ANGEL FLIGHT OF NEW ENGLAND, INC.

FINANCIAL STATEMENTS FOR THE YEARS ENDED

DECEMBER 31, 2025 AND 2024

ANGEL FLIGHT OF NEW ENGLAND, INC.

DECEMBER 31, 2025 AND 2024

****

CONTENTS

PAGE

Independent Auditor's Report 1-2

Statements of Financial Position - December 31, 2025 and 2024 3

Statement of Activities
for the Year Ended December 31, 2025 4

Statement of Activities
for the Year Ended December 31, 2024 5

Statement of Functional Expenses
for the Year Ended December 31, 2025 6

Statement of Functional Expenses
for the Year Ended December 31, 2024 7

Statement of Cash Flows
for the Years Ended December 31, 2025 and 2024 8

Notes to Financial Statements - December 31, 2025 and 2024 9-13

DANIEL F. FRIEL, CPA, P.C.

CERTIFIED PUBLIC ACCOUNTANT

404 WYMAN STREET – SUITE 380

WALTHAM, MA 02451-1212

(781) 890-3150 • FAX (781) 890-0268

email: dan@frielcpapc.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Angel Flight of New England, Inc.
North Andover, MA 01845

Opinion

I have audited the accompanying financial statements of Angel Flight of New England, Inc. (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 years then ended, and the related notes to the financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Angel Flight of New England, Inc. as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Angel Flight of New England, Inc. and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audit. I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 Angel Flight of New England, Inc.'s ability to continue as a going concern within one year after the date the financial statements are available to be issued.

DANIEL F. FRIEL, CPA, P.C.

CERTIFIED PUBLIC ACCOUNTANT

404 WYMAN STREET – SUITE 380

WALTHAM, MA 02451-1212

(781) 890-3150 • FAX (781) 890-0268

email: dan@frielcpapc.com

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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 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, I:

- 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 Angel Flight of New England Inc.'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 my judgement, there are conditions or events, considered in aggregate, that raise substantial doubt about Angel Flight of New England, Inc.'s ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Daniel F Friel CPA PC

June 26, 2026

ANGEL FLIGHT OF NEW ENGLAND, INC.

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2025 AND 2024

ASSETS

	2025	2024
Current assets:		
Cash	$1,569,496	$1,277,749
US Treasury, Money Market Account	982,575	1,050,773
Other Marketable Securities	-	8,653
Total Current Assets	2,552,071	2,337,175
Property and equipment:		
Motor vehicle	72,436	53,472
Accumulated depreciation	(10,348)	(32,082)
Net property and equipment	62,088	21,390
TOTAL ASSETS	$2,614,159	$2,358,565

LIABILITIES AND NET ASSETS

Current Liabilities:		
Accounts payable	$ 6,391	$ 9,590
Current portion of note payable	6,480	-
Total Current Liabilities	12,871	9,590
Note payable, less current portion	21,164	-
Total Liabilities	34,035	9,590
Net Assets:		
Without donor restrictions	2,421,632	2,151,068
With donor restrictions	158,492	197,907
Total net assets	2,580,124	2,348,975
TOTAL LIABILITIES AND NET ASSETS	$2,614,159	$2,358,565

See accompanying notes.

ANGEL FLIGHT OF NEW ENGLAND, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2025

	With Donor Restrictions	Without Donor Restrictions	Total 2025
Public support and revenue:			
Donated services:			
Air transport services	$ -	$4,834,980	$4,834,980
Contributions of cash	-	475,517	475,517
Bequests	-	-	-
Special events, net of costs	-	366,483	366,483
Grants	190,315	280,000	470,315
Gaming activities	-	176,654	176,654
Investment income	-	85,795	85,795
Net assets released from restrictions; satisfaction of program restrictions	(229,730)	229,730	-
Total	(39,415)	6,449,159	6,409,744
Program costs:			
Medical flights:			
Air transport services	-	4,834,980	4,834,980
Flight coordination	-	697,988	697,988
Pilot resource management	-	150,521	150,521
Community Outreach	-	252,443	252,443
General and administrative	-	113,025	113,025
Fundraising costs	-	129,638	129,638
Total	-	6,178,595	6,178,595
Excess revenues (expenses)	(39,415)	270,564	231,149
Net assets, beginning of year	197,907	2,151,068	2,348,975
Net assets, end of year	$158,492	$2,421,632	$2,580,124

See accompanying notes.

ANGEL FLIGHT OF NEW ENGLAND, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2024

	With Donor Restrictions	Without Donor Restrictions	Total 2024
Public support and revenue:			
Donated services:			
Air transport services	$ -	$3,544,317	$3,544,317
Contributions of cash	-	324,486	324,486
Bequests	-	358,738	358,738
Special events, net of costs	-	459,938	459,938
Grants	195,740	187,026	382,766
Gaming activities	-	88,903	88,903
Investment income	-	72,807	72,807
Net assets released from restrictions; satisfaction of program restrictions	(115,801)	115,801	-
Total	79,939	5,152,016	5,231,955
Program costs:			
Medical flights:			
Air transport services	-	3,544,317	3,544,317
Flight coordination	-	584,684	584,684
Pilot resource management	-	149,901	149,901
Community Outreach	-	242,870	242,870
General and administrative	-	80,755	80,755
Fundraising costs	-	137,574	137,574
Total	-	4,740,101	4,740,101
Excess revenues (expenses)	79,939	411,915	491,854
Net assets, beginning of year	117,968	1,739,153	1,857,121
Net assets, end of year	$197,907	$2,151,068	$2,348,975

See accompanying notes.

ANGEL FLIGHT OF NEW ENGLAND, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2025

	Medical Flights:							
	Air Transport Services	Flight Coordination	Pilot Resource Management	Sub-Total	Community Outreach	General and Administrative	Fundraising Costs	Total
Air transport services	$4,834,980	$ -	$ -	$4,834,980	$ -	$ -	$ -	$4,834,980
Salaries	-	282,332	133,034	415,366	89,072	5,389	100,478	610,305
Payroll taxes and fees	-	32,876	9,534	42,410	6,308	440	7,690	56,848
Advertising	-	255	-	255	-	1,091	7,598	8,944
Automobile excise tax	-	-	-	-	-	1,183	-	1,183
Computer services and expenses	-	23,962	18	23,980	48,400	-	-	72,380
Consultant	-	-	-	-	80,681	-	-	80,681
Depreciation	-	10,348	-	10,348	-	-	-	10,348
Dues and fees	-	610	-	610	-	5,819	280	6,709
401-K matching contribution	-	34,127	-	34,127	-	-	-	34,127
Fuel reimbursement	-	20,312	-	20,312	-	-	-	20,312
Grant expenses:								
Alexion	-	120,729	-	120,729	-	-	-	120,729
Maine Cancer	-	13,932	-	13,932	-	-	-	13,932
Hasbro Golden	-	53,932	-	53,932	-	-	-	53,932
Insurance	-	13,124	7,370	20,494	12,993	13,601	-	47,088
Interest expense	-	-	-	-	-	560	-	560
Meals	-	-	-	-	1,490	1,976	9,595	13,061
Professional fees	-	-	-	-	-	40,586	-	40,586
Rent	-	10,590	-	10,590	-	3,198	-	13,788
Repairs	-	-	-	-	-	1,758		1,758
Supplies and printing	-	4,182	30	4,212	4,903	21,008	3,997	34,120
Telephone	-	7,403	-	7,403	-	11,676	-	19,079
Travel	-	69,274	535	69,809	8,596	1,761	-	80,166
Utilities	-	-	-	-	-	2,979	-	2,979
TOTALS	$4,834,980	$697,988	$150,521	$5,683,489	$252,443	$113,025	$129,638	$6,178,595

See accompanying notes.

ANGEL FLIGHT OF NEW ENGLAND, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2024

	Medical Flights:							
	Air Transport Services	Flight Coordination	Pilot Resource Management	Sub-Total	Community Outreach	General and Administrative	Fundraising Costs	Total
Air transport services	$3,544,317	$ -	$ -	$3,320,617	$ -	$ -	$ -	$3,544,317
Salaries	-	222,179	135,578	357,757	83,316	-	95,798	536,871
Payroll taxes and fees	-	29,171	9,500	38,671	6,017	-	9,434	54,122
Advertising	-	531	-	531	4,842	-	15,177	20,550
Computer services and expenses	-	36,396	-	36,396	46,094	-	-	82,490
Consultant	-	-	-	-	60,775	-	-	60,775
Depreciation	-	10,694	-	10,694	-	-		10,694
Dues and fees	-	-	-	-	-	6,043	-	6,043
401-K matching contribution	-	27,658	-	27,658	-	-	-	27,658
Fuel reimbursement	-	12,956	-	12,956	-	-	-	12,956
Grant expenses:	-	-	-	-	-	-	-	-
Alexion	-	71,363	-	71,363	-	-	-	71,363
Maine Cancer	-	25,658	-	25,658	-	-	-	25,658
Hasbro Golden	-	106,658	-	106,658	-	-	-	106,658
Insurance	-	7,640	3,751	11,391	20,741	11,067	-	43,199
Meals	-	-	60	60	6,314	758	295	7,427
Miscellaneous	-	2,577	-	2,577	4,946	302	3,800	11,625
Postage and delivery	-	-	-	-	1,502	-		1,502
Professional fees	-	-	-	-	-	34,751		34,751
Rent	-	10,590	-	10,590	-	3,378		13,968
Repairs	-	-		-	-	1,892		1,892
Supplies and printing	-	-	-	-	3,956	4,044	3,170	11,170
Telephone	-	8,710	-	8,710	-	14,526		23,236
Travel	-	11,903	1,012	12,915	4,367	3,000	9,900	30,182
Utilities	-	-	-	-	-	994	-	994
TOTALS	$3,544,317	$584,684	$149,901	4,278,899	$242,870	$ 80,755	$137,574	$4,740,101

See accompanying notes.

ANGEL FLIGHT OF NEW ENGLAND, INC.

STATEMENT OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
Operating activities:		
Excess revenues (expenses)	$ 231,149	$ 491,854
Add: Non-cash items		
Depreciation	10,348	10,694
Cash provided by operations	241,497	502,548
Increase (decrease) in other assets and liabilities:		
Accounts payable	(3,199)	3,189
Net cash provided by operating activities	238,298	505,737
Investment activities:		
Purchase of motor vehicle	(51,049)	-
Purchase (sale) of treasury securities	1,050,773	(175,218)
Sale (purchase) of other marketable securities	8,653	-
Net cash received (applied to) investment activities	1,008,377	(175,218)
Financing transactions:		
Proceeds of note payable	30,694	-
Note principal payments	(3,047)	-
Net cash provided by financing transactions	27,647	-
Net increase in cash	1,274,322	330,519
Cash - beginning of year	1,277,749	947,230
CASH - END OF YEAR	$2,552,071	$1,277,749

See accompanying notes.

ANGEL FLIGHT OF NEW ENGLAND, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2025

NOTE A - ORGANIZATION AND PURPOSE:

Angel Flight of New England, Inc. (the Organization) was established as a non-profit organization in March, 1996. The organization coordinates the provision of non-emergency air transportation to individuals needing medical care. An extensive network of approximately 400 volunteer pilots, and a support staff of (7), provide this service with their own aircraft to and from destinations primarily throughout the New England area. The Organization occupies an office as a tenant at will at the Lawrence Municipal Airport in North Andover, MA and incurred $4,590 and $4,590 of rent in 2025 and 2024, respectively.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting – The financial statements have been prepared on the accrual basis of accounting.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Revenue and Revenue Recognition – The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of beneficial interest is received. Conditional promises to give- that is, those with a measurable performance or other barrier and a right of return – are not recognized until conditions on which they depend are met.

In accordance with financial accounting standards, the Organization records contributions received as without donor restrictions or with donor restrictions depending on the existence and or nature of any donor restrictions. Restricted net assets are reclassified to net assets without donor restrictions upon the satisfaction of the time or purpose restrictions.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Support that is restricted by the donor, grantor or other outside parties for particular operating purposes or for fixed asset acquisitions is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized.

Property and Equipment - Property and equipment are stated at lower of cost or fair market value if received as a donation. Expenditures for maintenance and repairs are charged against operations.

Depreciation is computed using the straight line method over the estimated useful lives of 5-7 years.

Income Taxes - The Company has been determined to be an organization exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code.

Cash and Cash Equivalents – Cash is the sum of all checking, savings and money market accounts maintained by the Company.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

Grant Revenue – The Organization recognizes grant revenue and expenses as these amounts are received and incurred.

Contributions – The Organization receives cash contributions from various sources. Donations are recognized as support when received. Unless specifically restricted by the donor, all contributions are considered to be available for unrestricted use.

Vacation Pay – The Organization does not accrue vacation pay as earned. The amount is not considered material.

Functional Allocation of Expenses – The costs of providing the program and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited primarily by allocating costs according to salary amounts in each functional category.

Reclassifications – Certain reclassifications have been made to the prior year amounts to conform with the current presentation. Total net assets and change in net assets are unchanged due to these reclassifications.

New Accounting Pronouncement – Effective in 2022, the Organization is subject to Accounting Standards Update (ASU) No. 2016-02, Leases, which requires lessees to recognize leases on the statement of financial position and disclose key information about leasing arrangements. The only lease the Organization has is the office lease as a tenant at will which is not subject to this standard.

The Organization has also adopted Accounting Standards Update (ASU) 2020-07, Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets as management believes the standards improve the usefulness and understandability of the Organization's financial reporting. The ASU has been applied retrospectively for the periods ended December 31, 2025 and 2024, as required.

NOTE C - CONTRIBUTED NON-FINANCIAL ASSETS:

The Organization received and utilized the following non-financial assets for the years ended December 31, 2025 and 2024.

	2025	2024
Pilot flown missions:	$3,919,500	$2,918,250
1) Valued at $750 per flight hour using an average flight time of (3) hours for 1,742 completed flights in 2025		
2) Valued at $750 per flight hour using an average flight time of (3) hours for 1,297 completed flights in 2024.		
3) Valued at $100 per flight hour applied to 5,226 flight hours.		
4) Valued at $100 per flight hour applied to $3,891 flight hours.		
5) Value of free flights provided by (3) airlines in 2025 and 2024, respectively.		
Volunteer pilot services	522,600	389,100
Commercial partner	392,880	236,967
Total	$4,834,980	$3,544,317

The 2024 amounts previously reported of $3,320,617 have been updated to maintain consistency with the 2025 amounts.

NOTE D - CASH EXCEEDING FDIC LIMIT:

The Organization maintains cash balances that exceed FDIC insurance limits. Management feels that the risk of loss is minimal since the financial institutions where the funds are deposited have a long history of sound financial performance. The total cash at M & T Bank is $840,025 and $999,256 as of December 31, 2025 and 2024, respectively. These amounts are $590,025 and $749,256 in excess of FDIC limit, respectively.

NOTE E - RELATED PARTY TRANSACTIONS:

The Organization paid the Executive Director $6,000 in 2025 and 2024, respectively for the rental of an airport hangar.

NOTE F - SUBSEQUENT EVENTS:

Transactions subsequent to the year ended December 31, 2025 have been evaluated through June 26, 2026, the date the financial statements were available to be issued. No events were noted that could have a material impact on the financial statements.

NOTE G - OPEN TAX YEARS:

Forms 990 filed for the years ended December 31, 2022 - 2024 remain open to audit by the Internal Revenue Service. No audit proceedings have been initiated.

NOTE H – DONOR RESTRICTED ASSETS:

1) ***Fuel Reimbursement***
Over the last several years the Company has received funds from donors to provide fuel reimbursement to the volunteer pilots. Reimbursements to the pilots were $20,312 and $12,956 in 2025 and 2024, respectively. There is a balance of $72,755 available for pilot fuel reimbursement as of December 31, 2025.

2) ***Grant ~ Alexion Charitable Foundation***
The Organization received a grant for $150,000 from Alexion Charitable Foundation. The funds are to be utilized to support existing programs providing air and ground transportation, lodging, community outreach and purchase of mailing and e-mail lists for organizations that are specifically addressing rare and ultra rare diseases to disseminate messaging about the Organization's services. The term of the grant is January 1, 2025 through December 31, 2025.

The following is a Summary of Restricted Grant Donations Received and Released in Calendar Year 2025:

Purpose	Total	Pilot Fuel Reimbursement Reimburse Fuel	Alexion Foundation Patients With RareDiseases	Maine Cancer Foundation Maine Cancer Patients	Trust Mott Charitable	Uber Reimbursement Lyndon Holmes
Balance 01/01/2025	$197,907	$ 84,752	$ 28,637	$ 30,000	$ 6,000	$ 48,518
Grants received	190,315	8,315	150,000	30,000	2,000	-
Grants released after satisfying donor restrictions	(229,730)	(20,312)	(178,637)	(30,000)	(781)	-
Balance 12/31/2025	$158,492	$ 72,755	$ -	$ 30,000	$ 7,219	$ 48,518

NOTE H – DONOR RESTRICTED ASSETS (continued):

The following is a Summary of Restricted Grant Donations Received and Released in Calendar Year 2024:

Purpose	Total	Pilot Fuel Reimbursement Reimburse Fuel	Alexion Foundation Patients With RareDiseases	Maine Cancer Foundation Maine Cancer Patients	Trust Mott Charitable	Uber Reimbursement Lyndon Holmes
Balance 01/01/2024	$117,968	$ 83,968	$ -	$ 30,000	$ 4,000	$ -
Grants received	195,740	13,740	100,000	30,000	2,000	50,000
Grants released after satisfying donor restrictions	(115,801)	(12,956)	(71,363)	(30,000)	-	(1,482)
Balance 12/31/2024	$197,907	$ 84,752	$ 28,637	$ 30,000	$ 6,000	$ 48,518

NOTE I – 401-K PLAN:

In 2018, the Organization adopted a 401-K Plan covering all full time employees. The employer matching contributions paid in 2025 and 2024 were $$34,127 and $27,658, respectively. The matching contribution is 6 % of compensation.

NOTE J – ADDITIONAL ANGEL FLIGHT CHAPTERS:

The Organization has incorporated (8) other Angel Flight chapters in (6) surrounding states that management feels will be helpful if there are attractive fund raising options in a particular state. So far the New Hampshire and Maine chapters have been actively fund raising in those states.

NOTE K – :NOTE PAYABLE, VOLVO FINANCIAL

This note funded the acquisition of a 2025 VolvoXC90. The note bears interest at 3.99% and is payable monthly at $566 per month. Maturities of this note are as follows:

Year ending December 31:

2026	$ 6,480
2027	$ 6,058
2028	$ 6,244
2029	$ 6,869
2030	$ 1,993
Total	$ 27,644