

LIMBS FOR LIFE FOUNDATION

Audited Financial Statements

December 31, 2025 and 2024

BELL & RHODES, P.C.

Oklahoma City, Oklahoma

BELL & RHODES, P.C.

Certified Public Accountants

14220 Barbour Avenue

Oklahoma City, OK 73134

INDEPENDENT AUDITOR'S REPORT

Mr. Randy Titony and the Board of Directors
Limbs for Life Foundation
Oklahoma City, Oklahoma

Opinion

We have audited the accompanying financial statements of Limbs for Life Foundation (a nonprofit organization) which comprise the statement of financial position as of December 31, 2025 and 2024, and the related statements of activities, 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 of Limbs for Life Foundation as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis 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 Limbs for Life Foundation 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.

Responsibility 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 Limbs for Life Foundation'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 Responsibility 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, 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 Limbs for Life Foundation'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 Limbs for Life Foundation'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.



July 2, 2026

Limbs for Life Foundation
Statements of Financial Position
As of December 31, 2025 and 2024

	2025	2024
Assets		
Current Assets		
Cash and cash equivalents	\$ 598,918	\$ 730,207
Restricted cash	62,094	107,636
Contributions receivable	3,830	4,539
Marketable securities	13,698,299	12,516,919
Prosthetics inventory	269,271	245,450
Prepaid expenses	28,889	23,466
Deposits	4,050	4,050
Total Current Assets	14,665,351	13,632,267
Other Assets		
Right of use asset (net of \$86,541 accumulated amortization)	72,983	125,515
Beneficial interest in assets held by others	63,781	59,281
Total Other Assets	136,764	184,796
Property and equipment		
Computers and software	18,440	15,345
Furniture and fixtures	9,407	9,407
Leasehold improvements	5,000	5,000
	32,847	29,752
Accumulated depreciation	(25,420)	(20,034)
Net property and equipment	7,427	9,718
Total Assets	<u>\$ 14,809,542</u>	<u>\$ 13,826,781</u>
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 18,572	\$ 13,678
Right of use liability - current portion	22,613	51,015
Total Current Liabilities	41,185	64,693
Right of use liability	52,899	75,512
Total Liabilities	94,084	140,205
Net Assets		
Without donor restrictions	14,589,583	13,515,995
With donor restrictions		
Purpose	62,094	111,300
Time	63,781	59,281
Total donor restricted	125,875	170,581
Total Net Assets	14,715,458	13,686,576
Total Liabilities and Net Assets	<u>\$ 14,809,542</u>	<u>\$ 13,826,781</u>

Limbs for Life Foundation
Statement of Activity and Changes in Net Assets
For the Years Ended December 31, 2025 and 2024

	2025			
	Without Donor Restriction	With Donor Restriction		Total
		Purpose	Time	
Revenue and Other Support				
Contributions	\$ 441,607	\$ -	\$ -	\$ 441,607
Grants and sponsorships	120,930	7,250	-	128,180
Gifts in kind	66,483	-	-	66,483
Fundraising special event revenue	161,857	-	-	161,857
Cost of direct benefit to donors-fundraising	(22,426)	-	-	(22,426)
Investment income-net	548,013	-	-	548,013
Distribution from Oklahoma City Community Foundation	5,365	-	-	5,365
Other	843	-	-	843
Net assets released from restrictions	56,456	(56,456)	-	-
Total Revenue and other Support	1,379,128	(49,206)	-	1,329,922
Expenses				
Program services:				
Patient Assistance	822,138	-	-	822,138
Community Education and Volunteer Recruitment	41,554	-	-	41,554
	863,692	-	-	863,692
Management & general	116,909	-	-	116,909
Fundraising	286,760	-	-	286,760
Total expenses	1,267,361	-	-	1,267,361
Change in net assets from operations	111,767	(49,206)	-	62,561
Unrealized change in market value	961,821	-	4,500	966,321
Change in net assets	1,073,588	(49,206)	4,500	1,028,882
Net assets at beginning of year	13,515,995	111,300	59,281	13,686,576
Net assets at end of year	\$ 14,589,583	\$ 62,094	\$ 63,781	\$ 14,715,458

Limbs for Life Foundation
Statement of Activities and Net Assets
For the Years Ended December 31, 2025 and 2024

	2024			
	Without Donor Restriction	With Donor Restriction		Total
		Purpose	Time	
Revenue and Other Support				
Contributions	\$ 351,320	\$ -	\$ -	\$ 351,320
Grants and sponsorships	34,253	102,980	-	137,233
Fundraising special event revenue	117,022	-	-	117,022
Cost of direct benefit to donors-fundraising	(34,107)	-	-	(34,107)
Investment income - net	616,297	-	-	616,297
Gifts in kind	15,786	-	-	15,786
Other income	43	-	-	43
Net assets released from restrictions	36,636	(36,636)	-	-
Total Revenue and other Support	1,137,250	66,344	-	1,203,594
Expenses				
Program services:				
Patient assistance	714,133	-	-	714,133
Community education and volunteer recruitment	15,679	-	-	15,679
	729,812	-	-	729,812
Supporting services:				
Management & general	131,460	-	-	131,460
Fundraising	217,739	-	-	217,739
	349,199	-	-	349,199
Total Expenses	1,079,011	-	-	1,079,011
Change in net assets from operations	58,239	66,344	-	124,583
Unrealized change in market value	733,063	-	4,238	737,301
Change in net assets	791,302	66,344	4,238	861,884
Net assets at beginning of year	12,724,693	44,956	55,043	12,824,692
Net assets at end of year	\$ 13,515,995	\$ 111,300	\$ 59,281	\$ 13,686,576

Limbs for Life Foundation
Statements of Cash Flows
For the Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Change in net assets from operations	\$ 62,561	\$ 124,583
Adjustments to reconcile change in net assets to cash provided by operating activities:		
Depreciation expense	5,386	4,039
Right of use amortization	52,532	51,009
Decrease in contributions receivable	709	10,244
(Increase) Decrease in inventory	(23,821)	100,515
Increase in prepaid expenses	(5,423)	(8,327)
Principal payments on Right of Use liability	(51,015)	(49,997)
(Decrease) Increase in accounts payable	4,894	2,625
Net cash provided by operating activities	45,823	234,691
Cash Flows from Investing Activities		
Purchase of equipment	(3,095)	-
Transfer from (to) investments	521,000	550,000
Reinvested earnings	(740,559)	(493,807)
Net cash (applied to) provided by investing activities	(222,654)	56,193
Net change in cash, restricted cash and cash equivalents	(176,831)	290,884
Cash, restricted cash and cash equivalents-beginning of year	837,843	546,959
Cash, restricted cash and cash equivalents-end of year	<u>\$ 661,012</u>	<u>\$ 837,843</u>
Cash and cash equivalents-Current Assets	\$ 598,918	\$ 730,207
Cash and cash equivalents-Restricted Assets	62,094	107,636
	<u>\$ 661,012</u>	<u>\$ 837,843</u>

Limbs for Life Foundation
Statements of Functional Expenses
For the Years Ended December 31, 2025 and 2024

	Program			Support Activities		
	Community Education					
	Patient Assistance	and Volunteer Recruitment	Total Program	Management and General	Fundraising	Total Expenses
For the year ended December 31, 2025						
Health and welfare	\$ 488,725	\$ -	\$ 488,725	\$ 30	\$ 1,078	\$ 489,833
Salaries, benefits and taxes	262,797	-	262,797	99,018	192,931	554,746
Education & public awareness	-	41,554	41,554	336	197	42,087
Occupancy	20,283	-	20,283	4,146	8,264	32,693
Services	9,189	-	9,189	1,840	4,358	15,387
Office	13,991	-	13,991	10,222	6,874	31,087
Other	23,437	-	23,437	509	72,196	96,142
Depreciation	3,716	-	3,716	808	862	5,386
	<u>\$ 822,138</u>	<u>\$ 41,554</u>	<u>\$ 863,692</u>	<u>\$ 116,909</u>	<u>\$ 286,760</u>	<u>\$ 1,267,361</u>
For the year ended December 31, 2024						
Health and welfare	\$ 422,270	\$ -	\$ 422,270	\$ -	\$ -	\$ 422,270
Salaries, benefits and taxes	233,572	-	233,572	100,881	151,516	485,969
Education & public awareness	-	15,679	15,679	18	2,264	17,961
Occupancy	35,483	-	35,483	3,656	9,524	48,663
Services	1,201	-	1,201	15,442	619	17,262
Office	9,351	-	9,351	2,217	7,004	18,572
Other	9,833	-	9,833	8,761	45,681	64,275
Depreciation	2,423	-	2,423	485	1,131	4,039
	<u>\$ 714,133</u>	<u>\$ 15,679</u>	<u>\$ 729,812</u>	<u>\$ 131,460</u>	<u>\$ 217,739</u>	<u>\$ 1,079,011</u>

Limbs for Life Foundation
Notes to the Financial Statements
For the Years Ended December 31, 2025 and 2024

1. Nature of Activities

Founded in 1995, Limbs for Life Foundation (LFL) is an Oklahoma City-based, global 501(c)(3) nonprofit organization whose mission is dedicated to providing prosthetic care for individuals who cannot otherwise afford it and to raise awareness of the challenges facing amputees. Through support from individuals, corporations, foundations, faith-based organizations, and community partners, LFL provides prosthetic assistance at no cost to qualified recipients. The Organization does not receive state or federal funding.

During the year ended December 31, 2025, the Organization:

- Processed 564 applications for assistance.
- Responded to 2,787 calls, emails, and referral requests.
- Provided 166 prosthetic limbs to 153 individuals in the United States, representing \$458,168 in direct prosthetic care.
- Served 281 individuals in the United States through funded prosthetic limbs and prosthetic component assistance (153 funded clients and 128 parts-only clients).
- Received 8,461 donated prosthetic components from 321 in-kind donors located in 40 states.
- Distributed 5,765 prosthetic components to 515 individuals in 23 states and 18 countries.
- Distributed 2,066 donated prosthetic components internationally, assisting 234 individuals with the repair or fabrication of prosthetic limbs. The Organization does not fund prosthetic limbs or prosthetic care outside the United States.

The 515 individuals assisted through prosthetic component distribution included the 153 funded U.S. prosthetic recipients, 128 U.S. component-only recipients, and 234 international component-only recipients.

Significant Accounting Policies

- a. Basis of Accounting – The accompanying financial statements have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other assets and liabilities. Revenue is recognized when earned and expenses are recognized when incurred, unless related to specific fundraising events. In that case, such expenses are recognized at the time of the fundraising event.
- b. Basis of presentation – The financial statements report information regarding LFL'S financial position and activities according to two classes – net assets without donor restriction and net assets with donor restriction.
- c. Cash equivalents – LFL considers all highly liquid investments with a maturity, when purchased, of 90 days or less to be cash equivalents.
- d. Donated assets and services – Non-cash donations with readily determinable fair values are recorded as contributions at their estimated fair values at the date of the donation.

Limbs for Life Foundation
Notes to the Financial Statements
For the Years Ended December 31, 2025 and 2024

Significant Accounting Policies – continued

Individuals, businesses and other organizations donate prosthetic materials, consisting primarily of new and used componentry for prosthetic limbs, toward the fulfillment of care provided by LFL. To the extent that such donations are made under the control of LFL, are objectively measurable, and represent expenditures which would otherwise be incurred by LFL, they are reflected as contributions, inventory and program expense in the accompanying financial statements. These materials have been valued at their estimated fair market value as of December 31, 2025 and 2024.

LFL receives donated services from unpaid volunteers who assist in programs and special projects. No amounts have been recognized in the Statement of Activities because the criteria for recognition under accounting principles generally accepted in the United States of America has not been met.

- e. Revenue recognition – Contributions of cash from donors are recognized as revenue when received. All contributions are available for unrestricted use unless specifically restricted by the donor. If a contribution stipulates its use, it is recorded as “with donor restrictions.” When the donor restriction expires, donor restricted net assets are reclassified to net assets “without donor restrictions,” and reported in the statement of activities as net assets released from donor restrictions.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Promises to give deemed to be uncollectible are written off in the year they are determined to be worthless.

- f. Investments – Investments in equity securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the Statement of Financial Position. Fair values are based on quoted market prices or otherwise determined as provided by financial institutions or fund managers, which approximates fair value. Investments in certificate of deposits are valued at cost plus earned and accrued interest. Investment income and gains and losses are reported as unrestricted unless a specific restriction applies.
- g. Property and equipment and leasehold improvements – Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. LFL’S capitalization threshold is \$500 for assets acquired with an economic life of greater than one year. Depreciation is computed using the straight-line method over the estimated useful life of the assets, ranging from three to five years. Leasehold improvements are amortized over the lesser of the life of the asset or the life of the lease. Depreciation expense was \$5,386 and \$4,039 in 2025 and 2024, respectively.

Limbs for Life Foundation
Notes to the Financial Statements
For the Years Ended December 31, 2025 and 2024

Significant Accounting Policies - Continued

- h. Inventory consists of prosthetic materials comprised of new and used componentry which are used in providing prosthetic care. The value of the inventory is recorded using a percentage of nationwide average costs for componentry of prosthetic limbs, which approximates fair market value.
- i. LFL currently serves persons needing prosthetics throughout the United States. As a result, support of the organization is highly dependent upon the general economic conditions. The risk of near-term severe impact on the operations and mission of the organization as a result of this concentration is limited by the diversity of its supporters and donor base.
- j. Functional allocation of expenses – The costs of providing various programs and other activities have been summarized in the accompanying Statement of Functional Expenses. Costs, which are not direct, are allocated between Programs, Fundraising, and Management and General based on evaluations of those costs and the related activities benefitted. The joint costs of informational materials and activities that include a fund-raising appeal are allocated between the program expenses, general and administrative, and fundraising expenses based upon the programs and supporting services benefitted. The principal programs of LFL are comprised of Patient Assistance, which provides fully functional prosthetic are for individuals who cannot otherwise afford it, and Community Education and Volunteer Recruitment, which raises awareness of the challenges facing amputees.
- k. Advertising - Advertising costs are expensed as incurred and totaled \$16,219 and \$10,454 for the years ended December 31, 2025 and 2024, respectively.
- l. Use of estimates – The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.
- m. Restricted cash consists of funds donated specifically for a purpose, such as componentry for children or for state-specific patients.

Limbs for Life Foundation
Notes to the Financial Statements
For the Years Ended December 31, 2025 and 2024

2. Income tax status – LFL has qualified as a not-for-profit organization under Internal Revenue Code Section 501(c)(3) under a final ruling by the Internal Revenue Service dated May 1994 and is classified by the Internal Revenue Code as a publicly supported organization within the meaning of Code Section 509 (a)(1). LFL is not classified as a private foundation within the meaning as described in the Internal Revenue Code Sections 509(a)(1) and 170(b)(1)(A)(vi) and qualifies as a “60% limit” organization for charitable contribution deductions for individual donors.

LFL evaluates and accounts for its uncertain tax positions in accordance with ASC Top 740, “Income Taxes,” including LFL’s tax position as a not-for-profit entity. Through its evaluation of their uncertain tax positions, management has determined no uncertain tax positions existed as of December 31, 2025, which would require LFL to record a liability for the uncertain tax positions in its financial statements.

Interest and penalties, if any, resulting from any uncertain tax position required to be recorded by LFL would be presented in the supporting services expense in the statement of activities.

Federal and state income tax statutes dictate that tax returns filed in any of the previous three reporting periods remain open to examination. Currently, LFL has no open examinations with either the Internal Revenue Service or the Oklahoma Tax Commission.

3. Financial Assets and Liquidity Resources

As of December 31, 2025, LFL has assets available for general expenditures of \$14,359,311, with current liabilities of \$41,185. This leaves \$14,318,126 available for future operations. As of December 31, 2025, LFL does not have any debt requiring principal or interest payments. Financial commitments as of the December 31, 2025, consist only of facility rentals through April 30, 2027, requiring annual rental payments as detailed in Note 4.

4. Lease Commitments

LFL leases its facility under an operating lease. Total rental expense incurred for the years ended December 31, 2025 and 2024, was \$54,600 and \$54,600, respectively. The minimum lease rental commitments for the next five years are as follows:

December 31, 2026	\$ 54,600
December 31, 2027	\$ 22,750

Effective January 1, 2022 LFL adopted Accounting Standards Codification (ASC) 842 issued by the Financial Accounting Standards Board, (FASB) which requires lessees to recognize assets and liabilities for lease terms greater than one year on the balance sheet. LFL signed a three-year lease for office and warehouse space in May, 2024. This resulted in a Right of Use asset, based on a risk-free discount rate of 3%, and with a corresponding liability related to the lease in the amount of \$159,524. The asset is being amortized over the life of the lease. The amortization for this lease for the year ended December 31, 2025 was \$52,532.

Limbs for Life Foundation
Notes to the Financial Statements
For the Years Ended December 31, 2025 and 2024

5. Net Assets Restricted by Donors

Net assets restricted by donors represent the following as of December 31:

	2025	2024
Contributions receivable	\$ -	\$ 7,697
Donor restricted for componentry	62,094	103,231
Donor restricted for IT project	-	372
Oklahoma City Community Foundation	63,781	59,281
Total	<u>\$ 125,875</u>	<u>\$ 170,581</u>

6. Endowed Funds Held by Others

Limbs for Life participates in an endowment fund through the Oklahoma City Community Foundation (OCCF). OCCF is a not-for-profit entity that provides for endowed contributions to be pooled to maximize return on investments for the benefit of area not-for-profit organizations. Contributions to the endowment fund are permitted by not-for-profit entities as well as individual donors in the community who designate the beneficiary of their contributions. Earnings on these endowed funds are paid annually based on OCCF's spending policy which is currently five percent of the average market value over the previous twelve quarters of all assets held for the benefit of LFL. OCCF retains variance power over these assets.

Accounting principles generally accepted in the United States of America provides that the value of reciprocal transfers to organizations raising or holding assets for others, such as community foundations, be recognized as assets in the financial statements of the transferor. The value of assets transferred by others to an organization, such as a community foundation, for a specified beneficiary are not recognized as assets of the beneficiary if the community foundation retains variance power.

The value of the funds contributed by LFL was \$63,781 on December 31, 2025 and \$59,281 on December 31, 2024. The value of funds donated and designated by others at December 31, 2025 and 2024 was \$64,703 and \$60,070 respectively and are not reflected on LFL's financial statements.

Limbs for Life Foundation
Notes to the Financial Statements
For the Years Ended December 31, 2025 and 2024

7. Fair Value Measurements

LFL reports its fair value measures using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as follows:

Level 1. Quoted prices for identical assets or liabilities in active markets to which the organization has access at the measurement date.

Level 2. Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, whether directly or indirectly. Level 2 inputs include:

- a. Quoted prices for similar assets or liabilities in active markets.
- b. Quoted prices for identical or similar assets in markets that are not active.
- c. Observable inputs other than quoted prices for the assets or liability (for example, interest rates and yield curves); and
- d. Inputs derived principally from, or corroborated by, observable market data by correlation or other means.

Level 3. Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

	Level 1		Level 2		Level 3	
	2025	2024	2025	2024	2025	2024
Oklahoma City Community Foundation	\$ -	\$ -	\$ 63,781	\$ 59,281	\$ -	\$ -
Marketable Securities	13,698,299	12,516,919	-	-	-	-
Total	<u>\$ 13,698,299</u>	<u>\$ 12,516,919</u>	<u>\$ 63,781</u>	<u>\$ 59,281</u>	<u>\$ -</u>	<u>\$ -</u>

The asset value for the Oklahoma City Community Foundation is based on the value reported by the OCCF at December 31, 2025.

8. Investments and investment Income

Investment income is comprised of the following at December 31, 2025 and 2024:

	2025	2024
Equities	\$ 5,027,860	\$ 4,493,533
Fixed Income	2,078,186	2,013,258
Exchange Traded Funds	3,956,700	1,077,445
Mutual Funds	2,246,740	4,538,432
Government Securities	388,813	394,251
	<u>\$ 13,698,299</u>	<u>\$ 12,516,919</u>

Limbs for Life Foundation
Notes to the Financial Statements
For the Years Ended December 31, 2025 and 2024

9. Concentrations

LFL maintains a bank account for holding funds in excess of the FDIC insured limit. This is a sweep account, where funds are swept daily to other banks, ensuring that balances are kept under the FDIC limit.

10. Subsequent Events

Management has evaluated subsequent events through July 2, 2026, the date the financial statements were available to be issued.