# Combined Financial Statements

STRONGMINDS®

## For the Years Ended
## December 31, 2025 and 2024

**StrongMinds, Inc. and Related Entities**

# Table of Contents

**For the Years Ended December 31, 2025 and 2024**

CPAs & ADVISORS

## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
StrongMinds, Inc. and Related Entities
Maplewood, New Jersey

**Opinion**

We have audited the combined financial statements of StrongMinds, Inc. and Related Entities (collectively, StrongMinds), which comprise the combined statements of financial position as of December 31, 2025 and 2024, and the related combined statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the combined financial position of StrongMinds as of December 31, 2025 and 2024, and the combined changes in its net assets and its combined cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of StrongMinds Uganda and StrongMinds Zambia, whose statements reflect total assets of $580,387 and $882,692, respectively, as of December 31, 2025, and total support and revenues of $5,939,324 and $2,243,193, respectively, for the year then ended. We did not audit the financial statements of StrongMinds Uganda and StrongMinds Zambia, whose statements reflect total assets of $785,769 and $201,690, respectively, as of December 31, 2024, and total support and revenues of $5,813,177 and $1,583,571, respectively, for the year then ended. Those statements, which were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, were audited by other auditors, whose reports have been furnished to us. We have applied audit procedures on the conversion adjustments to the combined financial statements of StrongMinds, which conform those financial statements to accounting principles generally accepted in the United States of America. Our opinion, insofar as it relates to the amounts included for StrongMinds Uganda and StrongMinds Zambia, prior to these conversion adjustments is based solely on the report of the other auditors.

4550 Montgomery Avenue • Suite 800 North • Bethesda, Maryland 20814
(301) 951-9090 • www.grfcpa.com

**Basis for Opinion**

We conducted our audits 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 Combined Financial Statements section of our report. We are required to be independent of StrongMinds 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 audit opinion.

**Responsibilities of Management for the Combined Financial Statements**

Management is responsible for the preparation and fair presentation of the combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error. In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about StrongMinds' ability to continue as a going concern within one year after the date that the combined financial statements are available to be issued.

**Auditor's Responsibilities for the Audit of the Combined Financial Statements**

Our objectives are to obtain reasonable assurance about whether the combined 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 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 combined financial statements.

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 combined 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 combined 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 StrongMinds' 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 combined financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about StrongMinds' 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 financial statements as a whole. The accompanying supplementary information, as listed below, is presented for purposes of additional analysis and is not a required part of the basic combined financial statements:

1. Combining Schedule of Financial Position
2. Combining Schedule of Activities and Changes in Net Assets

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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined financial statements as a whole. The supplementary information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Gelman Rosenberg & Freedman

June 25, 2026

**StrongMinds, Inc. and Related Entities**

**Combined Statements of Financial Position**
**As of December 31, 2025 and 2024**

**ASSETS**

| | 2025 | 2024 |
|---|---|---|
| **CURRENT ASSETS** | | |
| Cash and cash equivalents | $ 13,969,632 | $ 6,423,842 |
| Grants and contributions receivable | 1,058,799 | 562,952 |
| Prepaid expenses | 183,137 | 155,476 |
| Other current assets | 7,483 | 4,229 |
| **Total current assets** | 15,219,051 | 7,146,499 |
| **Net fixed assets** | 303,076 | 356,530 |
| **NONCURRENT ASSETS** | | |
| Security deposits | 7,128 | 8,249 |
| Grants and contributions receivable, net | 282,013 | 232,558 |
| Operating lease - right-of-use assets, net | 141,204 | 135,540 |
| **Total noncurrent assets** | 430,345 | 376,347 |
| **Total Assets** | $ 15,952,472 | $ 7,879,376 |

**LIABILITIES AND NET ASSETS**

| | 2025 | 2024 |
|---|---|---|
| **CURRENT LIABILITIES** | | |
| Accounts payable and accrued liabilities | $ 227,667 | $ 173,517 |
| Refundable advances - affiliates | 623,321 | - |
| Operating lease liabilities | 105,235 | 53,638 |
| **Total current liabilities** | 956,223 | 227,155 |
| **NONCURRENT LIABILITIES** | | |
| Operating lease liabilities, net | 4,919 | 42,532 |
| **Total liabilities** | 961,142 | 269,687 |
| **NET ASSETS** | | |
| Without donor restrictions | 13,137,637 | 6,531,589 |
| With donor restrictions | 1,853,693 | 1,078,100 |
| **Total net assets** | 14,991,330 | 7,609,689 |
| **Total Liabilities and Net Assets** | $ 15,952,472 | $ 7,879,376 |

See accompanying notes to combined financial statements.

## StrongMinds, Inc. and Related Entities

### Combined Statement of Activities and Changes in Net Assets
### For the Year Ended December 31, 2025

| | Without Donor Restrictions | With Donor Restrictions | Total |
|---|---|---|---|
| **SUPPORT AND REVENUE** | | | |
| Corporate and foundation grants | $ 9,453,195 | $ 5,546,421 | $ 14,999,616 |
| Contributions | 3,434,852 | - | 3,434,852 |
| Interest and other income | 314,541 | - | 314,541 |
| Contributed non-financial assets | 74,145 | - | 74,145 |
| Net assets released from donor restrictions | 4,770,828 | (4,770,828) | - |
| **Total support and revenue** | 18,047,561 | 775,593 | 18,823,154 |
| **EXPENSES** | | | |
| Program Services | 7,316,320 | - | 7,316,320 |
| **Supporting Services:** | | | |
| General and Administrative | 3,115,986 | - | 3,115,986 |
| Fundraising | 958,047 | - | 958,047 |
| **Total supporting services** | 4,074,033 | - | 4,074,033 |
| **Total expenses** | 11,390,353 | - | 11,390,353 |
| Changes in net assets before other item | 6,657,208 | 775,593 | 7,432,801 |
| **OTHER ITEM** | | | |
| Foreign currency translation loss | (51,160) | - | (51,160) |
| **Total other item** | (51,160) | - | (51,160) |
| Changes in net assets | 6,606,048 | 775,593 | 7,381,641 |
| Net assets at beginning of year | 6,531,589 | 1,078,100 | 7,609,689 |
| **Net Assets at End of Year** | $ 13,137,637 | $ 1,853,693 | $ 14,991,330 |

See accompanying notes to combined financial statements.

## StrongMinds, Inc. and Related Entities

### Combined Statement of Activities and Changes in Net Assets
### For the Year Ended December 31, 2024

| | Without Donor Restrictions | With Donor Restrictions | Total |
|---|---|---|---|
| **SUPPORT AND REVENUE** | | | |
| Corporate and foundation grants | $ 2,552,538 | $ 5,310,755 | $ 7,863,293 |
| Contributions | 2,014,640 | - | 2,014,640 |
| Interest and other income | 252,808 | - | 252,808 |
| Contributed non-financial assets | 102,587 | - | 102,587 |
| Net assets released from donor restrictions | 5,128,318 | (5,128,318) | - |
| **Total support and revenue** | 10,050,891 | 182,437 | 10,233,328 |
| **EXPENSES** | | | |
| Program Services | 6,030,178 | - | 6,030,178 |
| **Supporting Services:** | | | |
| General and Administrative | 3,105,514 | - | 3,105,514 |
| Fundraising | 1,011,289 | - | 1,011,289 |
| **Total supporting services** | 4,116,803 | - | 4,116,803 |
| **Total expenses** | 10,146,981 | - | 10,146,981 |
| Changes in net assets before other item | (96,090) | 182,437 | 86,347 |
| **OTHER ITEM** | | | |
| Foreign currency translation gain | 23,762 | - | 23,762 |
| **Total other item** | 23,762 | - | 23,762 |
| Changes in net assets | (72,328) | 182,437 | 110,109 |
| Net assets at beginning of year | 6,603,917 | 895,663 | 7,499,580 |
| **Net Assets at End of Year** | $ 6,531,589 | $ 1,078,100 | $ 7,609,689 |

See accompanying notes to combined financial statements.

## StrongMinds, Inc. and Related Entities

## Combined Statement of Functional Expenses
## For the Year Ended December 31, 2025

| | Program Services | Supporting Services: General and Administrative | Supporting Services: Fundraising | Supporting Services: Total Supporting Services | Total Expenses |
|---|---|---|---|---|---|
| Salaries | $ 3,181,937 | $ 1,844,909 | $ 702,154 | $ 2,547,063 | $ 5,729,000 |
| Employee benefits | 587,770 | 264,966 | 89,493 | 354,459 | 942,229 |
| Mobilization and facilitation | 1,486,364 | 2,746 | - | 2,746 | 1,489,110 |
| Consultants | 475,878 | 26,577 | - | 26,577 | 502,455 |
| Payroll taxes | 274,346 | 163,518 | 54,299 | 217,817 | 492,163 |
| Meetings and trainings | 268,883 | 110,345 | 6,821 | 117,166 | 386,049 |
| Partners | 39 | - | - | - | 39 |
| IT hardware and software | 23,015 | 153,047 | 43,542 | 196,589 | 219,604 |
| Travel | 188,844 | 90,187 | 33,304 | 123,491 | 312,335 |
| Transportation | 211,673 | 47,831 | 4,008 | 51,839 | 263,512 |
| Lease expense | 109,593 | 50,815 | 7,516 | 58,331 | 167,924 |
| Telephone and communications | 71,712 | 50,045 | 11 | 50,056 | 121,768 |
| Professional fees | - | 108,724 | - | 108,724 | 108,724 |
| Depreciation | 71,032 | 21,786 | - | 21,786 | 92,818 |
| Printing and postage | 160,274 | 2,836 | 1,339 | 4,175 | 164,449 |
| Office supplies | 45,045 | 22,066 | - | 22,066 | 67,111 |
| Insurance | 24,409 | 19,232 | - | 19,232 | 43,641 |
| Office security | 28,415 | 16,332 | - | 16,332 | 44,747 |
| Meals and entertainment | 33,365 | 19,583 | 3,366 | 22,949 | 56,314 |
| Advertising and promotion | 64,715 | 6,946 | 3,515 | 10,461 | 75,176 |
| Bank charges | 321 | 34,267 | 8,485 | 42,752 | 43,073 |
| Other | 1,343 | 22,957 | 194 | 23,151 | 24,494 |
| Repairs and maintenance | 2,190 | 18,895 | - | 18,895 | 21,085 |
| Payroll processing fees | - | 10,731 | - | 10,731 | 10,731 |
| Utilities | 5,157 | 6,645 | - | 6,645 | 11,802 |
| **Total** | $ 7,316,320 | $ 3,115,986 | $ 958,047 | $ 4,074,033 | $ 11,390,353 |

See accompanying notes to combined financial statements.

## StrongMinds, Inc. and Related Entities

## Combined Statement of Functional Expenses
## For the Year Ended December 31, 2024

| | Program Services | Supporting Services: General and Administrative | Supporting Services: Fundraising | Supporting Services: Total Supporting Services | Total Expenses |
|---|---|---|---|---|---|
| Salaries | $ 2,819,601 | $ 1,843,321 | $ 643,243 | $ 2,486,564 | $ 5,306,165 |
| Employee benefits | 439,567 | 281,166 | 122,654 | 403,820 | 843,387 |
| Mobilization and facilitation | 663,992 | - | - | - | 663,992 |
| Consultants | 431,115 | 111,436 | 96,873 | 208,309 | 639,424 |
| Payroll taxes | 261,596 | 167,071 | 54,697 | 221,768 | 483,364 |
| Meetings and trainings | 228,322 | 54,683 | 2,690 | 57,373 | 285,695 |
| Partners | 253,271 | - | - | - | 253,271 |
| IT hardware and software | 56,127 | 176,537 | 19,226 | 195,763 | 251,890 |
| Travel | 148,090 | 53,168 | 35,596 | 88,764 | 236,854 |
| Transportation | 194,694 | 20,504 | 4,474 | 24,978 | 219,672 |
| Lease expense | 98,578 | 62,240 | 7,642 | 69,882 | 168,460 |
| Telephone and communications | 87,317 | 42,765 | 60 | 42,825 | 130,142 |
| Professional fees | - | 114,342 | - | 114,342 | 114,342 |
| Depreciation | 81,780 | 30,928 | - | 30,928 | 112,708 |
| Printing and postage | 98,860 | 2,253 | 2,333 | 4,586 | 103,446 |
| Office supplies | 51,583 | 28,222 | 91 | 28,313 | 79,896 |
| Insurance | 22,155 | 23,672 | - | 23,672 | 45,827 |
| Office security | 29,347 | 14,941 | - | 14,941 | 44,288 |
| Meals and entertainment | 30,582 | 6,701 | 2,703 | 9,404 | 39,986 |
| Advertising and promotion | 22,628 | 8,706 | 6,638 | 15,344 | 37,972 |
| Bank charges | 473 | 20,285 | 12,089 | 32,374 | 32,847 |
| Other | 2,133 | 17,216 | 280 | 17,496 | 19,629 |
| Repairs and maintenance | 4,722 | 9,413 | - | 9,413 | 14,135 |
| Payroll processing fees | - | 10,210 | - | 10,210 | 10,210 |
| Utilities | 3,645 | 5,734 | - | 5,734 | 9,379 |
| **Total** | $ 6,030,178 | $ 3,105,514 | $ 1,011,289 | $ 4,116,803 | $ 10,146,981 |

See accompanying notes to combined financial statements.

## StrongMinds, Inc. and Related Entities

### Combined Statements of Cash Flows
### For the Years Ended December 31, 2025 and 2024

| | 2025 | 2024 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Changes in net assets | $ 7,381,641 | $ 110,109 |
| Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities: | | |
| Depreciation and amortization | 92,818 | 112,708 |
| Changes in discount on grants and contributions receivable | (2,105) | (17,442) |
| Foreign exchange translation loss (gain) | 51,160 | (23,762) |
| Amortization of right-of-use assets | 115,744 | 105,301 |
| (Increase) decrease in: | | |
| Grant and contributions receivables | (543,197) | (400,689) |
| Prepaid expenses | (27,661) | (80,012) |
| Other current assets | (3,254) | 50 |
| Security deposits | 1,121 | 111 |
| Increase (decrease) in: | | |
| Accounts payable and accrued liabilities | 54,150 | (103,456) |
| Refundable advance | 623,321 | (48,195) |
| Operating lease liabilities | (107,424) | (104,315) |
| **Net cash provided (used) by operating activities** | 7,636,314 | (449,592) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Purchases of fixed assets | (90,524) | (4,812) |
| **Net cash used by investing activities** | (90,524) | (4,812) |
| Net increase (decrease) in cash and cash equivalents | 7,545,790 | (454,404) |
| Cash and cash equivalents at beginning of year | 6,423,842 | 6,878,246 |
| **Cash and Cash Equivalents at End of Year** | $ 13,969,632 | $ 6,423,842 |
| **SCHEDULE OF NONCASH TRANSACTIONS** | | |
| Right-of-Use Asset | $ 121,408 | $ 109,824 |
| Operating Lease Liability for Right-of-Use Asset | $ 121,408 | $ 99,792 |

See accompanying notes to combined financial statements.

## 1. Summary of Significant Accounting Policies

### Organization

StrongMinds, Inc. began operations in 2013 and is a non-profit organization organized under the laws of the State of New Jersey and located in Maplewood, New Jersey. StrongMinds' mission is to radically expand mental healthcare for people with depression globally.

In 2015, StrongMinds, Inc. worked in conjunction with another Ugandan organization, a non-governmental organization, under a partnership agreement in which funding was provided to work on programs and activities related to the StrongMinds, Inc.'s mission. In 2016, the organization entered into a master collaboration agreement with StrongMinds Uganda (SMU), after SMU achieved its separate non-government registration status in Uganda whereby StrongMinds, Inc. provides funds to SMU to carry on programs and activities in accordance with its mission.

StrongMinds, Inc. supported the launch of operations in Zambia in 2019. StrongMinds Zambia Limited (SMZ) was registered as a company limited by guarantee on February 1, 2019 and as an NGO on April 10, 2019. Thereafter, StrongMinds, Inc. entered into a master collaboration agreement with SMZ whereby it provides funds for SMZ to carry on programs and activities in accordance with its mission.

In 2022, Strongminds, Inc. launched efforts to deliver its programs in the United States. Those activities ceased effective December 31, 2024.

In 2023, StrongMinds, Inc. transitioned from a master collaboration to a grant form of agreement to document the terms and conditions governing its relationships with StrongMinds Uganda and StrongMinds Zambia.

### Basis of Presentation

The accompanying combined financial statements are presented in accordance with the criterion established by FASB ASC 958-810, Not-for-Profit Entities, Consolidation. Under FASB ASC 958-810, combination is required if a separate not-for-profit organization has control (i.e., major voting interest) and significant economic interest in that other organization. The accompanying combined financial statements include the operations of StrongMinds, Inc., StrongMinds Uganda and StrongMinds Zambia (collectively referred to as "StrongMinds"). All significant inter-company accounts and transactions have been eliminated in combination.

The accompanying combined financial statements are presented on the accrual basis of accounting, and in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) related to non-profit entities. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories are as follows:

- **Net Assets without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Net assets set aside solely through the actions of the Board are referred to as Board designated and are also reported as net assets without donor restrictions.

## 1. Summary of Significant Accounting Policies (Continued)

### Basis of Presentation (Continued)

- **Net Assets with Donor Restrictions** - Net assets may be subject to donor-imposed stipulations that are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue without donor restrictions when the assets are placed in service.

### Cash and Cash Equivalents

StrongMinds considers all highly liquid investments with maturities of three months or less, excluding money market funds included as part of the investment portfolio, to be cash and cash equivalents. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to a limit of $250,000. At times during the year, StrongMinds maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

StrongMinds had $907,775 and $252,769 of cash and cash equivalents held at financial institutions in foreign countries as of December 31, 2025 and 2024, respectively. The majority of cash and cash equivalents held in foreign countries are uninsured.

### Grants and Contributions Receivable

Grants and contributions receivable include unconditional promises to give that are expected to be collected in future years. Grants and contributions receivable are recorded at their fair value, which is measured as the present value of the future cash flows. The discount on long-term grants and contributions receivable is computed using the risk-adjusted interest rates applicable to the years in which the promises to give were received. Amortization of the discount is included in contributions.

### Fixed Assets

Fixed assets in excess of $1,000 are capitalized and stated at cost. Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to seven years. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation expense totaled $92,818 and $112,708 for the years ended December 31, 2025 and 2024, respectively.

### Income Taxes

StrongMinds is exempt from Federal income tax under Section 501(a) of the Internal Revenue Code ("IRC"), as an organization described in IRC Section 501(c)(3). Accordingly, no provision for income taxes has been made in the accompanying combined financial statements. StrongMinds is not a private foundation.

## 1. Summary of Significant Accounting Policies (Continued)

### Income Taxes (Continued)

StrongMinds Uganda and StrongMinds Zambia are registered charitable organizations under the laws and regulations of their respective countries.

### Contributions and Grants

Contributions are recognized in the appropriate category of net assets in the period received. StrongMinds performs an analysis of the individual contribution agreement to determine if the funding stream follows the contribution rules or if it should be recorded as an exchange transaction depending upon whether the transaction is deemed reciprocal or nonreciprocal in accordance with ASC Topic 958.

Support from contributions is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions, including grants qualifying as contributions, that are unconditional but have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Contributions with donor restrictions either in excess of expenses incurred or with time restrictions are shown as net assets with donor restrictions in the accompanying combined financial statements.

Conditional contributions contain a right of return and a measurable barrier. Contributions are recognized when conditions have been satisfied. Conditional contributions received in advance of meeting specified conditions established by donors are recorded as refundable advances. StrongMinds' refundable advances totaled 0 as of December 31, 2025. StrongMinds had no refundable advances as of December 31, 2024.

In addition, StrongMinds may obtain funding source agreements related to conditional contributions, which will be received in future years. StrongMinds' unrecognized conditional contributions to be received in future years totaled $996,438 and $3,109,000 as of December 31, 2025 and 2024, respectively.

### Contributed Non-financial Assets

Contributed non-financial assets are recorded at their fair value as of the date of the gift and consisted of contributed legal and professional services. Contributed non-financial assets are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by StrongMinds. None of the contributed non-financial assets were restricted by donors and none of the donated goods were monetized through sale.

## 1. Summary of Significant Accounting Policies (Continued)

### Use of Estimates

The preparation of the combined 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 at the date of the combined financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

### Functional Allocation of Expenses

The costs of providing StrongMinds' programs and supporting services have been summarized on a functional basis in the Combined Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses are allocated on a basis of time and effort (such as with salaries and benefits) or other reasonable basis.

### Functional currency

The U.S. Dollar is the functional currency for StrongMinds' worldwide operations. Transactions in currencies other than U.S. Dollars are converted into U.S. Dollars at the rate of exchange in effect during the month of the transaction. Assets and liabilities denominated in currencies other than U.S. Dollars are translated into U.S. Dollars at the exchange rate in effect at the date of the Combined Statements of Financial Position.

The amount of (loss) gain related to foreign currency translation totaled ($51,160) and $23,762, for the years ended December 31, 2025 and 2024, respectively.

## 2. Grants and Contributions Receivable

As of December 31, 2025 and 2024, contributors to StrongMinds have made written promises to give totaling $1,356,149 and $812,952, respectively. Grants due in more than one year have been recorded at the present value of the estimated cash flows, using discount rates between 3.4% and 7.5%. Grants are due as follows at December 31, 2025 and 2024:

| | 2025 | 2024 |
|---|---|---|
| Less than one year | $ 1,058,799 | $ 562,952 |
| One to five years | 297,350 | 250,000 |
| **Subtotal** | 1,356,149 | 812,952 |
| Less: Allowance to discount balance to present value | (15,337) | (17,442) |
| **Grants and Contributions Receivable** | $ 1,340,812 | $ 795,510 |

## 3. Fixed Assets

Fixed assets consisted of the following as of December 31, 2025 and 2024:

| | 2025 | 2024 |
|---|---|---|
| Equipment | $ 57,991 | $ 52,545 |
| Furniture and fixtures | 62,419 | 46,653 |
| Vehicles | 521,401 | 497,922 |
| **Subtotal** | 641,811 | 597,120 |
| Less: Accumulated depreciation | (338,735) | (240,590) |
| **Net Fixed Assets** | $ 303,076 | $ 356,530 |

## 4. Net Assets with Donor Restrictions

Net assets with donor restrictions consist of the following as of December 31, 2025 and 2024:

| | 2025 | 2024 |
|---|---|---|
| Subject to expenditure for a specified program purpose | $ 1,000,987 | $ 595,542 |
| Subject to passage of time | 852,706 | 482,558 |
| **Total Net Assets with Donor Restrictions** | $ 1,853,693 | $ 1,078,100 |

The following net assets with donor restrictions were released from donor restrictions either by incurring expenses which satisfied the restricted purposes specified by the donors or through the passage of time during the years ended December 31, 2025 and 2024:

| | 2025 | 2024 |
|---|---|---|
| Purpose restrictions accomplished | $ 2,865,147 | $ 4,928,318 |
| Passage of time | 1,905,681 | 200,000 |
| **Total Net Assets Released from Donor Restrictions** | $ 4,770,828 | $ 5,128,318 |

## 5. Liquidity and Availability

StrongMinds has a policy to structure its financial assets to be available and liquid as its obligations become due.

## 5. Liquidity and Availability (Continued)

Financial assets available for use for general expenditures within one year of the Combined Statements of Financial Position date comprise the following as of December 31, 2025 and 2024:

| | 2025 | 2024 |
|---|---|---|
| Cash and cash equivalents | $ 13,969,632 | $ 6,423,842 |
| Grants and contributions receivables | 1,058,799 | 562,952 |
| **Subtotal financial assets available within one year** | 15,028,431 | 6,986,794 |
| Less: Net assets with donor restrictions (program restricted) | (1,000,987) | (595,542) |
| **Financial Assets Available for Use Within One Year** | $ 14,027,444 | $ 6,391,252 |

## 6. Contributed Non-financial Assets

StrongMinds was the beneficiary of certain contributed non-financial assets which allowed StrongMinds to provide greater resources towards its various programs. No donor-imposed restrictions were associated with the contributed non-financial assets, which are recorded at their estimated fair market value as of the date of the gift.

The contributed non-financial assets consisted of the following for the years ended December 31, 2025 and 2024:

| | 2025 | 2024 |
|---|---|---|
| Legal services | $ 11,985 | $ 15,425 |
| Other professional services | 62,160 | 87,162 |
| **Total** | $ 74,145 | $ 102,587 |

The contributed non-financial assets have been recorded in support and in the following functional expense categories for the years ended December 31, 2025 and 2024:

| | 2025 | 2024 |
|---|---|---|
| General and Administrative | $ 74,145 | $ 102,587 |

## 7. Lease Commitments

StrongMinds follows FASB ASC 842 for leases. StrongMinds has elected the practical expedient that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and is applying this expedient to all relevant asset classes. StrongMinds has also elected to use a risk-free rate as the lease discount rate for all leases as allowed under FASB ASC 842.

## 7. Lease Commitments (Continued)

StrongMinds has a lease agreement to lease office space at 515 Valley Street in Maplewood, New Jersey, through April 30, 2027. Monthly lease payments are $1,200.

StrongMinds Uganda has three leases for office space in Uganda with varying terms through 2027.

StrongMinds Zambia entered into a two (2) year lease agreement to rent office space at in Lusaka, Zambia, commencing on April 1, 2025 and expires on March 31, 2027. Monthly lease payments are $4,200 per month.

As of December 31, 2025, the weighted-average remaining lease term and rate for the leases is 1.25 years and 14.5 %, respectively.

As of December 31, 2024, the weighted-average remaining lease term and rate for the leases is 1.82 years and 14.44 %, respectively.

The following is a schedule of the future minimum lease payments due under the operating leases, net of imputed interest, as of December 31, 2025:

| | | |
|---|---|---|
| Year Ending December 31 | | |
| 2026 | $ | 110,442 |
| 2027 | | 4,944 |
| **Subtotal** | | 115,386 |
| Less: Imputed interest | | (5,232) |
| Less: Current portion | | (105,235) |
| **Long-Term Portion** | $ | 4,919 |

Lease expense for the years ended December 31, 2025 and 2024 was $167,950 and $168,460, respectively, and total cash paid was $126,157 and $120,000, respectively.

## 8. Retirement Plan

StrongMinds, Inc. permits salary reduction contributions to be made to a simple individual retirement account or annuity (SIMPLE IRA plan). StrongMinds, Inc. contributes an employer matching contribution to each eligible employee's SIMPLE IRA equal to the employee's salary reduction contribution up to a limit of three (3%) percent of the employee's compensation. StrongMinds, Inc. made contributions in the amounts of $43,901 and $41,570 for the years ended December 31, 2025 and 2024, respectively.

## 9. Contingency

Various lawsuits and other contingent liabilities arise in the ordinary course of StrongMinds' activities. While the final outcome of these legal actions cannot be determined at this time, management is of the opinion that the ultimate liability, if any, from the final resolution of these matters will not have a material effect on StrongMinds' combined financial statements.

## 10. Subsequent Events

In preparing these combined financial statements, StrongMinds has evaluated events and transactions for potential recognition or disclosure through June 25, 2026, the date the combined financial statements were issued.

# Supplemental Information

## StrongMinds, Inc. and Related Entities

## Combining Schedule of Financial Position
## As of December 31, 2025

| | StrongMinds USA | StrongMinds Uganda | StrongMinds Zambia | Eliminations | Total |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **CURRENT ASSETS** | | | | | |
| Cash and cash equivalents | $ 13,061,857 | $ 139,945 | $ 767,830 | $ - | $ 13,969,632 |
| Grants and contributions receivable | 1,058,619 | 180 | - | - | 1,058,799 |
| Prepaid expenses | 49,398 | 94,283 | 39,456 | - | 183,137 |
| Other current assets | 12 | 5,479 | 1,992 | - | 7,483 |
| **Total current assets** | 14,169,886 | 239,887 | 809,278 | - | 15,219,051 |
| Net fixed assets | 16,050 | 274,616 | 12,410 | - | 303,076 |
| **NONCURRENT ASSETS** | | | | | |
| Security deposits | 2,433 | 4,695 | - | - | 7,128 |
| Grants and contributions receivable, net | 282,013 | - | - | - | 282,013 |
| Operating lease - right-of-use assets, net | 19,011 | 61,189 | 61,004 | - | 141,204 |
| **Total noncurrent assets** | 303,457 | 65,884 | 61,004 | - | 430,345 |
| **Total Assets** | $ 14,489,393 | $ 580,387 | $ 882,692 | $ - | $ 15,952,472 |
| **LIABILITIES AND NET ASSETS** | | | | | |
| **CURRENT LIABILITIES** | | | | | |
| Accounts payable and accrued liabilities | $ 63,366 | $ 116,606 | $ 47,695 | $ - | $ 227,667 |
| Refundable advances - affiliates | - | - | 623,321 | - | 623,321 |
| Operating lease liabilities | 14,248 | 42,583 | 48,404 | - | 105,235 |
| **Total current liabilities** | 77,614 | 159,189 | 719,420 | - | 956,223 |
| **NONCURRENT LIABILITIES** | | | | | |
| Operating lease liabilities, net | 4,919 | - | - | - | 4,919 |
| **Total liabilities** | 82,533 | 159,189 | 719,420 | - | 961,142 |
| **NET ASSETS** | | | | | |
| Without donor restrictions | 12,553,167 | 421,198 | 163,272 | - | 13,137,637 |
| With donor restrictions | 1,853,693 | - | - | - | 1,853,693 |
| **Total net assets** | 14,406,860 | 421,198 | 163,272 | - | 14,991,330 |
| **Total Liabilities and Net Assets** | $ 14,489,393 | $ 580,387 | $ 882,692 | $ - | $ 15,952,472 |

## StrongMinds, Inc. and Related Entities

## Combining Schedule of Activities and Changes in Net Assets
## For the Year Ended December 31, 2025

| | StrongMinds USA | | | StrongMinds Uganda | | | StrongMinds Zambia | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Without Donor Restrictions | With Donor Restrictions | Total | Without Donor Restrictions | With Donor Restrictions | Total | Without Donor Restrictions | With Donor Restrictions | Total | Eliminations | Grand Total |
| **SUPPORT AND REVENUE** | | | | | | | | | | | |
| Corporate and foundation grants | $10,944,043 | $5,546,421 | $16,490,464 | $ 486,806 | $ - | $ 486,806 | $ 344,500 | $ - | $ 344,500 | $(2,322,154) | $14,999,616 |
| Contributions | 1,536,159 | - | 1,536,159 | 5,439,732 | - | 5,439,732 | 1,898,693 | - | 1,898,693 | (5,439,732) | 3,434,852 |
| Interest and other income | 301,755 | - | 301,755 | 12,786 | - | 12,786 | - | - | | - | 314,541 |
| Contributed non-financial assets | 74,145 | - | 74,145 | | - | - | - | - | | - | 74,145 |
| Net assets released from donor restrictions | 4,770,828 | (4,770,828) | - | | - | - | - | - | | - | - |
| **Total support and revenue** | 17,626,930 | 775,593 | 18,402,523 | 5,939,324 | - | 5,939,324 | 2,243,193 | - | 2,243,193 | (7,761,886) | 18,823,154 |
| **EXPENSES** | | | | | | | | | | | |
| Program Services | 8,506,589 | - | 8,506,589 | 4,703,501 | - | 4,703,501 | 1,868,116 | - | 1,868,116 | (7,761,886) | 7,316,320 |
| **Supporting Services:** | | | | | | | | | | | |
| General and Administrative | 1,368,309 | - | 1,368,309 | 1,475,723 | - | 1,475,723 | 271,954 | - | 271,954 | - | 3,115,986 |
| Fundraising | 957,452 | - | 957,452 | | - | - | 595 | - | 595 | - | 958,047 |
| **Total supporting services** | 2,325,761 | - | 2,325,761 | 1,475,723 | - | 1,475,723 | 272,549 | - | 272,549 | - | 4,074,033 |
| **Total expenses** | 10,832,350 | - | 10,832,350 | 6,179,224 | - | 6,179,224 | 2,140,665 | - | 2,140,665 | (7,761,886) | 11,390,353 |
| Changes in net assets before other item | 6,794,580 | 775,593 | 7,570,173 | (239,900) | - | (239,900) | 102,528 | - | 102,528 | - | 7,432,801 |
| **OTHER ITEM** | | | | | | | | | | | |
| Foreign currency translation loss | 3 | - | 3 | (16,853) | - | (16,853) | (34,310) | - | (34,310) | - | (51,160) |
| **Total other item** | 3 | - | 3 | (16,853) | - | (16,853) | (34,310) | - | (34,310) | - | (51,160) |
| Changes in net assets | 6,794,583 | 775,593 | 7,570,176 | (256,753) | - | (256,753) | 68,218 | - | 68,218 | - | 7,381,641 |
| Net assets, beginning of year | 5,758,584 | 1,078,100 | 6,836,684 | 677,951 | - | 677,951 | 95,054 | - | 95,054 | - | 7,609,689 |
| **Net Assets, End of Year** | $12,553,167 | $1,853,693 | $14,406,860 | $ 421,198 | $ - | $ 421,198 | $ 163,272 | $ - | $ 163,272 | $ - | $14,991,330 |