Michael's Cause Inc.
(a not-for-profit organization)

Financial Statements

And

Independent Auditor's Report

December 31, 2025

Peter & Roseanne Bozzo, PC
Certified Public Accountants

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Peter & Roseanne Bozzo, PC
Certified Public Accountants

Board of Directors
Michael's Cause Inc.
Staten Island, New York

Independent Auditor's Report

Opinion

We have audited the accompanying financial statements of Michael's Cause Inc. (a not-for-profit organization), which comprise the statement of financial position as of December 31, 2025, and the related statements of revenues, expenses and other changes in net assets, functional expenses and cash flows for the year 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 for Michael's Cause Inc. as of December 31, 2025, 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 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 Michael's Cause 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 Michael's Cause Inc. ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ABC 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 statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Micheal's Cause 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.

Peter & Roseanne Bozzo, PC

July 17, 2026
Freehold, New Jersey

122 Princeton Oval, Freehold, NJ 07728 Phone/Fax: (732) 409-0586

Michael's Cause Inc.
STATEMENT OF FINANCIAL POSITION
December 31, 2025

ASSETS

Current Assets:		
Cash and Cash Equivalents	$	642,519
Marketable Securities		304,384
Prepaid Expenses		5,064
Total Current Assets	$	951,967
Property, Equipment and Right of Use Asset		
Computers		2,583
Right of Use Asset		19,234
Less: Accumulated Depreciation		(2,583)
Net Property, Equipment and Right of Use Asset	$	19,234
Total Assets	$	971,201

See Accountants' Independent Auditor's Report and Accompanying Notes to Financial Statements

Michael's Cause Inc.
STATEMENT OF FINANCIAL POSITION
December 31, 2025

LIABILITIES AND NET ASSETS

Current Liabilities:		
Accounts Payable	$	5,301
Accrued Expenses		11,959
Deferred Revenue		7,784
Lease Liability		5,962
Total Current Liabilities	$	31,006
Long-Term Liabilities		
Lease Liability	$	13,272
Total Long-Term Liabilities	$	13,272
Total Liabilities	$	44,278
Net Assets Without Donor Restrictions		926,923
Total Net Assets	$	926,923
Total Liabilities and Net Assets	$	971,201

See Accountants' Independent Auditor's Report and Accompanying Notes to Financial Statements

Michael's Cause Inc.
Statement of Revenues, Expenses, and Other Changes in Net Assets
Year Ended December 31, 2025

Revenues with/without Donor Restrictions

Support and Revenues with/without Donor Restrictions

Direct Public Support, Grants and Contributions	$	70,266
Special Events		96,256
Fundraising		193,393
Donor Restricted Contributions		35,946
Other Income		99,301
Investment Income		12,011
Total Revenues with/without Donor Restrictions	$	507,173
Cost of Direct Benefit to Donors		19,166

Functional Expenses:

Program Services:

Research		102,952
Benevolent Assistance		122,458
Benevolent Assistance Restricted		35,946
Scholarships		4,500
Total Program Services	$	265,856

Support Services:

Fundraising Expenses		112,996
Administrative Expenses		41,793
Total Support Services	$	154,789
Total Functional Expenses	$	420,645
Total Expenses	$	439,811
Change in Net Assets Without Donor Restrictions	$	67,362
Net Assets at Beginning of Year	$	859,561
Net Assets at End of Year	$	926,923

See Accountants' Independent Auditor's Report and Accompanying Notes to Financial Statements

Michael's Cause Inc.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2025

	Total Functional Expenses	Program Services	Fundraising Expenses	Administrative Expenses
UMass Chan Medical School	$ 51,401	$ 51,401		
Myosana Therapeutics	51,551	51,551		
Scholarships	4,500	4,500		
Benevolent Assistance	122,458	122,458		
Benevolent Assistance Restricted	35,946	35,946		
Fundraising Expenses	104,618		104,618	
Advertising	7,080		7,080	
Food Expenses	756			756
Operations	13,486			13,486
Insurance	3,004			3,004
Bank Service Charges	859			859
Operating Lease Payments	8,617			8,617
Rent	3,694			3,694
Vehicle Expenses	7,347			7,347
Other Administrative Expenses	2,527			2,527
Professional Fees	2,801		1,298	1,503
Total Functional Expenses	$ 420,645	$ 265,856	$ 112,996	$ 41,793

See Accountants' Independent Auditor's Report and Accompanying Notes to Financial Statements

Michael's Cause Inc.
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	$	67,362
Adjustments to reconcile change in Net Assets (Loss) to Net Cash provided by (used in) operating activities:		
Decrease (Increase) in Operating Assets:		
Prepaid Expenses		(2,564)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable		3,066
Accrued Expenses		3,225
Deferred Revenue		6,129
Total Adjustments	$	9,856
Net Cash Provided By Operating Activities	$	77,218

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of Marketable Securities		(447,567)
Proceeds from Maturity of Marketable Securities		437,321
Net Cash Used in Investing Activities	$	(10,246)

CASH FLOWS FROM FINANCING ACTIVITIES

Net Cash Provided (Used) By Financing Activities	$	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	$	66,972
Cash and Cash Equivalents at Beginning of Year		575,547
CASH AND CASH EQUIVALENTS AT END OF YEAR	$	642,519

Non-cash Investing and Financing Activities
The Right of Use Asset and a lease liability were amortized by $8,021 during the year ended December 31, 2025.

Michael's Cause Inc.
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2025

1. Nature of Activities and Significant Accounting Policies

Michael's Cause Inc. ("The Organization") was incorporated as a New York Corporation in April 2011 and qualifies as a tax-exempt not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code. The Organization registers annually as a public charity with the New York State Department of Law-Charities Bureau. The mission of the Organization is to promote awareness of the disease Duchenne Muscular Dystrophy, provide funds for additional research to be done in search of a cure for this disease, and provide benevolent assistance for others with the disease.

The Organization is primarily funded through special events, grants, fundraising events, and donations from the general public.

Program Services

The Organization engages in the following program services to fulfill its mission of providing funds for research for the cure of Duchenne Muscular Dystrophy.

The Organization funded two projects during the year to advance research to find a cure for Duchenne Muscular Dystrophy.

The Organization provided benevolent assistance for individuals with Duchenne Muscular Dystrophy during the year ended December 31, 2025.

The Organization also provided scholarships to High School students to promote awareness of Duchenne Muscular Dystrophy.

These financial statements have been prepared in accordance with Generally Accepted Accounting Principles. The Organization's policy is to prepare its financial statements on the accrual basis of accounting. Revenues are recognized when earned, and expenses and losses are recognized when liability has been incurred. A summary of the Organization's accounting policies is as follows:

Cash and Cash Equivalents

Cash and cash equivalents consist of operating checking and money market accounts. The Organization considers all short-term, highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

Concentration of Credit Risk

Financial instruments, which potentially subject the Organization to the concentration of credit risk, consist primarily of temporary cash investments. The Organization places its temporary cash investments in high-credit financial institutions. However, a portion of temporary cash investments may exceed FDIC-insured levels from time to time.

Marketable Securities

The Organization invests in marketable securities and determines the appropriate classification at the time of purchase and reevaluates such designation at each balance sheet date. All the Organization's marketable securities are U.S. Treasury Investments and are held-to-maturity debt securities since the Organization has both the positive intent and ability to hold the securities to maturity. Held-to-maturity debt securities are carried on the balance sheet at amortized cost where amortized cost represents the cost to purchase the security adjusted for the accretion or amortization of discounts or premiums paid below or above par value. Unrealized gains and losses are not recognized in the financial statements until realized.

Fair Value of Financial Instruments

Generally Accepted Accounting Principles establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The Organization uses the following three levels of the fair value hierarchy:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization can access.

Level 2 Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The Organization does not have any assets that require fair market value measurement according to the above framework.

Property, Equipment and Right of Use Asset

Property, Equipment and Right of Use Asset consist of computers depreciated over a three-year period and an operating lease for a vehicle. The Organization capitalizes all equipment when the asset has a benefit beyond the current year. The Organization depreciates a full month in the year of acquisition and records no depreciation for the month of disposition. The Organization capitalizes operating leases in accordance with FASB ASC 842 as both a Right of Use Asset and a lease liability. Both the Right of Use Asset and lease liability are reduced over the life of the lease. The Organization did not have any finance leases.

Net Assets

The Organization reports information on its statement of financial position and Statement of Revenues, Expenses, and Other Changes in Net Assets according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. All net assets on December 31, 2025, are without donor restrictions.

Support and Revenues with/without Donor Restrictions

The Organization receives revenue from direct public support and contributions, special events, grants, and fundraising activities. Revenues with restrictions whose restrictions are met in the same reporting period are reported with support without donor restrictions in the Statement of Revenues, Expenses, and Other Changes in Net Assets for the year ended December 31, 2025. Special events are recorded at gross revenue received with a corresponding cost of direct benefits to donors shown as an expense in the Statement of Revenues, Expenses, and Other Changes in Net Assets.

Special Event Costs

The Organization reports special event costs that directly benefit donors as an expense called Cost of Direct Benefits to Donors in the Statement of Revenues, Expenses, and Other Changes in Net Assets.

Functional Expenses

The Organization records its expenses in the Statement of Revenues, Expenses, and Other Changes in Net Assets according to program and support services. Each natural expense account is recorded for research, benevolent assistance, scholarships, fundraising and administrative expenses according to function. Direct costs that relate to a specific program or support service are allocated directly to that expense account. Indirect costs are allocated to an expense account based on the direct costs incurred to total direct costs of all expense accounts.

Advertising

Advertising expenses are expensed as incurred and are charged to fundraising expenses in the Statement of Revenues, Expenses, and Other Changes in Net Assets.

Income Taxes

The Organization is recognized as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal or state taxes has been made in the financial statements.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States 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.

2. Liquidity

All the Organization's financial assets within one year of the balance sheet date in the amount of $951,967 are available to meet the general expenditures of the Organization. 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. The Organization invests cash more than daily requirements in money market accounts.

3. Marketable Securities

The Organization's investments in marketable securities are in United States Treasury bills with a maturity date of six to twelve months. The Organization has classified and accounted for the marketable securities as held-to-maturity debt securities. The marketable securities are carried on the balance sheet at amortized cost of $304,384. The original cost and accretion of discounts of the marketable securities are $301,471 and $2,913, respectively.

4. Prepaid Expenses

Prepaid expenses include payments for 2026 related to fundraising events and storage fees.

5. Property, Equipment and Right of Use Asset

Property and equipment are recorded at cost. Maintenance and repairs are charged to the Statement of Revenues, Expenses, and Other Changes in Net Assets in the year in which the expense is incurred. The Organization owns computers to assist in supporting the program and support activities of the Organization. All computers have been fully depreciated, and there was no depreciation expense for the year ended December 31, 2025.

The Organization signed a three-year lease for a new vehicle in September 2022 requiring an initial down payment of $2,000 and monthly payments of $500. The Organization used the rate implicit in the lease to determine the lease discount rate. The Organization has recorded the lease as an operating lease as required by ASC 842 and recorded an initial Right of Use Asset and lease liability in the amount of $18,774. The Organization recorded a reduction of the Right of Use Asset and lease liability for use of the asset in the amount of $4,414 and operating lease payments in the amount of $4,729, which included end of lease fees in the amount of $729 during the year ended December 31, 2025. The lease was terminated in September 2025.

The Organization signed a new forty-two month lease for a vehicle in September 2025 requiring an initial down payment of $1,693, which included the first lease payment and monthly payments of $554. The Organization used the rate implicit in the lease to determine the lease discount rate, which equates the fair value of the asset to the sum of the present values of the lease payments and the lessor's unguaranteed residual value. The Organization has recorded the lease as an operating lease as required by ASC 842 and recorded an initial Right of Use Asset and lease liability in the amount of $22,842. The Organization recorded a reduction of the Right of Use Asset and lease liability for use of the asset in the amount of $3,608. The Organization recorded operating lease payments in the amount of $3,888, which included an initial down payment of $1,673. The lease includes a purchase option at the end of the lease term. The lease terminates in September 2028.

6. Deferred Revenue

The Organization recorded deferred revenue in the amount of $7,784 related to cash received in advance for two 2026 fundraisers.

7. Lease Liability

The Organization recorded an operating lease as required by ASC 842 and a corresponding lease liability. Future payments required by the operating lease are as follows:

2026	$5,962
2027	6,215
2028	6,477
2029	580
Total	19,234
Less: Current portion	(5,962)
Long-term portion	$13,272

8. Fundraising Activities- Special Event

The Organization has one main special event, which is an annual race named Step for a Cure. Revenue from the special event was $96,256. The Organization incurred expenses of $19,166 for raffles, entertainment, food, runner and walker giveaways and T-shirts. The expenses incurred have been recorded as a cost of direct benefit to donors in the Statement of Revenues, Expenses, and Other Changes in Net Assets.

9. Contributions and Net Assets with/without Donor Restrictions

The Organization received donor-restricted contributions in the amount of $35,946 to fund three vans, a bathroom, and a lift for children with Duchenne Muscular Dystrophy. The donor-restricted contributions were used to purchase in part vans, a bathroom, and a lift for a total cost of $83,620 and are shown as an expense in Benevolent Assistance and Benevolent Assistance Restricted on the Statement of Revenues, Expenses, and Other Changes in Net Assets for the year ended December 31, 2025. Since $35,946 was received in the same reporting period as the benevolent assistance payments, the net assets, and the changes in net assets with donor restrictions on December 31, 2025, is $0. The entire net asset balance of $926,923 is an unrestricted net asset balance. The restricted contribution payments in the amount of $35,946 are shown under program services under the heading Benevolent Assistance Restricted in the Statement of Revenues, Expenses, and Other Changes in Net Assets for the year ended December 31, 2025.

10. Other Income

The Organization received a return on an investment for a drug to cure Duchenne Muscular Dystrophy. The amount was funded several years ago as a program research expenditure. The drug was approved by the Food and Drug Administration in 2025. Since the return on the investment is not related to the business of the Organization, it is not unrelated business income subject to federal income taxes. The Organization recorded the return on the investment of $98,360 as other income in the Statement of Revenues, Expenses, and other Changes in Net Assets for the year ended December 31, 2025. No additional amounts are expected to be received for this program research investment.

11. Income Taxes

The Organization is exempt from income tax under IRC 501(c)(3) and is not subject to unrelated business income tax. The Organization's Form 990, Return of Organization Exempt from Income Tax, for the years ending December 31, 2023, through 2025, are subject to examination by the Internal Revenue Service for three years after they were filed.

12. Subsequent Events

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through July 17, 2026, the date the financial statements were available to be issued, and did not note any material subsequent events that occurred after December 31, 2025.