HEART HAVEN OUTREACH

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 and 2024

(With Independent Auditor's Report)

Wieland Wallace Inc.
Certified Public Accountants

HEART HAVEN OUTREACH

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Heart Haven Outreach

We have audited the accompanying financial statements of Heart Haven Outreach (an Illinois nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, cash flows and functional expenses 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 Heart Haven Outreach's position as of June 30, 2025 and 2024, and the related statements of activities, cash flows and functional expenses for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Heart Haven Outreach 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Haven Outreach'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 purpose of expressing an opinion on the effectiveness of Heart Haven Outreach'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 Haven Outreach'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.

Wieland Wallace Inc.

Batavia, Illinois
November 6, 2025

HEART HAVEN OUTREACH

STATEMENTS OF FINANCIAL POSITION

ASSETS

	June 30, 2025	June 30, 2024
CURRENT ASSETS		
Cash and cash equivalents	**$ 51,731**	$ 47,803
Short-term investments	**249,300**	270,171
Prepaid insurance	**1,375**	—
Unconditional promises to give		
Without donor restrictions	**23,660**	30,854
TOTAL CURRENT ASSETS	**326,066**	348,828
PROPERTY AND EQUIPMENT, NET	**20,349**	33,484
TOTAL ASSETS	**$ 346,415**	$ 382,312

LIABILITIES AND NET ASSETS

	2025	2024
LIABILITIES		
Accounts payable	**$ 4,370**	$ 22,827
Accrued expenses	**12,271**	14,858
Deferred special event revenue	**24,215**	35,682
TOTAL LIABILITIES	**40,856**	73,367
NET ASSETS		
Without donor restrictions	**280,559**	308,945
With donor restrictions	**25,000**	–
TOTAL NET ASSETS	**305,559**	308,945
TOTAL LIABILITIES AND NET ASSETS	**$ 346,415**	$ 382,312

HEART HAVEN OUTREACH

STATEMENTS OF ACTIVITIES

	Year Ended June 30, 2025			Year Ended June 30, 2024		
	Without Donor Restrictions	**With Donor Restrictions**	**2025 Totals**	Without Donor Restrictions	With Donor Restrictions	2024 Totals
SUPPORT AND REVENUES						
Individual and business contributions	**$ 62,556**	**$ —**	**$ 62,556**	$ 33,741	$ —	$ 33,741
Corporate and foundation grants	**118,161**	**25,000**	**143,161**	90,718	—	90,718
Indirect public support	**8,149**	**—**	**8,149**	4,619	—	4,619
Program service revenue	**157,947**	**—**	**157,947**	233,816	—	233,816
In-kind contributions and support	**211,520**		**211,520**	124,246		124,246
Special events, less cost of donor benefits (2025, $102,010; 2024, $91,350)	**101,595**	**—**	**101,595**	108,153	—	108,153
Interest income	**11,595**	**—**	**11,595**	12,222	—	12,222
Gain on sale of assets	**3,000**	**—**	**3,000**	—	—	—
TOTAL SUPPORT AND REVENUES	**674,523**	**25,000**	**699,523**	607,515	—	607,515
EXPENSES						
Program services	**590,311**	**—**	**590,311**	525,479	—	525,479
Supporting services						
General and administrative	**88,505**	**—**	**88,505**	88,670	—	88,670
Fundraising	**24,093**	**—**	**24,093**	22,298	—	22,298
Total supporting services	**112,598**	**—**	**112,598**	110,968	—	110,968
TOTAL EXPENSES	**702,909**	**—**	**702,909**	636,447	—	636,447
CHANGE IN NET ASSETS	**(28,386)**	**25,000**	**(3,386)**	(28,932)	—	(28,932)
NET ASSETS, BEGINNING OF YEAR	**308,945**	**—**	**308,945**	337,877	—	337,877
NET ASSETS, END OF YEAR	**$ 280,559**	**$ 25,000**	**$ 305,559**	$ 308,945	$ —	$ 308,945

HEART HAVEN OUTREACH

STATEMENTS OF FUNCTIONAL EXPENSES

	Year Ended June 30, 2025				Year Ended June 30, 2024			
	Program Services	**Management and General**	**Fundraising**	**2025 Totals**	Program Services	Management and General	Fundraising	2024 Totals
Employee compensation	**$ 277,696**	**50,798**	**10,160**	**$ 338,654**	$ 282,247	51,631	10,326	$ 344,204
Payroll taxes	**25,163**	**4,603**	**920**	**30,686**	26,451	4,839	967	32,257
Employee benefits	**34,721**	**6,351**	**1,270**	**42,342**	35,604	6,513	1,303	43,420
Office expenses	**1,938**	**570**	**3,193**	**5,701**	2,284	672	3,762	6,718
Professional services	**6,368**	**1,165**	**233**	**7,766**	7,555	1,382	276	9,213
Program expenses	**29,572**	**—**	**—**	**29,572**	30,351	—	—	30,351
Postage and shipping	**—**	**—**	**406**	**406**	—	—	1,449	1,449
In-kind facilities	**99,054**	**2,108**	**4,215**	**105,377**	99,053	2,108	4,215	105,376
In-kind consulting	**86,856**	**1,848**	**3,696**	**92,400**	—	—	—	—
Insurance	**3,211**	**10,168**	**—**	**13,379**	2,836	8,982	—	11,818
Vehicle expenses	**12,813**	**—**	**—**	**12,813**	20,542	—	—	20,542
Travel, meetings and conferences	**2,263**	**—**	**—**	**2,263**	2,035	—	—	2,035
Staff development and appreciation	**936**	**—**	**—**	**936**	2,044	—	—	2,044
Auditing and tax preparation	**—**	**7,479**	**—**	**7,479**	—	7,457	—	7,457
Depreciation	**9,720**	**3,415**	**—**	**13,135**	14,477	5,086	—	19,563
	$ 590,311	**$ 88,505**	**$ 24,093**	**$ 702,909**	$ 525,479	$ 88,670	$ 22,298	$ 636,447

HEART HAVEN OUTREACH

STATEMENTS OF CASH FLOWS

	Year Ended June 30, 2025	2024
CASH FLOW FROM OPERATING ACTIVITIES		
Change in net assets	**$ (3,386)**	$ (28,932)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	**13,135**	19,563
Gain on sale of assets	**(3,000)**	–
Decrease (increase) in operating assets		
Other Receivable	**(1,375)**	32,179
Promises to give	**7,194**	5,547
Increase (decrease) in operating liabilities		
Accounts payable	**(18,457)**	12,082
Accrued expenses	**(2,587)**	6,975
Deferred revenue	**(11,467)**	4,063
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	**(19,943)**	51,477
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of investments	**(51,594)**	(112,821)
Proceeds from maturity of investments	**72,465**	30,306
Proceeds from sale of property and equipment	**3,000**	–
Purchases of property and equipment	**–**	(9,931)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	**23,871**	(92,446)
NET INCREASE (DECREASE) IN CASH	**3,928**	(40,969)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	**47,803**	88,772
CASH AND CASH EQUIVALENTS, END OF YEAR	**$ 51,731**	$ 47,803

NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES

Heart Haven Outreach (the Organization) is an Illinois 501(c)(3) nonprofit organization that serves middle and high school teens in the greater Bolingbrook and Romeoville area who are experiencing challenging times. Through a variety of time-tested and research-based programs, the organization pursues its mission of “reaching out to the hearts of youth and facilitating life transformation.”

The organization’s mission is to transform the lives of at-risk struggling teens through caring relationships and programs that support healthy development on an emotional, mental, physical, and spiritual level.

The organization’s programmatic activities include the following:

- “Real Life” support groups
- “Good, Clean Fun” recreational activities
- “Talk It Out” alternative to discipline program
- “Connect for Success” tutoring program
- “You Got Served” service projects
- One on one mentoring
- Summer programs
- Transportation services

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

BASIS OF PRESENTATION

The accompanying financial statements report the assets, liabilities, revenues and expenses of the Organization using the accrual basis of accounting. The Organization reports information regarding its financial position, activities, grants and contributions received, if any, according to two classes of net assets: without donor restrictions and with donor restrictions.

CASH AND CONCENTRATIONS OF RISK

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. The Organization maintains its cash with high quality financial institutions and deposits which occasionally exceed federally insured limits.

SHORT-TERM INVESTMENTS

Certificates of deposit with original maturities greater than three months are classified as short-term investments which are carried at cost which approximates market. The organization had short term investments consisting of certificate of deposits and money market accounts amounting to $249,300 and $270,171 at June 30, 2025 and 2024, respectively.

PROMISES TO GIVE AND REVENUE RECOGNITION

Grants, gifts and contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions in the statement of activities.

Conditional promises to give are recognized as support when the conditions on which they depend are substantially met. Support from grants and other agreements that in substance constitute exchanges for services from the Organization is recognized when earned.

Amounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible promises using the allowance method. However, no allowance was determined to be warranted at June 30, 2025 and 2024 as all promises to give are expected to be realized in the next fiscal year.

Program service revenue performance obligation are based on fulfilment of services under various programs to the students for cash consideration

CAPITALIZATION AND DEPRECIATION

Purchased property and equipment are recorded and capitalized at cost, while expenditures for maintenance and repairs are charged to expense as incurred. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirationsof donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation.

Depreciation is provided for using the double-declining method in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives which vary from three to ten years. The estimated service life of the assets for depreciation purposes may be different than their actual economic useful lives.

CONTRIBUTED SERVICES AND GOODS

Donated services are recognized at their estimated fair value when they create or enhance nonfinancial assets or they require specialized skills which would need to be purchased if they were not donated. The Organization receives donated services from a variety of unpaid volunteers assisting the Organization in its charitable purpose. No amounts have been recognized for these services in the statements of activities because the criteria for recognition have not been satisfied. Donated goods used in operations are recognized at estimated fair values when received.

CONTRIBUTIONS

Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

INCOME TAXES

The Organization is tax exempt under Internal Revenue Code Section 501(c)(3), is classified as a public charity and has no unrelated business income. Accordingly, no provision for income taxes is reported.

The financial statement effects of a tax position taken or expected to be taken are recognized when it is more likely than not, based on technical merits, that the position will be sustained upon examination. As of June 30, 2025, the Organization had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

ESTIMATES

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

EXPENSE ALLOCATION

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include payroll, which is allocated on the basis of estimates of time and effort, as well as deprecation and rent, which are allocated on square footage basis. Other costs are allocated based on their identification with a specific functional category.

DEFERRED REVENUE

Deferred revenue is a liability as of the balance sheet date related to revenue that has not yet been recognized.

MANAGEMENT REVIEW

The Organization has evaluated subsequent events through the date on which the financial statements were available to be issued which is the date of the Independent Auditor’s Report.

NOTE 3 - OCCUPANCY

The Organization is located at 201 Canterbury Lane, Suite C, Bolingbrook, IL in a building that is owned by the Village of Bolingbrook. The Village of Bolingbrook allows the Organization to reside in the property for an annual lease payment of one dollar ($1.00) per year. The fair market value of such contributed occupancy is reasonably estimated based upon similar sized office spaces in the area. For the years ended June 30, 2025 and 2024, the estimated fair value recorded as in-kind revenue and in-kind expense was $105,376. The Village of Bolingbrook is responsible for paying all utility and operating costs associated with occupying the building.

NOTE 4 – RETIREMENT PLAN

The Organization sponsors a SIMPLE plan for substantially all employees. The plan allows monthly contributions by employees and matching contributions by the Organization, subject to certain limits. The Organization’s contributions to the plan for the years ended June 30, 2025 and 2024 totaled $9,460 and $9,617, respectively.

NOTE 5- PROPERTY AND EQUIPMENT

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

	2025	2024
Furniture and equipment	**$ 36,110**	$ 36,110
Vehicles	**101,678**	116,752
	137,788	152,862
Accumulated depreciation	**(117,439)**	(119,378)
Property and equipment, net	**$ 20,349**	$ 33,484

NOTE 6 – IN-KIND CONTRIBUTIONS

For the year ended December 31, 2024, in-kind contributions recognized within the statements of activities include the following:

Donated goods	
Gift cards and miscellaneous items	**$ 13,744**
Special events auction and raffle items	**45,794**
Total donated goods	**$ 59,538**
Donated Office space	**$ 105,376**
Donated consulting services	**$ 92,400**

The special events auction and raffle items amounting to $45,794 are included in the special events income on the statements of activities.
Donated goods are valued through selling retail prices of the same or comparable products. Donated services are valued based upon normal charges by the providers. Donated office space is based on fair market value of renting a comparable office space.

NOTE 7 - LIQUIDITY OF ASSETS

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, as part of its liquidity management, the Organization invests cash in excess of daily requirements in various short-term investments, including certificates of deposit. To help manage unanticipated liquidity needs, the Organization maintains financial assets on hand to meet a minimum of two years of normal operating expense.

The Organization has $324,691 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of cash of $51,731, short-term investments of $249,300, and promises to give of $23,660.

NOTE 8 – CONCENTRATION OF RISK

The Organization's program service revenue earned from one party totaled approximately 21% and 36% of total support and revenue for each of the years ended June 30, 2025 and 2024. Management believes the program to be ongoing and is not exposed to any significant revenue risk.