



Angel Heart Pajama Project

Prepared Financial Statements
For the period ended December 31, 2020

Prepared by
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Statement of Financial Position

As of December 31, 2020

	Total
ASSETS	
Current Assets	
Bank Accounts	
10000 Cash in Bank Checking WFB 3274	37,397.73
10020 PayPal	1,172.40
10050 Donated Gift Cards	3,914.64
Total Bank Accounts	42,484.77
Other Current Assets	
13000 Prepaid Expenses	150.00
14000 Inventory	
14001 Pajamas	10,523.83
14002 Books	59,526.25
Total 14000 Inventory	70,050.08
Total Other Current Assets	70,200.08
Total Current Assets	112,684.85
Other Assets	
18700 Deposits	75.00
Total Other Assets	75.00
TOTAL ASSETS	\$112,759.85
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
27500 Payroll Payables	0.04
Total Other Current Liabilities	0.04
Total Current Liabilities	0.04
Total Liabilities	0.04
Equity	
30000 Net Assets	
30100 Net Assets No Donor Restriction	80,337.69
Total 30000 Net Assets	80,337.69
32001 *Unrestricted Net Assets	0.00
Net Revenue	32,422.12
Total Equity	112,759.81
TOTAL LIABILITIES AND EQUITY	\$112,759.85

Statement of Activity by Class

January - December 2020

	Admin	Fundraising	Program	TOTAL
REVENUE				
40000 Direct Contribution Revenue				0.00
40020 General Fund Donations			90,852.93	90,852.93
Total 40000 Direct Contribution Revenue			90,852.93	90,852.93
41000 Donated Goods & Services Rev				0.00
41400 Gifts in Kind - Goods for Use			41,467.98	41,467.98
Total 41000 Donated Goods & Services Rev			41,467.98	41,467.98
Total Revenue	0.00	0.00	132,320.91	132,320.91
GROSS PROFIT	0.00	0.00	132,320.91	132,320.91
EXPENDITURES				
72000 Salaries & Related Expenses				0.00
72100 Employee Wages	12,290.90		24,581.81	36,872.71
72500 Payroll Tax Expense	940.26		1,880.51	2,820.77
Total 72000 Salaries & Related Expenses	13,231.16		26,462.32	39,693.48
75000 Contract Services				0.00
75030 Accounting Services	2,250.00			2,250.00
75050 Professional Fundraising Svcs		5,250.00		5,250.00
75100 Professional Fees - Other	557.06			557.06
Total 75000 Contract Services	2,807.06	5,250.00		8,057.06
82000 Office Expenses				0.00
82010 Office Supplies	2,472.90	49.42		2,522.32
82020 Telephone & Internet Expenses	600.00			600.00
82030 Postage & Mailing Expenses	263.35		110.00	373.35
82050 Bank Fees	299.21			299.21
82051 PayPal Fees	85.83			85.83
82060 Printing & Copying Expenses		327.00	603.00	930.00
Total 82000 Office Expenses	3,721.29	376.42	713.00	4,810.71

	Admin	Fundraising	Program	TOTAL
83000 Information Technology Expenses				0.00
83020 Software Expenses	107.40	418.23		525.63
83040 Website Design & Operations			60.51	60.51
Total 83000 Information Technology Expenses	107.40	418.23	60.51	586.14
84000 Occupany Expenses				0.00
84010 Rent Expense			1,725.00	1,725.00
Total 84000 Occupany Expenses			1,725.00	1,725.00
85000 Travel Expenses				0.00
85030 Mileage Reimbursements			2,134.68	2,134.68
Total 85000 Travel Expenses			2,134.68	2,134.68
86000 Conferences & Meetings				0.00
86210 Board Mtgs - Food & Beverage	10.67			10.67
86220 Board Mtgs - Printing	55.35			55.35
86240 Meetings & Luncheons		88.61		88.61
86550 Conference Fees	29.00			29.00
Total 86000 Conferences & Meetings	95.02	88.61		183.63
88000 Insurance Expense				0.00
88020 General Liability Insurance	1,386.25			1,386.25
Total 88000 Insurance Expense	1,386.25			1,386.25
91000 Direct Program Expenses				0.00
91010 Pajamas and Books NonCash			33,300.94	33,300.94
91011 Other NonCash			3,982.50	3,982.50
91020 Supplies and Materials			2,192.14	2,192.14
Total 91000 Direct Program Expenses			39,475.58	39,475.58
92000 Volunteer Expenses				0.00
92040 Volunteer Awards & Recognition	200.00			200.00
92041 VolunteerAwardsRecogn Non Cash			27.25	27.25
Total 92000 Volunteer Expenses	200.00		27.25	227.25
93000 Other Expenses				0.00

	Admin	Fundraising	Program	TOTAL
93010 Dues & Subscriptions	1,214.00			1,214.00
93040 Membership Dues			175.00	175.00
Total 93000 Other Expenses	1,214.00		175.00	1,389.00
94000 Fundraising Event Expenses				0.00
94040 Food & Beverage		21.86		21.86
94100 Event Postage		165.00		165.00
94110 Event Printing		7.50		7.50
94120 Event Other Expenses		35.65		35.65
Total 94000 Fundraising Event Expenses		230.01		230.01
Total Expenditures	22,762.18	6,363.27	70,773.34	99,898.79
NET OPERATING REVENUE	-22,762.18	-6,363.27	61,547.57	32,422.12
NET REVENUE	\$ -22,762.18	\$ -6,363.27	\$61,547.57	\$32,422.12

Statement of Cash Flows

January - December 2020

	Total
OPERATING ACTIVITIES	
Net Revenue	32,422.12
Adjustments to reconcile Net Revenue to Net Cash provided by operations:	
13000 Prepaid Expenses	-75.00
14001 Inventory:Pajamas	-8,481.60
14002 Inventory:Books	-8,489.22
27500 Payroll Payables	447.74
Total Adjustments to reconcile Net Revenue to Net Cash provided by operations:	-16,598.08
Net cash provided by operating activities	15,824.04
FINANCING ACTIVITIES	
30100 Net Assets:Net Assets No Donor Restriction	-2,296.96
32001 *Unrestricted Net Assets	2,296.96
Net cash provided by financing activities	0.00
NET CASH INCREASE FOR PERIOD	15,824.04
Cash at beginning of period	26,660.73
CASH AT END OF PERIOD	\$42,484.77

Selected Information - Substantially All Disclosures Required by GAAP Are Not Included

Note 1 – Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities

Angel Heart Pajama Project's primary purpose is to distribute new pajamas and books to enrich the lives and share love and caring to children in need. The children helped are in foster care, shelters, or are homeless.

Basis of Accounting

The financial statements of Angel Heart Pajama Project have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to two classes of net asset (with donor restrictions and without donor restrictions) based upon the existence or absence of donor-imposed restrictions.

- Net Assets Without Donor Restrictions – net assets available for use in general operations and not subject to donor-imposed stipulations.
- Net Assets With Donor Restrictions – net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that the resources be maintained in perpetuity. There are \$-0- net assets with donor-imposed restrictions as of September 30, 2020.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. This includes balances held in checking and savings accounts as well as cash value on gift cards.

Promises to Give (Pledges Receivable)

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization uses the allowance method to determine uncollectible promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

Contributed Services

Donated services are recognized as contributions if the services (a) create or enhance a nonfinancial asset or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

Contributions

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the Statement of Activities as net assets released from restrictions.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Inventory

Inventories consist of books and pajamas held for distribution to children. Inventories that are purchased are recorded at cost. Inventories that are received by donation are recorded at fair market value, which is estimated to be \$7.50 per item. When items in inventory are donated to children, they are removed from inventory at a moving average cost per item and are recorded as a non-cash direct program expense. At the end of the fiscal year, the value of inventory is adjusted to reflect the average cost of items held in inventory. This adjustment is not done at interim periods.

Income Taxes

The Organization is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2). Income tax expense for the period ended September 30, 2020 was \$0.

In-Kind Support

The Organization receives donations from a variety of sources of materials in the furtherance of its mission. The in-kind support consists principally of pajamas and books. In-kind support is recorded at its fair value on the date of donation.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumption that affect certain reported amounts and disclosures. The most significant estimates relate to the value of inventory, the fair value of donated materials, assets, and services, and the allocation of expenses by function. Accordingly, actual results could differ from those estimates.