

Heart Math Tutoring, Inc.

Financial Statements

Year Ended June 30, 2024

Heart Math Tutoring, Inc.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Heart Math Tutoring, Inc.
Charlotte, North Carolina

Opinion

We have audited the accompanying financial statements of Heart Math Tutoring, Inc. ("Heart" - a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Heart Math Tutoring, Inc. as of June 30, 2024, 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 of 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 Heart Math Tutoring, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 Heart Math Tutoring, Inc.'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 auditors' 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 purposes of expressing an opinion on the effectiveness of Heart Math Tutoring, Inc.'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 Heart Math Tutoring, Inc.'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.

Report on Summarized Comparative Information

We have previously audited Heart's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 15, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Foard & Company, P.A.

October 15, 2024

Heart Math Tutoring, Inc.**Statement of Financial Position****June 30, 2024, with prior year comparative totals**

	June 30,	
	2024	2023
<u>ASSETS</u>		
Current Assets:		
Cash	\$ 1,574,468	\$ 1,744,885
Investments	2,179,854	1,647,430
Receivables:		
Pledges receivable, current (net)	651,973	344,078
Accounts and other receivables	44,876	11,863
Prepaid expenses	30,018	21,450
<u>Total Current Assets</u>	<u>4,481,189</u>	<u>3,769,706</u>
Long-Term Assets:		
Pledges receivable, long-term	217,248	-
Security deposit	6,496	1,000
Operating right of use asset	294,008	-
Fixed assets, net	11,493	-
Software costs, net	7,762	11,812
<u>Total Long-Term Assets</u>	<u>537,007</u>	<u>12,812</u>
<u>TOTAL ASSETS</u>	<u>\$ 5,018,196</u>	<u>\$ 3,782,518</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts payable	\$ 26,850	\$ 21,208
Accrued wages	140,381	92,394
Operating lease liability	57,608	-
<u>Total Current Liabilities</u>	<u>224,839</u>	<u>113,602</u>
Long-Term Liabilities:		
Operating lease liability, net of current portion	276,302	-
<u>Total Long-Term Liabilities</u>	<u>276,302</u>	<u>-</u>
<u>Total Liabilities</u>	<u>501,141</u>	<u>113,602</u>
Net Assets:		
Without donor restrictions:		
Designated	-	100,000
Undesignated	1,176,083	1,124,065
<u>Total Net Assets Without Donor Restrictions</u>	<u>1,176,083</u>	<u>1,224,065</u>
With donor restrictions	3,340,972	2,444,851
<u>Total Net Assets</u>	<u>4,517,055</u>	<u>3,668,916</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 5,018,196</u>	<u>\$ 3,782,518</u>

Heart Math Tutoring, Inc.**Statement of Activities****Year ended June 30, 2024, with prior year comparative totals**

	Year Ended June 30, 2024			Prior Year
	Without Donor Restrictions	With Donor Restrictions	TOTALS	Comparative Totals
<u>SUPPORT AND REVENUE</u>				
Contributions and grants	\$ 141,007	\$ 2,926,322	\$ 3,067,329	\$ 2,297,831
Contract revenue	553,150	-	553,150	477,190
In-kind facility usage	17,976	-	17,976	-
Investment income	124,441	-	124,441	66,057
Other income	2,256	-	2,256	2,358
Net assets released from restriction:				
By time	1,916,524	(1,916,524)	-	-
By purpose	113,677	(113,677)	-	-
<u>Total Support and Revenue</u>	2,869,031	896,121	3,765,152	2,843,436
<u>EXPENSES</u>				
Program services	2,081,844	-	2,081,844	1,761,404
Management and general	430,188	-	430,188	342,032
Fundraising	404,981	-	404,981	194,342
<u>Total Expenses</u>	2,917,013	-	2,917,013	2,297,778
CHANGE IN NET ASSETS	(47,982)	896,121	848,139	545,658
NET ASSETS, BEGINNING	1,224,065	2,444,851	3,668,916	3,123,258
NET ASSETS, ENDING	\$ 1,176,083	\$ 3,340,972	\$ 4,517,055	\$ 3,668,916

Heart Math Tutoring, Inc.**Statement of Functional Expenses****Year ended June 30, 2024, with prior year comparative totals**

	Year Ended June 30, 2024				Prior Year
	Program Services	Management and General	Fundraising	TOTALS	Comparative Totals
<u>PERSONNEL</u>					
Salaries	\$ 1,576,335	\$ 269,677	\$ 284,328	\$ 2,130,340	\$ 1,755,353
Payroll taxes	125,607	20,697	22,912	169,216	139,254
Benefits	83,549	20,403	24,722	128,674	88,983
<i>Total Personnel</i>	<i>1,785,491</i>	<i>310,777</i>	<i>331,962</i>	<i>2,428,230</i>	<i>1,983,590</i>
<u>OTHER EXPENSES</u>					
Operations	9,686	2,030	1,669	13,385	11,993
Contract services	48,209	85,512	28,673	162,394	85,298
Occupancy	85,181	15,896	11,992	113,069	77,050
Fundraising	-	-	20,570	20,570	-
Supplies	17,534	12,156	1,322	31,012	23,293
Subscriptions	36,633	2,188	7,571	46,392	34,965
Travel	19,375	1,629	1,222	22,226	13,006
Tutoring supplies	39,720	-	-	39,720	49,665
Volunteer	34,980	-	-	34,980	8,604
Depreciation and amortization	5,035	-	-	5,035	338
Bad debt	-	-	-	-	9,976
<i>Total Other Expenses</i>	<i>296,353</i>	<i>119,411</i>	<i>73,019</i>	<i>488,783</i>	<i>302,195</i>
TOTAL EXPENSES	\$ 2,081,844	\$ 430,188	\$ 404,981	\$ 2,917,013	\$ 2,285,785

Heart Math Tutoring, Inc.**Statement of Cash Flows****Year ended June 30, 2024, with prior year comparative totals**

	Year Ended June 30,	
	2024	2023
<u>OPERATING ACTIVITIES</u>		
Change in net assets	\$ 848,139	\$ 545,658
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation and amortization	5,035	338
Unrealized and realized gains	(63,372)	(51,576)
Right of use lease	39,902	-
(Increase) decrease in operating assets:		
Receivables	(558,156)	86,607
Prepaid expense	(8,568)	(4,694)
Security deposit	(5,496)	-
Increase (decrease) in operating liabilities:		
Accounts payable	5,642	(2,265)
Accrued wages	47,987	24,035
<u>Cash Flows from Operating Activities</u>	<u>311,113</u>	<u>598,103</u>
<u>INVESTING ACTIVITIES</u>		
Purchases of intangible assets	-	(12,150)
Purchases of fixed assets	(12,478)	-
Purchases of investments	(4,145,047)	(4,030,854)
Sale of investments	3,675,995	2,435,000
<u>Cash Flows from Investing Activities</u>	<u>(481,530)</u>	<u>(1,608,004)</u>
NET CHANGE IN CASH	(170,417)	(1,009,901)
CASH, BEGINNING	1,744,885	2,754,786
CASH, ENDING	\$ 1,574,468	\$ 1,744,885

Heart Math Tutoring, Inc.

Notes to Financial Statements

June 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of activities

Heart Math Tutoring, Inc. (“Heart”), is incorporated under the laws of the State of North Carolina. Heart’s mission is to ensure that all elementary students develop the strong foundation in math and enthusiasm for academics needed for long-term success, by helping schools use volunteers as tutors. Community members commit one hour per week to deliver Heart’s hands-on curriculum in one-on-one tutoring sessions during the school day while receiving real-time support.

Across the Carolinas, just ~50% of fourth graders were proficient in elementary math on 2024 state tests, with disparities across subgroups based on socioeconomic status and race/ethnicity. Many students already behind in elementary school lack foundational number sense and are following rules and procedures without deep understanding. Unable to comprehend grade-level material in class, these students fall farther behind. Lack of math proficiency can become a barrier to a student’s early self-identity as a successful student, high school graduation, post-secondary options, and success as an adult.

Researched methods show that correctly targeted, individualized attention in early years can close students’ conceptual gaps. However, teachers’ capacity for providing one-on-one attention to meet individual student need is limited. Heart leverages volunteer tutors to provide approximately 50 hours per week of one-on-one, aligned instruction at each of its partner schools. Teachers nominate 50 students per school in grades 1 – 5 who are performing below grade level in math to receive one-on-one instruction for 30 minutes twice per week. Heart then assesses each student to determine his/her conceptual gaps, using assessments approved by Charlotte-Mecklenburg Schools (CMS) Elementary Math Specialists. Based on assessment data, Heart directs volunteers to appropriate, hands-on activities that target and fill those gaps.

The activities are organized into easy to follow 30-minute lesson plans sequenced across six concept level notebooks. Heart’s Program Coordinator administers short mini-assessments during tutoring sessions throughout the year to constantly reevaluate student instructional needs and confirm student readiness for new curriculum levels. The result of frequent formative assessments and structured curriculum tools for volunteers is that 97% of students tutored to date have met program growth goals on the post-assessment in May. In addition, tutors act as mentors, providing much needed encouragement that can have a long-term positive impact. More than 90% of teachers have reported that students’ confidence and/or enthusiasm towards math increased as a result of the program on end of year surveys.

Heart Math Tutoring, Inc.

Notes to Financial Statements

June 30, 2024

During the 2023/24 school year (for the year ended 6/30/24), Heart offered in-person tutoring at 22 school sites and school-based virtual tutoring at 4 school sites in Charlotte. More than 1,260 weekly volunteers worked as tutors for 1,190 students who were performing below grade level in math across 26 Charlotte area elementary schools during the school day. Additionally, Heart expanded to three school sites in Charleston, SC and completed its first full year operating in Winston-Salem, NC at 2 school sites. In partnership with local leadership and funded by local philanthropy, Heart served 118 students in Charleston and 68 students in Winston-Salem, 99% and 98% of students met or exceeded program growth goals in each region, respectively.

Heart concluded two years of a successful afterschool program at one school in Charlotte, fully funded by CMS COVID-19 relief funds. Students received small group tutoring in math three days per week from October to May. In 2023/24, 80% of 61 enrolled students met their growth goals on the standardized NWEA/MAP test.

Sources of revenue

Heart receives contributions and grants primarily from individual donors, foundations, and businesses. Heart also received program revenue from the Charlotte-Mecklenburg School system and the South Carolina Department in 2023/24.

Federal income tax status

Heart is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code and is not a private foundation as defined by Section 509(a) of the Internal Revenue Code.

Basis of presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets without donor restrictions can be both undesignated and designated in nature. Undesignated net assets without donor restrictions are those currently available for use in the day-to-day operation of Heart and those resources invested in assets. Heart had no designated net assets as of June 30, 2024.

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations. These net assets may be temporary in nature, which are subject to donor-imposed stipulations that may or will be met, either by actions of Heart or the passage of time, and net assets that are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. As of June 30, 2024, Heart had no funds to be maintained in perpetuity.

Heart Math Tutoring, Inc.

Notes to Financial Statements

June 30, 2024

Revenue recognition

Contributions, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions of cash and other assets are considered to be available for undesignated use unless specifically restricted by the donor. Amounts received that are restricted for future periods or are restricted by the donor for specific purposes are reported as net assets with donor restrictions. When a donor restriction expires (that is, when a stipulated time restriction ends or the purpose of the 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.

A portion of Heart's revenue is derived from various contracts, such as the Charlotte-Mecklenburg School system, which are conditioned upon certain performance requirements. Amounts received are recognized as deferred revenue until the tutoring services have been performed prior to the end of the Charlotte-Mecklenburg School system's school year, at which time the funds received are recognized as contract revenue. Heart has met all performance requirements as of June 30, 2024.

Fixed assets

Fixed assets with a value of \$2,500 or more is recorded at cost if purchased or fair value if donated. Costs that improve or extend the useful lives of assets are capitalized. Amounts paid for maintenance and repairs are expensed as incurred. Depreciation expense is recorded using the straight-line method of depreciation over the estimated useful lives of the assets, which is five years.

Intangible assets

Software cost exceeding \$2,500 of value is recorded at cost if purchased or fair value if donated. Amortization expense is recorded using the straight-line method of amortization over the estimated useful life of the asset, which is three years.

Leases

Heart 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 future minimum lease payments over the lease term. Operating lease expense is recognized on a straight-line basis over the lease term. Heart does not report ROU assets and lease liabilities for its leases with a term of 12 months or less; rather they are reported as a lease expense on a straight-line basis over the lease term.

Donated services and goods

Donated services and goods are reported as contributions when the services (a) create or enhance nonfinancial assets or (b) would be purchased if they had not been provided by contribution, require specialized skills, and are provided by individuals possessing those skills. During the year, Heart recorded no contributed services and donated goods.

Heart Math Tutoring, Inc.

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June 30, 2024

In addition, many individuals, including members of the Board of Directors, volunteer their time and perform a variety of tasks that assist Heart with program services, management, and fundraising efforts. The value of this contributed time is not reflected in these financial statements since it does not meet the above recognition criteria.

Donated facility

Heart received three months of donated rent in their current occupied space. The value recorded was based on the monthly payment which totaled \$17,976 for the three months.

Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of support, revenues, and expenses during the reporting period. Actual results could differ from those estimates.

Prior-year comparative totals

The financial statements include certain prior-year summarized information in total, but not by net asset class or functional expense category. Such information does not include sufficient detail to constitute a presentation in conformity with US GAAP. Accordingly, such information should be read in conjunction with Heart's 2023 financial statements, from which the summarized information was derived. Certain prior year amounts have been reclassified to conform to the current year presentation.

NOTE 2 –INVESTMENTS

Investments are presented in the financial statements at fair value and as of June 30, 2024, the investments consisted of five six-month United States Treasury Bills that mature starting July 2024 and each month following until November 2024, for a total value of \$2,179,854. Any realized and unrealized gains or losses in investments, as well as interest earned on investments and cash or cash equivalents are included in Other Income in the accompanying Statement of Activities.

GAAP requires the fair value of financial instruments to be determined based on the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants. It establishes a three-level valuation hierarchy based upon observable and unobservable inputs, as follows:

Level 1 – Fair value is based on quoted prices in active markets for identical assets or liabilities.

Level 2 – Fair value is based on observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Heart Math Tutoring, Inc.

Notes to Financial Statements

June 30, 2024

Level 3 – Fair value is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Heart's investments are classified as Level 1 investments.

NOTE 3 – RECEIVABLES

Pledges receivable

Unconditional promises to give are presented net of the allowance for doubtful accounts as calculated by management. Management's assessment of the collectability of receivables is based on a review of individual accounts, historical experience, and current economic conditions. Management has determined that no allowance is needed for promises to give. The present value discounts on those amounts are computed using a risk-free interest rate applicable to the years in which the promises are expected to be received. The discount of \$28,851 as of June 30, 2024, is based on an interest rate of 4.16%. Amortization of discounts is included in the contribution revenue. Heart's pledges are expected to be collected during the year ending June 30,

2025	\$	665,822
2026		220,000
2027		12,250
Total Promises to Give		898,072
Deduct:		
Discount for present value		28,851
NET PLEDGES RECEIVABLE	\$	869,221

Accounts receivable

Accounts receivable are stated at net realizable value. Management has determined no allowance for doubtful accounts is needed based on a review of the individual accounts. All receivables are expected to be collected in the following fiscal year.

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment used by Heart in its operations consist of the following at June 30, 2024:

Leasehold improvements	\$	5,605
Furniture, fixtures, and equipment		6,873
Total		12,478
Less – accumulated depreciation		985
TOTAL PROPERTY AND EQUIPMENT	\$	11,493

Heart Math Tutoring, Inc.

Notes to Financial Statements

June 30, 2024

NOTE 5 – INTANGIBLE ASSETS – SOFTWARE

Basis of accounting

Software cost exceeding \$2,500 of value is recorded at cost if purchased or fair value if donated. Amortization expense is recorded using the straight-line method of amortization over the estimated useful life of the website, which is five years. The cost of the website was \$89,195, and the accumulated amortization was \$81,433, as of December 31, 2023.

NOTE 6 – LEASES

Heart leases office space in Charlotte, North Carolina under a long-term non-cancelable operating lease arrangement. The lease expires April 2029. The lease provides for increases in future minimum annual rental payments. The discount rate represents the risk-free discount rate using a period comparable with that of the individual lease term, which was 4.42%.

At June 30, 2024, the operating lease right-of-use asset balance was \$294,008, and the operating lease liability was \$333,910.

Total lease costs for the year ended June 30, 2024 was \$45,894.

Due to Heart only having one operating lease, the weighted-average discount rate is 4.42%, and a weighted-average remaining lease term of 4.8 years.

Future minimum lease payments required under the operating lease are as follows:

Year ended June 30,	
2025	\$ 71,259
2026	75,357
2027	77,618
2028	79,946
2029	68,452
Total lease payment	372,632
Less: imputed interest	38,722
Present value of liability	<u>\$ 333,910</u>

Heart Math Tutoring, Inc.

Notes to Financial Statements

June 30, 2024

NOTE 7 – NET ASSETS WITH DONOR RESTRICTIONS

Restricted net assets as of June 30, 2024, are comprised of cash and receivables and consist of the following:

Purpose-restricted:

Geography Strategy Grant	\$ 219,559
Winston-Salem	163,868
Charleston	327,015
Other	7,193
Total Purpose-Restricted	<u>717,635</u>

Time-restricted:

2024/25 School Year	2,347,793
2025/26 School Year	147,400
2026/27 School Year	128,144
Total Time-Restricted	<u>2,623,337</u>

TOTAL NET ASSETS WITH DONOR RESTRICTIONS	<u><u>\$ 3,340,972</u></u>
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NOTE 8 – RETIREMENT PLAN

Heart maintains a 401(k)-retirement plan. Full-time employees who have been employed for one year are eligible for a match up to three percent. The total amount contributed for the year ended June 30, 2024, was approximately \$24,500.

NOTE 9 – CONCENTRATIONS OF CREDIT RISK

Geographic location and funding

Heart operates in a small geographic area and receives support and revenue from a limited number of sources and is, therefore, sensitive to changes in the local economy.

Cash

Cash held in bank accounts are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). Heart holds cash in excess of the insured limits covered by the FDIC; however, Heart believes it is not exposed to any significant credit risk related to these accounts.

Heart Math Tutoring, Inc.

Notes to Financial Statements

June 30, 2024

NOTE 10 – FUNCTIONAL ALLOCATION OF EXPENSES

The financial statements of Heart report certain categories of expenses attributable to more than one function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, which is allocated on a square footage basis, and salaries and benefits, which is allocated on the basis of time.

NOTE 11 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

As of June 30, 2024, Heart has \$4,451,171 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditures consisting of cash \$1,574,468, investments of \$2,179,854, current receivables of \$696,849. Of the financial assets available, \$993,179 are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the balance sheet date. Contributions and pledges made during the current fiscal year will support programs in the upcoming fiscal year. Heart sets a goal of having financial assets on hand by year-end to meet the normal operating expenses for the upcoming school year, which, on average, is approximately \$85,000 per school. Heart has committed to partner with 29 schools for the 2024/25 School Year.

NOTE 12 – SUBSEQUENT EVENTS

Heart has evaluated subsequent events from the date of the statement of financial position through the date of the audit report, which is the date the financial statements were available to be issued. During this period, no material recognizable subsequent events were identified.