

Crossroads Kids Club
Compiled Financial Statements
Modified Cash Basis

For the Fiscal Year Ended

June 30, 2024

Crossroads Kids Club

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Independent Accountant's Compilation Report

Crossroads Kids Club
Board of Directors
848 W Bartlett Road, Suite 11E
Bartlett, IL 60103

Management is responsible for the accompanying financial statements of Crossroads Kids Club (a nonprofit organization), which comprise the statement of assets, liabilities and net assets (modified cash basis) as of June 30, 2024, and the related statements of revenues, expenses and other changes in net assets (modified cash basis) for the year then ended, the statement of functional expenses (modified cash basis), and the related cash flow statement (modified cash basis), for the year then ended and the related notes to the financial statements in accordance with the modified cash basis of accounting, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

We draw attention to Note II of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Lynn C. Genn CPA

Lynn C. Genn, CPA
August 21, 2024

Crossroads Kids Club
Statement of Assets, Liabilities and Fund Balance - Compiled
June 30, 2024
Modified Cash Basis

Assets

Current Assets

Cash & Cash Equivalents	<u>\$ 359,524</u>	
Total Current Assets		359,524

Long Term Assets

Investments	376,257	
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Fixed Assets

Equipment	3,282	
Accumulated Depreciation	<u>(930)</u>	
	2,352	

Total Long Term Assets		<u>378,609</u>
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Total Assets

\$ 738,133

Liabilities & Net Assets

Current Liabilities

Payables	<u>17,368</u>	
Total Current Liabilities		17,368

Net Assets

Without Donor Restrictions	703,314	
With Donor Restrictions	<u>17,451</u>	
Total Net Assets		<u>720,765</u>

Total Liabilities & Net Assets

\$ 738,133

Crossroads Kids Club
Statement of Revenues, Expenses and Changes in Net Assets - Compiled
Modified Cash Basis
Fiscal Year Ended June 30, 2024

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Revenue			
Contributions	\$778,723	\$12,000	\$790,723
Program Income	701		701
Interest Income	15,225		15,225
Other Income	1,387	-	1,387
Unrealized Gain/(Loss) Investments	31,644	-	31,644
	<u>\$827,680</u>	<u>\$12,000</u>	<u>\$839,680</u>
 Net Assets Released from Restrictions:			
Satisfaction of Purpose Restrictions	11,634	(11,634)	-
Total Income	<u>\$839,313</u>	<u>\$366</u>	<u>\$839,680</u>
 Expense			
Program Services			
Programs	658,903	-	658,903
Supporting Services			
General & Administrative	24,976	-	24,976
Fundraising	147,356	-	147,356
Total Expense	<u>\$ 831,235</u>	<u>\$ -</u>	<u>\$ 831,235</u>
 Change in Net Assets	 \$ 8,078	 \$ 366	 \$ 8,445
Net Assets at Beginning of Year	<u>\$ 695,236</u>	<u>\$ 17,085</u>	<u>\$ 712,321</u>
Net Assets Year End	<u>\$ 703,314</u>	<u>\$ 17,451</u>	<u>\$ 720,765</u>

Crossroads Kids Club
Statement of Functional Expenses - Compiled
Modified Cash Basis
Fiscal Year Ended June 30, 2024

	<u>Program</u>	<u>General & Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Compensation & Benefits	\$ 429,581	\$ 19,706	\$ 48,278	\$ 497,565
Payroll Taxes	3,948	181	444	4,573
Benevolence	5,423	-	-	5,423
Contract Labor	53,582	2,398	7,174	63,155
Club Support	91,817	-	-	91,817
Depreciation	656	-	-	656
Donor Relations	-	-	3,147	3,147
Equipment & Furniture	1,154	19	779	1,953
Fees & Other Expense	-	36	6,424	6,460
Fundraising Activities	-	-	57,055	57,055
Insurance	4,178	192	469	4,839
Meeting & Conference	1,426	65	160	1,651
Occupancy	17,593	807	1,977	20,377
Office Expenses & Supplies	851	39	96	985
Postage & Shipping	4,104	188	461	4,754
Printing & Promotion	7,743	355	1,364	9,462
Professional Development	1,710	78	192	1,980
Professional Fees	4,498	206	505	5,210
Software	6,319	48	5,381	11,748
Travel	24,977	-	13,449	38,425
Total Expense	\$ 659,559	\$ 24,320	\$ 147,356	\$ 831,235

Crossroads Kids Club
Statement of Cash Flows - Compiled
Modified Cash Basis
For the Fiscal Year Ended June 30, 2024

Change In:

Unrestricted Net Assets	\$ 8,078	
Restricted Net Assets	<u>366</u>	
Change in Net Assets		\$ 8,445

Adjustments to Reconcile Change in Net Assets
to Net Cash Provided by Operating Activities:

Increase/(Decrease) in Credit Card Liabilities	(1,591)	
Depreciation Expense	<u>656</u>	

Net Cash from Financing Activities		<u>(934)</u>
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Net Cash Provided by Operating Activities		\$ 7,510
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Cash Flows from Investing Activities

(Increase)/Decrease in Investments		<u>(31,644)</u>
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Net Cash from Investing Activities		<u>(31,644)</u>
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Net Increase/(Decrease) in Cash & Cash Equivalents for Year		(24,134)
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Cash Beginning of Year		<u>383,658</u>
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Cash End of Year		<u><u>\$ 359,524</u></u>
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Crossroads Kids Club
Notes to Compiled Financial Statements
June 30, 2024

I. Nature of Ministry

Crossroads Kids Club (hereafter CKC) was organized on September 9, 1998, and recognized on March 23, 1999, as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The mission of Crossroads Kids Club is to help young people to know and love Jesus.

II. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of CKC have been prepared on a modified cash basis of accounting. Consequently revenues are recognized when received, and expenses are recognized when cash is disbursed. Fixed assets are capitalized and depreciated rather than expensed. Debts other than operating accounts payable are recognized as a liability. Investments are stated at market value as of fiscal year end.

Classes of Net Assets

Information regarding the financial position and activities of CKC are reported in two classes of net assets as applicable: unrestricted and restricted. These classes of net assets are based on the existence or absence of donor-imposed restrictions. Accordingly net assets of CKC and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions are not subject to donor-imposed stipulations and are currently available at the discretion of the board for use in the ministries of CKC.

Net Assets With Donor Restrictions are those subject to donor-imposed stipulations that can be removed either through the passage of time (time restrictions) or expenditures by CKC in satisfaction of purpose restrictions, or permanent restriction which require that the principal be invested in perpetuity.

Cash and Cash Equivalents

Cash and cash equivalents include checking, savings and money market accounts with maturities of three months or less.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values based on quoted prices in active markets in the statement of assets, liabilities and fund balance. Unrealized gains and losses are included in the statement of revenues, expenses and change in net assets.

Crossroads Kids Club
Notes to Compiled Financial Statements
June 30, 2024

Fixed Assets and Depreciation

CKC capitalizes property and equipment in excess of \$2,500 or more at cost. Depreciation is calculated over the estimated useful lives of the respective assets on a straight-line basis. Depreciation expense for the fiscal year ended June 30, 2024 was \$656.

Revenue

Contributions, event income, and investment income are recorded when received. All contributions are considered available for unrestricted use unless restricted by the donor. Contributions that have restrictions are reported as restricted, if the restrictions are not met in the same reporting period. Unrealized gain (loss) on investments are recognized at fair market value as of fiscal year end.

Functional Allocation of Expenses

The cost of providing various program and supporting services are summarized on a functional basis in the statement of activities – modified cash basis. Accordingly some operating costs have been allocated among the programs and supporting services that benefited from those expenses.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount and disclosures. Accordingly, actual results could differ from the estimates.

Income Taxes

CKC is exempt from income taxes under section 501(c)(3) of the Internal Revenue Code for all business income related to its exempt purpose. CKC is subject to income taxes on unrelated business income after related expenses. There was no unrelated business activity during the year ended June 30, 2024.

Evaluation of Tax Positions

As of June 30, 2024, CKC had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

The Organization's federal Exempt Organization Business Income Tax Returns (Form 990) for 2020 are subject to examination by the IRS, generally for three years after they were filed.

CKC is exempt from filing the Form 990 beginning for the tax years 2021 and 2022 (fiscal years ended 6/30/22 and 6/30/23), due to reclassification by the IRS as an association of churches.

Crossroads Kids Club
Notes to Compiled Financial Statements
June 30, 2024

III. Donated Services

No amounts have been reflected in the financial statement for donated services. The majority of CKC's activities are conducted by many individuals who volunteer their time and perform a wide variety of tasks. As the value of these donated services is not clearly measurable, it is not recorded.

IV. Liquidity and Availability of Resources

The following table reflects CKC's financial assets as of June 30, 2024, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year because of contractual or donor-imposed restrictions.

	<u>June 30, 2024</u>
Financials Assets:	
Cash	\$ 359,524
Investments	376,257
Less those unavailable for general expenditure within one year due to:	
Net assets with donor restrictions	<u>(17,451)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 718,330</u>