

Crossroads Kids Club
Compiled Financial Statements
Modified Cash Basis

For the Fiscal Year Ended

June 30, 2023

Crossroads Kids Club

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Lynn C. Genn, CPA

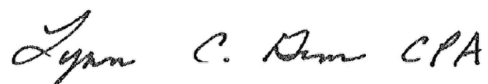
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Independent Accountant's Compilation Report

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, 2023, 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
August 16, 2023

Crossroads Kids Club
Statement of Assets, Liabilities and Fund Balance - Compiled
June 30, 2023
Modified Cash Basis

Assets

Current Assets

Cash & Cash Equivalents	\$ 383,658	
Investments	<u>344,612</u>	
Total Current Assets		728,270

Fixed Assets

Equipment	3,282	
Accumulated Depreciation	<u>(273)</u>	
		3,009

Total Assets

\$ 731,279

Liabilities & Net Assets

Current Liabilities

Payables	<u>18,958</u>	
Total Current Liabilities		18,958

Net Assets

Without Donor Restrictions	695,236	
With Donor Restrictions	<u>17,085</u>	
Total Net Assets		<u>712,321</u>

Total Liabilities & Net Assets

\$ 731,279

Crossroads Kids Club
Statement of Revenues, Expenses and Changes in Net Assets - Compiled
Modified Cash Basis
Fiscal Year Ended June 30, 2023

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Revenue			
Contributions	\$700,977	\$19,000	\$719,977
Program Income	3,244		3,244
Interest Income	5,968		5,968
Other Income	211	-	211
Unrealized Gain/(Loss) Investmemts	19,612	-	19,612
	<u>\$730,012</u>	<u>\$19,000</u>	<u>\$749,012</u>
 Net Assets Released from Restrictions:			
Satisfaction of Purpose Restrictions	10,147	(10,147)	-
Total Income	<u>\$740,159</u>	<u>\$8,853</u>	<u>\$749,012</u>
 Expense			
Program Services			
Programs	584,791	-	584,791
Supporting Services			
General & Administrative	44,268	-	44,268
Fundraising	126,796	-	126,796
Total Expense	<u>\$ 755,855</u>	<u>\$ -</u>	<u>\$ 755,855</u>
 Change in Net Assets	 \$ (15,696)	 \$ 8,853	 \$ (6,843)
Net Assets at Beginning of Year	<u>\$ 710,932</u>	<u>\$ 8,232</u>	<u>\$ 719,164</u>
Net Assets Year End	<u>\$ 695,236</u>	<u>\$ 17,085</u>	<u>\$ 712,321</u>

Crossroads Kids Club
Statement of Functional Expenses - Compiled
Modified Cash Basis
Fiscal Year Ended June 30, 2023

	<u>Program</u>	<u>General & Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Compensation & Benefits	\$ 355,735	\$ 36,608	\$ 52,197	\$ 444,540
Payroll Taxes	9,071	-	54	9,124
Benevolence	8,813	-	-	8,813
Contract Labor	31,403	641	2,323	34,367
Club Support	97,704	-	-	97,704
Depreciation	274	-	-	274
Donor Relations	-	-	9,125	9,125
Equipment & Furniture	9,447	924	989	11,360
Fees & Other Expense	2,094	99	99	2,292
Fundraising Activities	-	-	42,014	42,014
Insurance	3,124	384	384	3,893
Occupancy	9,757	1,220	1,220	12,196
Office Expenses & Supplies	7,371	865	649	8,885
Postage & Shipping	3,333	144	2,021	5,498
Printing & Promotion	3,257	61	5,311	8,629
Professional Development	2,198	418	557	3,173
Professional Fees	7,622	2,106	3,024	12,753
Software	4,017	733	3,538	8,288
Travel	29,573	64	3,291	32,928
Total Expense	\$ 584,791	\$ 44,268	\$ 126,796	\$ 755,855

Crossroads Kids Club
Statement of Cash Flows - Compiled
Modified Cash Basis
For the Fiscal Year Ended June 30, 2023

Change In:

Unrestricted Net Assets	\$ (15,696)	
Restricted Net Assets	<u>8,853</u>	
Change in Net Assets	<u>\$ (6,843)</u>	
Net Cash Provided by Operating Activities		\$ (6,843)
Cash Flows from Financing Activities		
Increase/(Decrease) in Credit Card Liabilities	12,602	
Increase in Accumulated Depreciation	<u>273</u>	
Net Cash from Financing Activities		12,875
Cash Flows from Investing Activities		
(Increase)/Decrease in Investments	(36,034)	
(Increase)/Decrease in Fixed Assets	<u>(3,282)</u>	
Net Cash from Investing Activities		<u>(39,316)</u>
Net Increase/(Decrease) in Cash & Cash Equivalents for Year		(33,285)
Cash Beginning of Year		<u> </u>
Cash End of Year		<u><u>\$ (33,285)</u></u>

Crossroads Kids Club
Notes to Compiled Financial Statements
June 30, 2023

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. CKC exists to mobilize God's people through an association of churches to share the Good News of Jesus with children in public schools.

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, 2023

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, 2023 was \$273.

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, 2023.

Evaluation of Tax Positions

As of June 30, 2023, 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 year 2021 and 2022 (fiscal year end 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, 2023

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 20, 2023, 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, 2023</u>
Financials Assets:	
Cash	\$ 383,658
Investments	344,612
Less those unavailable for general expenditure within one year due to:	
Net assets with donor restrictions	<u>(17,085)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 711,185</u>