

**YOUNGMOMS
FINANCIAL STATEMENTS
DECEMBER 31, 2024 and 2023**

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Independent Auditors' Report

To the Board of Directors
YoungMoms
Kennett Square, Pennsylvania

Opinion

We have audited the accompanying financial statements of YoungMoms (a non-profit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, 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 our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of YoungMoms as of December 31, 2024 and 2023, 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

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 Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities 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 the Organization'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 Responsibilities 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 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 the Organization'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 the Organization'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.

BLISS & COMPANY

July 1, 2025

YOUNGMOMS

Statements of Financial Position

December 31, 2024 and 2023

(See Independent Auditors' Report)

	<u>2024</u>	<u>2023</u>
<u>Assets</u>		
Assets		
Cash and cash equivalents	730,927	486,111
Pledges receivable	53,340	97,393
Prepaid expenses	1,386	988
Equipment and furniture, net	24,710	32,938
Right-of-use asset - operating lease	30,052	7,450
Deposits	2,200	2,000
Total Assets	<u>842,615</u>	<u>626,880</u>
<u>Liabilities and Net Assets</u>		
Liabilities		
Accounts payable	3,762	-
Accrued expenses	5,947	24,877
Lease liability - operating lease	30,052	7,450
	39,761	32,327
Net Assets		
Net assets without donor restrictions	496,467	403,695
Net assets with donor restrictions	306,387	190,858
	802,854	594,553
Total Liabilities and Net Assets	<u>842,615</u>	<u>626,880</u>

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

YOUNGMOMS

Statements of Activities

For the Years Ended December 31, 2024 and 2023

(See Independent Auditors' Report)

	Net assets Without Donor Restrictions	Net assets With Donor Restrictions	2024 Total
Revenue, Gains and Support			
Contributions and grants	294,313	279,115	573,428
Special events, net	98,751	-	98,751
Interest income	13,237	-	13,237
Net assets released from restrictions	163,586	(163,586)	-
Total Revenue, Gains and Support	569,887	115,529	685,416
Expenses and Losses			
Program services	384,609	-	384,609
Management and general	53,929	-	53,929
Fundraising	38,577	-	38,577
Total Expenses and Losses	477,115	-	477,115
Change in Net Assets	92,772	115,529	208,301
Net Assets Beginning of Year	403,695	190,858	594,553
Net Assets at End of Year	496,467	306,387	802,854

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

Net assets Without Donor Restrictions	Net assets With Donor Restrictions	2023 Total
186,191	227,073	413,264
82,464	-	82,464
7,265	-	7,265
244,344	(244,344)	-
520,264	(17,271)	502,993
388,625	-	388,625
41,681	-	41,681
36,885	-	36,885
467,191	-	467,191
53,073	(17,271)	35,802
350,622	208,129	558,751
403,695	190,858	594,553

YOUNGMOMS

Statements of Functional Expenses

For the Years Ended December 31, 2024 and 2023

(See Independent Auditors' Report)

	Program	Management & General	Fund Raising	2024 Total
Operating Expenses				
Salaries and wages	248,467	29,895	23,012	301,374
Program activities	62,105	-	-	62,105
Occupancy	31,592	3,801	2,926	38,319
Payroll taxes	21,353	2,569	1,978	25,900
Employee benefits	6,732	810	623	8,165
Supplies	1,655	199	3,432	5,286
Insurance	4,449	535	412	5,396
Marketing	1,080	130	100	1,310
Professional fees	-	7,312	5,430	12,742
Moving	-	3,952	-	3,952
Other	-	3,863	-	3,863
Telecommunications	392	47	36	475
Depreciation	6,784	816	628	8,228
	<u>384,609</u>	<u>53,929</u>	<u>38,577</u>	<u>477,115</u>

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

<u>Program</u>	<u>Management & General</u>	<u>Fund Raising</u>	<u>2023 Total</u>
264,356	20,869	23,128	308,353
44,062	-	-	44,062
32,384	2,556	2,833	37,773
21,677	1,711	1,897	25,285
11,202	884	980	13,066
1,211	96	2,031	3,338
4,263	337	373	4,973
774	61	68	903
-	11,900	4,815	16,715
-	-	-	-
-	2,581	-	2,581
850	67	74	991
7,846	619	686	9,151
<u>388,625</u>	<u>41,681</u>	<u>36,885</u>	<u>467,191</u>

YOUNGMOMS

Statements of Cash Flows

For the Years Ended December 31, 2024 and 2023

(See Independent Auditors' Report)

	<u>2024</u>	<u>2023</u>
Cash Flows From Operating Activities		
Change in net assets	208,301	35,802
Depreciation expense	8,228	9,151
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Pledges receivable	44,053	37,367
Prepaid expenses	(398)	247
Deposits	(200)	-
Accounts payable	3,762	(64)
Accrued expenses	(18,930)	4,730
Net Cash Provided by Operating Activities	<u>244,816</u>	<u>87,233</u>
Cash Flows from Investing Activities		
Vehicle purchase	<u>-</u>	<u>(38,014)</u>
Net Cash Used by Investing Activities	<u>-</u>	<u>(38,014)</u>
Net Change in Cash or Equivalents	244,816	49,219
Cash or Equivalents At Beginning of Year	<u>486,111</u>	<u>436,892</u>
Cash or Equivalents At End of Year	<u><u>730,927</u></u>	<u><u>486,111</u></u>

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

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Notes to the Financial Statements

December 31, 2024 and 2023

(See Independent Auditors' Report)

Notes:

(1) Summary of Organization:

Organization and Objectives:

YoungMoms was incorporated as a nonprofit organization under the laws of the Commonwealth of Pennsylvania. YoungMoms was established to provide the academic/vocational, relational, and parenting support pregnant and parenting young women need to improve their lives and those of their children. YoungMoms is helping clients stay in school, pursue college education or vocational training, gain the skills necessary to parent effectively, and be empowered to make healthy personal decisions. The Organization's primary source of income is contributions and grants from individuals and local organizations.

(2) Summary of Significant Accounting Policies:

Basis of Accounting:

The records of Young Moms are maintained on the accrual basis of accounting whereby receipts are recognized when realized and expenditures are recognized when incurred. The accompanying statements have been prepared on that basis.

Basis of Presentation

Under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-10-65-1, the Organization is required to report information regarding its financial position and activities according to two mutually exclusive classes according to the existence or absence of donor-imposed restrictions. See Net Assets with Donor Restrictions and Net Assets without Donor Restrictions.

Cash Equivalents:

Cash equivalents consist of funds in YoungMoms' checking and savings accounts. For purposes of reporting cash flows, YoungMoms considers investments purchased with an original maturity of three months or less to be cash equivalents.

Promises to Give:

Unconditional promises to give are recognized as revenues or gains in the period in which notification of such promise is received. Unconditional promises to give due in one year or less are recorded at their net realizable value. Unconditional promises to give due in more than one year are recorded at fair value in the year promised using

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Notes to the Financial Statements

December 31, 2024 and 2023

(See Independent Auditors' Report)

(2) Summary of Significant Accounting Policies - continued:

present value techniques. Conditional promises to give are recognized when the conditions on which they depend are substantially met. At December 31, 2024 and 2023, all receivables were expected to be collected within a year.

Property & Equipment:

Property and equipment acquisitions are recorded at historical cost and depreciated over their estimated useful lives using the straight-line method. Expenditures that extend the useful life of an asset are capitalized while those considered normal repairs and maintenance are expensed as incurred. It is the Organization's policy to generally expense acquisitions and betterments if they do not exceed \$1,500.

Furniture, vehicles, and equipment are depreciated over an estimated useful life of five years using the straight-line method.

Net Assets:

Net assets without donor restrictions are assets that are not restricted in any manner for use by the Organization to carry out its mission. Net assets with donor restrictions are any assets the donor has restricted by communicating purpose restrictions or time restrictions for when or how the Organization may use the asset to carry out its mission. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributions and Grants:

Contributions received are recorded as either net assets with or without donor restrictions depending on the existence and/or nature of any donor-imposed restrictions. Restricted contributions are reported as restricted support and are reclassified to net assets without donor restrictions upon expiration of the restriction.

Revenue Recognition

The Organization recognizes revenue when it satisfies a performance obligation by transferring control of a promised good or service to the customer. The Organization's principal activity resulting in contracts with customers is revenue from fundraising events.

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Notes to the Financial Statements

December 31, 2024 and 2023

(See Independent Auditors' Report)

Because the benefit received from fundraising events has an original expected duration of one year or less, the Organization has elected the practical expedient and not disclosed the value of unsatisfied performance obligations and expected timing for completion related to the revenue.

Concentrations of Credit Risk:

Cash deposits that potentially subject YoungMoms to concentrations of credit risk consist of checking and savings accounts held at a local bank. During the year, account balances did not exceed FDIC insurance limits.

Noncash Donations:

Noncash donations are recorded at fair market value at the date of donation and are included in revenues and expenses for the year. The estimated fair value of donated supplies and services are recorded as contribution revenue. For the year ending December 31, 2024 and 2023, in-kind contributions were \$21,471 and \$20,718, respectively.

Directors, officers, and advisors have made a significant contribution of their time to develop YoungMoms and its programs. Amounts for volunteered services are recognized in the accompanying statement of activities when the criteria for recognition of such efforts under generally accepted accounting principles have been satisfied. During the years ended December 31, 2024 and 2023, volunteers contributed over 1,000 hours of their time in support of YoungMoms.

Allocation of Functional Expenses:

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and the statement of functional expenses. Directly identifiable expenses are charged to programs and supporting services. Certain costs have been allocated among the programs and supporting services benefited. Expenses are allocated to program and supporting services on the following bases:

- (a) Management and general expenses, occupancy, supplies, and depreciation are allocated based on time and expense studies.
- (b) Legal expenses were allocated based on an estimate of time spent between program benefits and administration.
- (c) Personnel expenses are allocated based on direct salaries.

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Notes to the Financial Statements

December 31, 2024 and 2023

(See Independent Auditors' Report)

Income Tax Status:

YoungMoms has been granted tax-exempt status as a nonprofit organization under Section 501(c)(3) of the Internal Revenue Code and, accordingly, files federal tax Form 990 (Return of Organization Exempt from Income Tax) annually.

In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Use of 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. Accordingly, actual results could differ from those estimates.

Uncertain Tax Positions:

YoungMoms is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. YoungMoms believes that it has appropriate support for any tax positions taken and, as such, does not have any uncertain tax positions that are material to the financial statements. Form 990 and all related state filings remain subject to examination generally for three years from the date of the filing.

Date of Managements' Review:

Management has evaluated subsequent events for possible disclosure in the notes to the financial statements through the date of the report, July 1, 2025.

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Notes to the Financial Statements

December 31, 2024 and 2023

(See Independent Auditors' Report)

(3) Restrictions on Assets:

Net assets with donor restrictions include funds restricted for the following uses:

	2024	2023
Capacity building	\$ -	20,280
Case management	21,944	26,791
Client transportation	-	979
Driver's education and counseling	711	-
Direct client assistance	2,304	3,377
Education	170	4,725
Emergency food, clothing and shelter	6,378	-
Life skills workshop	19,093	19,407
Mentoring & advocacy program	1,925	1,006
Pledges receivable	53,340	97,393
Small group gatherings	-	6,900
Staffing support	170,000	-
Support of Oxord area residents	10,000	10,000
Trauma informed training/coaching	20,522	-
	<u>\$ 306,387</u>	<u>\$ 190,858</u>

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Notes to the Financial Statements

December 31, 2024 and 2023

(See Independent Auditors' Report)

Net assets were released from donor restrictions by incurring expenses satisfying restricted purposes as follows:

	<u>2024</u>	<u>2023</u>
Capacity building	\$ 20,280	25,736
Case management	23,833	72,777
Client transportation	547	20,208
Education	4,554	275
Direct client assistance	6,073	1,673
Driver's education and counseling	1,090	-
Emergency food, clothing and shelter	7,380	-
Fundraising events	-	5,000
Life skills workshop	23,263	13,364
Mentoring & advocacy program	11,138	652
Pledges receivable	42,200	94,115
Rent support	2,350	5,500
Small group gatherings	6,900	-
Strategic Plan	-	4,600
Support of Oxord area residents	10,000	-
Trauma informed training/coaching	3,978	-
Website	-	444
	<u>\$ 163,586</u>	<u>\$ 244,344</u>

(4) Leases:

The Organization signed a new two-year agreement for office space on March 1, 2024, at \$2,200 per month. The Organization recorded a right-of-use asset and a corresponding liability. The lease asset and liability were calculated utilizing the risk-free discount rate (4%), according to the Organization's elected policy.

Future maturities of the operating lease liability are:

Year Ending December 31:	
2025	\$ 26,400
2026	4,400
Total lease payments	30,800
Less: Interest	748
Present value of lease liabilities	<u>\$ 30,052</u>

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Notes to the Financial Statements

December 31, 2024 and 2023

(See Independent Auditors' Report)

(5) Liquidity:

YoungMoms has \$477,880 of financial assets available within one year of the statement of financial position date to meet cash needs for general operating expenditures, consisting of cash of \$730,927, receivables of \$53,340, less restricted net assets of \$306,387.

(6) Conflict of Interest Policy:

Included in YoungMoms Board of Directors and Officers are volunteers from the community who provide valuable assistance to the Organization. YoungMoms has adopted a conflict-of-interest policy so that board members are disqualified from participating in decisions regarding any action affecting their related company or organization.