

**MIAMI HEART RESEARCH INSTITUTE, INC. AND
FLORIDA HEART RESEARCH FOUNDATION, INC.**

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

As of and for the Years Ended December 31, 2022 and 2021

And Report of Independent Auditor

**MIAMI HEART RESEARCH INSTITUTE, INC. AND
FLORIDA HEART RESEARCH FOUNDATION, INC.**
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Report of Independent Auditor

To the Board of Trustees
Miami Heart Research Institute, Inc. and
Florida Heart Research Foundation, Inc.
Miami, Florida

Opinion

We have audited the accompanying consolidated financial statements of Miami Heart Research Institute, Inc. and Florida Heart Research Foundation, Inc. (a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2022 and 2021, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Miami Heart Research Institute, Inc. and Florida Heart Research Foundation, Inc. as of December 31, 2022 and 2021, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Consolidated Financial Statements* section of our report. We are required to be independent of Miami Heart Research Institute, Inc. and Florida Heart Research Foundation, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Miami Heart Research Institute, Inc. and Florida Heart Research Foundation, Inc. ability to continue as a going concern within one year after the date the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 Miami Heart Research Institute, Inc.'s and Florida Heart Research Foundation, 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Miami Heart Research Institute, Inc.'s and Florida Heart Research Foundation, 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 audits, significant audit findings, and certain internal control related matters that we identified during the audits.

Cherry Bekaert LLP

Tampa, Florida
May 8, 2023

**MIAMI HEART RESEARCH INSTITUTE, INC. AND
FLORIDA HEART RESEARCH FOUNDATION, INC.**
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 7,382,000	\$ 5,194,000
Short-term investments	3,871,000	4,013,000
Other current assets	<u>85,000</u>	<u>76,000</u>
Total Current Assets	11,338,000	9,283,000
Long-term investments	52,112,000	69,613,000
Equipment and leasehold improvements, net	<u>-</u>	<u>-</u>
Total Assets	<u><u>\$ 63,450,000</u></u>	<u><u>\$ 78,896,000</u></u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	\$ 34,000	\$ 33,000
Program awards payable	<u>1,458,000</u>	<u>445,000</u>
Total Current Liabilities	<u>1,492,000</u>	<u>478,000</u>
Net Assets:		
Without donor restrictions	<u>61,958,000</u>	<u>78,418,000</u>
Total Liabilities and Net Assets	<u><u>\$ 63,450,000</u></u>	<u><u>\$ 78,896,000</u></u>

The accompanying notes to the consolidated financial statements are an integral part of these statements.

**MIAMI HEART RESEARCH INSTITUTE, INC. AND
FLORIDA HEART RESEARCH FOUNDATION, INC.**
CONSOLIDATED STATEMENTS OF ACTIVITIES

YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
Changes in Net Assets Without Donor Restrictions:		
Revenues, Gains, and Other Support:		
Gifts, grants, and bequests	\$ 523,000	\$ 452,000
Investment earnings	1,258,000	984,000
Net unrealized and realized (losses) gains on investments	<u>(15,552,000)</u>	<u>7,789,000</u>
Total Revenues, (Losses), Gains, and Other Support	<u>(13,771,000)</u>	<u>9,225,000</u>
Expenses:		
Research	2,037,000	1,109,000
Fundraising	52,000	62,300
General and administrative	<u>600,000</u>	<u>524,700</u>
Total Expenses	<u>2,689,000</u>	<u>1,696,000</u>
Change in Net Assets from Operations	(16,460,000)	7,529,000
Net Assets Without Donor Restrictions:		
Beginning of year	<u>78,418,000</u>	<u>70,889,000</u>
End of year	<u><u>\$ 61,958,000</u></u>	<u><u>\$ 78,418,000</u></u>

The accompanying notes to the consolidated financial statements are an integral part of these statements.

**MIAMI HEART RESEARCH INSTITUTE, INC. AND
FLORIDA HEART RESEARCH FOUNDATION, INC.**
CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Changes in net assets from operations	\$ (16,460,000)	\$ 7,529,000
Adjustments to reconcile changes in net assets from operations to net cash flows from operating activities:		
Net unrealized and realized losses (gains) on investments	15,552,000	(7,789,000)
Depreciation and amortization expense	-	7,000
Increase (decrease) in cash resulting from changes in:		
Other current assets	(9,000)	27,000
Accounts payable and program awards payable	1,014,000	(592,000)
Net cash flows from operating activities	<u>97,000</u>	<u>(818,000)</u>
Cash flows from investing activities:		
Proceeds from (purchases of) investments	<u>2,091,000</u>	<u>1,280,000</u>
Net change in cash and cash equivalents	2,188,000	462,000
Cash and cash equivalents, beginning of year	<u>5,194,000</u>	<u>4,732,000</u>
Cash and cash equivalents, end of year	<u><u>\$ 7,382,000</u></u>	<u><u>\$ 5,194,000</u></u>

The accompanying notes to the consolidated financial statements are an integral part of these statements.

**MIAMI HEART RESEARCH INSTITUTE, INC. AND
FLORIDA HEART RESEARCH FOUNDATION, INC.**
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022 AND 2021

Note 1—Description of entity and summary of significant accounting policies

Description of Reporting Entity – Miami Heart Research Institute, Inc. (the “Research Institute”) was chartered on December 29, 1944 and was incorporated on May 10, 1963 as a nonprofit corporation under the laws of Florida. Through January 3, 1993, the Research Institute operated as a 258-bed, general acute care hospital and research center specializing in the diagnosis and treatment of cardiovascular patients. On January 14, 1993, the Research Institute sold substantially all of the hospital’s operating assets to Tri-County Community Hospital, Inc. The proceeds from the sale are currently used to support its mission to “*Stop Heart Disease through Research, Education, and Prevention*”.

On January 27, 2003, the Research Institute created a new organization, Florida Heart Research Foundation, Inc. (the “Foundation”), engaged to receive funds from the state of Florida for the sale of the “*Stop Heart Disease*” license plate. The license plate was available for sale in January 2004. The Foundation is legislatively mandated to use the funds in the state of Florida for cardiovascular research, education, and prevention.

Proceeds raised by the sale of the “*Stop Heart Disease*” license plate are used to support research within the state of Florida to further understand heart disease causes, treatment, cure, and prevention. This mission also allows the Research Institute and the Foundation (collectively, the “Institute”) to provide cardiac nursing scholarships to colleges and universities, as well as participate in educational lectures in conjunction with the Florida Chapter of American College of Cardiology in the state of Florida.

The Institute also performs extensive cardiovascular research through collaborations with other centers of excellence. The results of its research collaborations have been published in numerous scientific and medical journals and have been presented at international conferences. Moreover, the Institute funds research project initiatives, educational and prevention programs, and nursing scholarships for students seeking advanced degrees with regard to the cardiovascular health and prevention. The Institute generally grants over \$1 million each year to further its mission.

The Institute has collaborated or is currently collaborating with other research partners who are internationally recognized as the experts in their field such as the Mayo Clinic, Columbia Presbyterian, Georgetown University, and locally, Mayo Jacksonville, Florida Atlantic University, Mount Sinai, Florida International University, and the University of Miami. Being an independent, nonprofit organization allows the Institute to pursue projects expeditiously based solely upon scientific validity and clinical relevance of research data, without the limitations of financial gain or institutional politics in congruence with the mission of the Institute. All funded studies and projects are evaluated and continuously reviewed by an independent committee of highly respected physicians in the field of cardiovascular research, thus assuring its projects are scientifically and fundamentally sound.

Basis of Consolidation – The consolidated financial statements include the consolidated accounts of the Research Institute and the Foundation, and all intercompany accounts and transactions have been eliminated.

Classes of Net Assets – The consolidated financial statements report amounts by class of net assets. Net assets without donor restriction are currently available for purposes under the direction of the board, designated by the board for specific use, donor advised funds, or resources invested in property and equipment. All contributions are considered for unrestricted use unless specifically restricted by the donor or subject to legal restrictions.

**MIAMI HEART RESEARCH INSTITUTE, INC. AND
FLORIDA HEART RESEARCH FOUNDATION, INC.**
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022 AND 2021

Note 1—Description of entity and summary of significant accounting policies (continued)

Cash and Cash Equivalents – Cash and cash equivalents consists of amounts held as bank deposits and money market accounts.

Investments – Investments in equity and debt securities are measured at fair value in the consolidated statements of financial position. Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is included in the excess of revenues over expenses unless the income or loss is restricted by donor or law. Investments consist primarily of amounts invested in U.S. Treasury obligations, common stocks, commercial bonds, and government sponsored enterprises residential mortgage-backed securities (“mortgage-backed securities”).

Fair Value of Financial Instruments – Fair value accounting, as prescribed by U.S. generally accepted accounting principles (“U.S. GAAP”), defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. U.S. GAAP also established a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

U.S. GAAP describes three levels of inputs that may be used to measure fair value as of the reporting date:

Level 1 – Valuations based on quoted prices for identical assets and liabilities in active markets as of the reporting dates.

Level 2 – Valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3 – Valuations based on unobservable inputs reflecting our own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

The financial instrument’s level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

**MIAMI HEART RESEARCH INSTITUTE, INC. AND
FLORIDA HEART RESEARCH FOUNDATION, INC.**
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022 AND 2021

Note 1—Description of entity and summary of significant accounting policies (continued)

The carrying amounts of cash and cash equivalents, accounts payable, and program awards payable approximate fair value because of the short-term maturity of these items.

The following table summarizes assets measured at fair value on a recurring basis at December 31, 2022 and 2021:

	Fair Value Measurements Using			
	Level 1	Level 2	Level 3	Total
2022				
Investments:				
U.S. Treasury obligations	\$ 3,992,000	\$ -	\$ -	\$ 3,992,000
Common stocks	44,894,000	-	-	44,894,000
Mortgage-backed securities	-	462,000	-	462,000
Commercial bonds	6,635,000	-	-	6,635,000
	<u>\$ 55,521,000</u>	<u>\$ 462,000</u>	<u>\$ -</u>	<u>\$ 55,983,000</u>
	Fair Value Measurements Using			
	Level 1	Level 2	Level 3	Total
2021				
Investments:				
U.S. Treasury obligations	\$ 4,252,000	\$ -	\$ -	\$ 4,252,000
Common stocks	62,327,000	-	-	62,327,000
Mortgage-backed securities	-	647,000	-	647,000
Commercial bonds	6,400,000	-	-	6,400,000
	<u>\$ 72,979,000</u>	<u>\$ 647,000</u>	<u>\$ -</u>	<u>\$ 73,626,000</u>

Equipment and Leasehold Improvements – Equipment and leasehold improvements are recorded at cost. Donated equipment is recorded at fair market value at the time of donation.

Equipment depreciation is calculated using the straight-line method over estimated useful lives ranging from 3 to 15 years. Leasehold improvements amortization is calculated using the straight-line method over the initial or remaining term of the lease or the estimated useful life, if shorter.

Impairment of Long-Lived Assets – The Institute reviews the carrying value of its equipment and leasehold improvements if current events or circumstances indicate such carrying value may not be recoverable. If the carrying value of the asset is greater than the expected, undiscounted cash flows to be generated by the asset, then an impairment adjustment needs to be recognized. No impairment charges were required during the years ended December 31, 2022 or 2021.

Gifts, Grants, Bequests, and Other Revenue – Unconditional promises to give cash and other assets to the Institute are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are categorized as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the consolidated statements of activities. Donor-restricted contributions whose restrictions are met within the same year as received are reported as contributions without donor restrictions in the accompanying consolidated statements of activities.

**MIAMI HEART RESEARCH INSTITUTE, INC. AND
FLORIDA HEART RESEARCH FOUNDATION, INC.**
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022 AND 2021

Note 1—Description of entity and summary of significant accounting policies (continued)

Functional and Natural Classification of Expenses – The Institute's expenses have been classified based upon the functional purpose of the expenditure. Charges relating to those administrative activities have been classified as general and administrative or fundraising expenses, as applicable, in the consolidated statements of activities. There were no expenses related to supporting activities charged to program services (Research). As such functional and natural classification of expenses are equivalent.

Income Taxes – The Research Institute and the Foundation are nonprofit organizations as described in Section 501(c)(3) of the Internal Revenue Code ("IRC"), as amended, and are exempt from federal and state income taxes. Accordingly, no provision for federal and state income taxes is reflected in the accompanying consolidated financial statements. The Research Institute is classified as a public charity under Section 509(a)(3) of the IRC and the Foundation is classified as a public charity under Section 170(b)(1)(A)(vi) of the IRC. Management believes the Institute continues to satisfy the requirements of a tax-exempt organization as of December 31, 2022.

Management Estimates – The preparation of the consolidated financial statements in conformity with U.S. GAAP 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Liquidity and Availability of Financial Resources – The Institute's management monitors its liquidity so that it is able to cover operating expenses and other costs related to program services. Management budgets for such costs based on the prior-year actual expenses and anticipated future expenses. Budgets are approved by the board annually. The Institute's funds are invested conservatively with the primary objective of preservation of capital (including diversification of risk of institutional failure) and liquidity in order to provide sufficient liquid resources to meet its obligations in a timely manner.

The Institute has \$11,338,000 of financial assets available within one year of the consolidated statement of financial position date to meet cash needs for general expenditure consisting primarily of cash of \$7,382,000, accrued investment income of \$54,000, and short-term investments of \$3,871,000. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the consolidated statement of financial position date. In addition, as part of its liquidity management, the Institute invests cash in excess of daily requirements in various short-term investments, including money market funds and short-term treasury instruments.

Adopted Accounting Pronouncements – The Institute adopted the provisions of Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2020-07, *Not-for-Profit Entities (Topic 958) – Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The amendments in this ASU are intended to improve financial reporting by providing new presentation and disclosure requirements about contributed nonfinancial assets. The Institute adopted the ASU on January 1, 2022, and there were no changes to the recognition or presentation of contributed nonfinancial assets as a result of the application of ASU 2020-07.

The Institute adopted the provisions of FASB issued ASU 2016-02, *Leases (Topic 842)*, requiring lessees to recognize lease assets and liabilities on the balance sheet for all arrangements with terms longer than 12 months. Lessor accounting remains consistent with U.S. GAAP. This ASU is effective for fiscal years beginning after December 15, 2021. The Institute adopted the pronouncement as of January 1, 2022 there was no impact as the Institute did not have any leases that fell under the standard.

**MIAMI HEART RESEARCH INSTITUTE, INC. AND
FLORIDA HEART RESEARCH FOUNDATION, INC.**
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022 AND 2021

Note 1—Description of entity and summary of significant accounting policies (continued)

Reclassifications – Certain amounts included in the 2021 consolidated statement of financial position have been reclassified to conform to the classifications adopted in 2022. The reclassifications had no material effect on the accompanying consolidated financial statements.

Subsequent Events – The Institute has evaluated events and transactions occurring subsequent to December 31, 2022, for items that should potentially be recognized or disclosed in these consolidated financial statements. The evaluation was conducted through May 8, 2023, the date these consolidated financial statements were available to be issued.

Note 2—Investment and investment income

Investments stated at fair value are summarized as follows as of December 31:

	2022	2021
Investments:		
U.S. Treasury obligations	\$ 3,992,000	\$ 4,252,000
Common stocks	44,894,000	62,327,000
Mortgage-backed securities	462,000	647,000
Commercial bonds	6,635,000	6,400,000
	55,983,000	73,626,000
Less investments maturing in one year or less from purchase date	(3,871,000)	(4,013,000)
Long-term investments	<u>\$ 52,112,000</u>	<u>\$ 69,613,000</u>

Investment income and net unrealized and realized (losses) gains on investments are comprised of the following for the years ended December 31:

	2022	2021
Investment income:		
Interest income	\$ 590,000	\$ 291,000
Dividend earnings	899,000	942,000
Less investment management fees	(231,000)	(249,000)
	<u>\$ 1,258,000</u>	<u>\$ 984,000</u>
Net realized and unrealized (losses) gains on investments:		
Realized gains	\$ 1,268,000	\$ 3,443,000
Unrealized (losses) gains	(16,820,000)	4,346,000
	<u>\$ (15,552,000)</u>	<u>\$ 7,789,000</u>

**MIAMI HEART RESEARCH INSTITUTE, INC. AND
FLORIDA HEART RESEARCH FOUNDATION, INC.**
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022 AND 2021

Note 3—Equipment and leasehold improvements

Equipment and leasehold improvements consist of the following as of December 31:

	2022	2021
Equipment	\$ 60,000	\$ 60,000
Leasehold improvements	51,000	51,000
	111,000	111,000
Less accumulated depreciation and amortization	(111,000)	(111,000)
	<u>\$ -</u>	<u>\$ -</u>

Note 4—Commitments and contingencies

Program Awards Payable – From time to time, the Institute enters into agreements with other major not-for-profit research facilities to conduct joint cardiac research. The agreements may be terminated by either party without cause subject to minimum periods of written notice. A liability of \$1,458,000 and \$445,000 has been accrued as of December 31, 2022 and 2021, respectively, for the funding requirements that have been earned under these agreements. These amounts are included in program awards payable in the accompanying consolidated statements of financial position.

Note 5—Concentrations of credit risk

The Institute places its cash and cash equivalents on deposit with financial institutions in the United States. The Federal Deposit Insurance Corporation covers \$250,000 for substantially all depository accounts. The Institute from time to time may have amounts on deposit in excess of the insured limits. As of December 31, 2022, the Institute had cash and cash equivalent balances of \$993,000, which exceed these insured amounts. In addition, management maintains its investments in a portfolio that management believes limits the amount of market exposure due to the portfolio's diversification and investment strategy.

Note 6—Savings plan

In July 1997, the Institute established a savings plan under Section 401(k) of the IRC. The Institute matches 100% of the employees' first 3% contribution and 50% of the employees' next 2% contribution. Discretionary contributions, in addition to the Institute's matching contribution, may be made as determined by the Board of Trustees. For each of the years ended December 31, 2022 and 2021, the Institute made discretionary contributions equal to 1% of gross wages. Total contributions to the savings plan were \$15,000 and \$11,000 for the years ended December 31, 2022 and 2021, respectively.

Note 7—Cafeteria Plan

In July 1997, the Institute established a Cafeteria Plan under Section 125 of the IRC. The Cafeteria Plan provides health, dental, disability, life, and accidental death and dismemberment insurance. The benefits are funded through insurance carriers. Total contributions to the Cafeteria Plan were \$25,000 and \$24,000 for the years ended December 31, 2022 and 2021, respectively.

SUPPLEMENTARY INFORMATION

**Report of Independent Auditor
on Accompanying Consolidating Information**

To the Board of Trustees
Miami Heart Research Institute, Inc. and
Florida Heart Research Foundation, Inc.
Miami, Florida

We have audited the consolidated financial statements of Miami Heart Research Institute, Inc. and Florida Heart Research Foundation, Inc. as of and for the years ended December 31, 2022 and 2021, and our report thereon dated May 8, 2023, which expressed an unmodified opinion on those consolidated financial statements, appears on pages 1 and 2. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information on pages 13 through 16 is presented for purposes of additional analysis, and it is not a required part of the consolidated financial statements. 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 consolidated financial statements. The consolidating information has been subjected to the auditing procedures and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Cherry Bekaert LLP

Tampa, Florida
May 8, 2023

**MIAMI HEART RESEARCH INSTITUTE, INC. AND
FLORIDA HEART RESEARCH FOUNDATION, INC.**
CONSOLIDATING STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2022

	Miami Heart Research Institute, Inc.	Florida Heart Research Foundation, Inc.	Eliminations	Total
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 6,313,000	\$ 1,069,000	\$ -	\$ 7,382,000
Short-term investments	3,871,000	-	-	3,871,000
Other current assets	85,000	-	-	85,000
Total Current Assets	10,269,000	1,069,000	-	11,338,000
Long-term investments	52,112,000	-	-	52,112,000
Equipment and leasehold improvements, net	-	-	-	-
Total Assets	\$ 62,381,000	\$ 1,069,000	\$ -	\$ 63,450,000
LIABILITIES AND NET ASSETS				
Current Liabilities:				
Accounts payable	\$ 33,700	\$ 300	\$ -	\$ 34,000
Program awards payable	796,000	662,000	-	1,458,000
Total Current Liabilities	829,700	662,300	-	1,492,000
Net Assets:				
Without donor restrictions	61,551,300	406,700	-	61,958,000
Total Liabilities and Net Assets	\$ 62,381,000	\$ 1,069,000	\$ -	\$ 63,450,000

See report of independent auditor on accompanying consolidating information.

**MIAMI HEART RESEARCH INSTITUTE, INC. AND
FLORIDA HEART RESEARCH FOUNDATION, INC.**
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

YEAR ENDED DECEMBER 31, 2022

	Miami Heart Research Institute, Inc.	Florida Heart Research Foundation, Inc.	Eliminations	Total
Changes in Net Assets Without Donor Restrictions:				
Revenues, Gains, and Other Support:				
Gifts, grants, and bequests	\$ 149,000	\$ 1,074,000	\$ (700,000)	\$ 523,000
Investment earnings	1,258,000	-	-	1,258,000
Net unrealized and realized losses on investments	(15,552,000)	-	-	(15,552,000)
Total Revenues, (Losses), Gains, and Other Support	(14,145,000)	1,074,000	(700,000)	(13,771,000)
Expenses:				
Research	1,860,000	877,000	(700,000)	2,037,000
Fundraising	-	52,000	-	52,000
General and administrative	600,000	-	-	600,000
Total Expenses	2,460,000	929,000	(700,000)	2,689,000
Change in Net Assets from Operations	(16,605,000)	145,000	-	(16,460,000)
Net Assets Without Donor Restrictions:				
Beginning of year	78,156,300	261,700	-	78,418,000
End of year	<u>\$ 61,551,300</u>	<u>\$ 406,700</u>	<u>\$ -</u>	<u>\$ 61,958,000</u>

See report of independent auditor on accompanying consolidating information.

**MIAMI HEART RESEARCH INSTITUTE, INC. AND
FLORIDA HEART RESEARCH FOUNDATION, INC.**
CONSOLIDATING STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2021

	Miami Heart Research Institute, Inc.	Florida Heart Research Foundation, Inc.	Eliminations	Total
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 4,934,000	260,000	\$ -	5,194,000
Short-term investments	4,013,000	-	-	4,013,000
Other current assets	74,000	2,000	-	76,000
Total Current Assets	9,021,000	262,000	-	9,283,000
Long-term investments	69,613,000	-	-	69,613,000
Equipment and leasehold improvements, net	-	-	-	-
Total Assets	\$ 78,634,000	\$ 262,000	\$ -	\$ 78,896,000
LIABILITIES AND NET ASSETS				
Current Liabilities:				
Accounts payable	\$ 32,700	300	\$ -	\$ 33,000
Program awards payable	445,000	-	-	445,000
Total Current Liabilities	477,700	300	-	478,000
Net Assets:				
Without donor restrictions	78,156,300	261,700	-	78,418,000
Total Liabilities and Net Assets	\$ 78,634,000	\$ 262,000	\$ -	\$ 78,896,000

See report of independent auditor on accompanying consolidating information.

**MIAMI HEART RESEARCH INSTITUTE, INC. AND
FLORIDA HEART RESEARCH FOUNDATION, INC.**
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

YEAR ENDED DECEMBER 31, 2021

	Miami Heart Research Institute, Inc.	Florida Heart Research Foundation, Inc.	Eliminations	Total
Changes in Net Assets Without Donor Restrictions:				
Revenues, Gains, and Other Support:				
Gifts, grants, and bequests	\$ 77,000	\$ 975,000	\$ (600,000)	452,000
Investment earnings	984,000	-	-	984,000
Net unrealized and realized gains on investments	7,789,000	-	-	7,789,000
Total Revenues, Gains, and Other Support	8,850,000	975,000	(600,000)	9,225,000
Expenses:				
Research	730,000	979,000	(600,000)	1,109,000
Fundraising	-	62,300	-	62,300
General and administrative	524,700	-	-	524,700
Total Expenses	1,254,700	1,041,300	(600,000)	1,696,000
Change in Net Assets from Operations	7,595,300	(66,300)	-	7,529,000
Net Assets Without Donor Restrictions:				
Beginning of year	70,561,000	328,000	-	70,889,000
End of year	\$ 78,156,300	\$ 261,700	\$ -	\$ 78,418,000

See report of independent auditor on accompanying consolidating information.