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Kids N Hope Foundation, Inc.

Financial Statement

December 31, 2025

Kids N Hope Foundation, Inc.

Table of Content
December 31, 2025

	Page
INDEPENDENT AUDITOR'S REPORT	1 and 2
FINANCIAL STATEMENT	
Statement of Revenues Collected Without Donor Restrictions and Expenses Paid - Cash Basis	3
Notes to Financial Statement	4 and 5

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Independent Auditor's Report

To the Members of the Board
Kids N Hope Foundation, Inc.
Philadelphia, Pennsylvania

Opinion

We have audited the financial statement of Kids N Hope Foundation, Inc. (the Organization), which comprises the statement of revenues collected without donor restrictions and expenses paid - cash basis as of and for the year ended December 31, 2025, and the related notes to the financial statement.

In our opinion, the accompanying statement of revenues collected without donor restrictions and expenses paid - cash basis, presents fairly, in all material respects, the revenues collected without donor restrictions and expenses paid of the Organization as of and for the year ended December 31, 2025, in accordance with the cash basis of accounting described in Note 2.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2 of the financial statement, which describes the basis of accounting. The financial statement is prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the cash basis of accounting described in Note 2, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

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Responsibilities of Management for the Financial Statement (continued)

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

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is 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 GAAS 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 statement.

In performing an audit in accordance with GAAS, we:

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

- Identify and assess the risks of material misstatement of the financial statement, 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 statement.

- 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 financial statement.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that 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.

RKL LLP

April 8, 2026
Exton, Pennsylvania

Kids N Hope Foundation, Inc.

Statement of Revenues Collected Without Donor Restrictions and Expenses Paid - Cash Basis
Year Ended December 31, 2025

Revenues Collected Without Donor Restrictions		
Contributions	**$**	**491,641**
Special events, net of direct expenses $105,510		**153,420**
Dividends		**632**
Total Revenues Collected Without Donor Restrictions		**645,693**
Expenses Paid		
Program expenses, contributions		**710,000**
Management and general, including state registration fee		**57,151**
Total Expenses Paid		**767,151**
Deficiency of Revenues Collected Without Donor Restrictions Under Expenses Paid		**(121,458)**
Assets Recognized, Net Assets at Beginning of Year		**383,435**
Assets Recognized, Net Assets at End of Year	**$**	**261,977**

See accompanying notes.

Note 1 - Nature of Activity

Kids N Hope Foundation, Inc. (the Organization) is a nonprofit organization dedicated to seeking individual and corporate bequests, mainly through special events, in order to primarily support donations to hospitals providing specialized care and rehabilitation to children with developmental disabilities and chronic illnesses. The majority of donations made was granted to the Children's Hospital of Philadelphia.

Note 2 - Summary of the Significant Accounting Policies

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statement follows.

Basis of Accounting

The Organization's accounts are maintained on the cash basis, and the statement of revenues collected without donor restrictions and expenses paid reflects only cash received and cash disbursed. Therefore, receivables, payables, inventories, long-lived assets, accrued income and expenses, and amortization and depreciation, which would be recognized under accounting principles generally accepted in the United States of America and which may be material in amount, are not recognized in the accompanying financial statement.

Basis of Presentation

The Organization's financial statement presentation follows the reporting provisions applicable to not-for-profit (exempt) entities. Under these provisions, the Organization is required to report information regarding its statement of revenues collected without donor restrictions and expenses paid - cash basis according to two classes of assets, if applicable; net assets without donor restrictions and net assets with donor restrictions.

The Organization has no assets with donor-imposed restrictions as of and for the year ended December 31, 2025.

Change in Net Assets

Revenues are reported as increases in net assets without donor restrictions. Expenses are reported as decreases in net assets without donor restrictions.

Cash

Cash consists of cash held in checking and savings accounts reduced by checks issued that have not cleared as of December 31, 2025. Management believes the Organization is not exposed to any significant credit risk on cash.

Note 3 - Income Taxes

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization, including whether the entity is exempt from income taxes. Management evaluated the tax positions taken and concluded that the Organization had taken no uncertain tax positions that require recognition or disclosure in the financial statement. Therefore, no provision or liability for income taxes has been included in the financial statement. With few exceptions, the Organization is no longer subject to income tax examinations by the U.S. Federal, state, or local tax authorities for years before December 31, 2022.

Note 4 - Related Party Support

The Organization receives contributions from American Heritage Federal Credit Union, its employees and its directors, in support of its mission. These contributions amounted to approximately $364,000 for the year ended December 31, 2025.

The Organization reimburses American Heritage Federal Credit Union for compensation and benefit costs of supporting the Organization, which totaled $33,600 for the year ended December 31, 2025.

Note 5 - Subsequent Events

The Organization has evaluated subsequent events through April 8, 2026. This date is the date the financial statement was available to be issued. No material events subsequent to December 31, 2025 were noted.