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

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

Note A – Nature of Activities and Summary of Significant Accounting Policies (Continued)

Net Assets (Continued)

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Revenue Recognition

The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of beneficial interest is received. Conditional promises to give – that is, those with a measurable performance obligation or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence or nature of any donor restrictions. All donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributions of Nonfinancial Assets

Contributions of donated services that create or enhance non-financial assets or that require specialized skills, which are provided by the individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at fair value in the period received. Many volunteers have contributed significant amounts of time to the Organization without compensation. No contributed goods or services were recognized for the years ended December 31, 2025 and 2024.

Functional Expense Allocation

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Note A – Nature of Activities and Summary of Significant Accounting Policies (Continued)

Income Taxes (Continued)

The Organization evaluates tax positions taken on its federal Exempt Organization Business Income Tax Returns in accordance with accounting principles generally accepted in the United States of America, which require that tax positions taken be more-likely-than-not to be sustained. Management believes that the Organization has no significant unrecognized tax benefits under that criteria. Penalties and interest, if any, assessed by income taxing authorities are included in operating expenses. The Organization's federal Exempt Organization Business Income Tax Returns are generally subject to examination by taxing authorities for three years after they were filed.

Subsequent Events

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through June 15, 2026, which is the date the financial statements were available to be issued.

Note B – Liquidity and Availability

The Organization regularly monitors liquidity required to meet its operating needs, while also striving to maximize the investment of its available funds. The Organization's sources of liquidity at their disposal include cash and cash equivalents. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to their ongoing programmatic activities, as well as the conduct of services undertaken to support those activities, to be general expenditures.

The Organization's goal is to maintain readily available financial assets to meet six months of operating expenses. As part of its liquidity plan, excess cash is invested in money markets and separate cash accounts. The following represents the Organization's financial assets at December 31, 2025 and 2024:

	2025	2024
Financial assets:		
Cash and cash equivalents	$ 134,723	$ 122,903
Less financial assets held to meet donor-imposed restrictions:		
Purpose restricted cash	(36,582)	(18,105)
Total available for general expenditures over the next twelve months	$ 98,141	$ 104,798

Note C – Net Assets with Donor Restrictions

Net assets with donor restrictions were restricted for the following purposes as of December 31, 2025 and 2024, respectively.

	2025	2024
Emergency relief/operating expenses	$ 29,750	$ -
Children HIV	259	383
Bill Connor	500	500
Emergency medical education	4,649	5,000
Health - mercy fund	-	10
New hospital	43	-
Personnel support: Bizi	-	1,705
Personnel support: Dr Jo	-	7,500
Personnel support: Jospin	-	170
Prenatal care	275	536
Provide hospital stay/safe house	124	250
Women - wamama	982	2,051
Total	$ 36,582	$ 18,105

Note D – Funding Concentrations

The Organization received approximately 74% and 61% of its revenue from two donors for the years ended December 31, 2025 and 2024, respectively.

Note E – Conditional Grant

The Organization has a year long grant agreement with the Fistula Foundation commencing on October 1, 2025. Per the agreement, Fistula Foundation agreed to pay the Organization $518,946 over five equal disbursements. The first disbursement was made within 30 days after the agreement date. The remaining payments are considered a conditional grant and will not be recorded until the conditions outlined in the agreement are met. The money is to be spent on providing surgeries via camps and routine care.