



ANGEL HEART
PAJAMA PROJECT

Angel Heart Pajama Project

Prepared Financial Statements
For the period ended December 31, 2023

Prepared by
The Royce CPA Firm, PLLC

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Statement of Financial Position

As of December 31, 2023

	Total
ASSETS	
Current Assets	
Bank Accounts	
10000 Checking - 3274	73,495.54
10020 PayPal	1,677.92
10030 Savings - 7340	30,288.02
10040 Live Oak Savings (1251)	30,357.04
10050 Donated Gift Cards	6,125.00
Total Bank Accounts	141,943.52
Other Current Assets	
12010 Undeposited Funds-1	750.00
14000 Inventory	
14001 Pajamas	22,738.93
14002 Books	14,400.49
14003 Comfort Pillows	905.00
Total 14000 Inventory	38,044.42
Total Other Current Assets	38,794.42
Total Current Assets	180,737.94
Fixed Assets	
16005 Vehicles	53,471.79
1699 Accumulated Depreciation	-10,694.36
Total Fixed Assets	42,777.43
TOTAL ASSETS	\$223,515.37
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
27500 Payroll Payables	3,358.68
Total Other Current Liabilities	3,358.68
Total Current Liabilities	3,358.68
Total Liabilities	3,358.68
Equity	
30000 Net Assets	
30100 Net Assets No Donor Restriction	213,948.37
Total 30000 Net Assets	213,948.37
32001 *Unrestricted Net Assets	0.00

	Total
Net Revenue	6,208.32
Total Equity	220,156.69
TOTAL LIABILITIES AND EQUITY	\$223,515.37

Statement of Activity by Class

January - December 2023

	Admin	Fundraising	Program	TOTAL
REVENUE				
40000 Direct Contribution Revenue				0.00
40020 General Fund Donations			155,863.13	155,863.13
40030 Restricted Fund Donations			25,000.00	25,000.00
Total 40000 Direct Contribution Revenue			180,863.13	180,863.13
53000 Revenue from Investments				0.00
53100 Interest from Savings, MMs, CDs			388.36	388.36
Total 53000 Revenue from Investments			388.36	388.36
Total Revenue	0.00	0.00	181,251.49	181,251.49
GROSS PROFIT	0.00	0.00	181,251.49	181,251.49
EXPENDITURES				
70000 Grants & Direct Assistance				0.00
70010 Grants to Other NPOs			1,089.00	1,089.00
Total 70000 Grants & Direct Assistance			1,089.00	1,089.00
72000 Salaries & Related Expenses				0.00
72100 Employee Wages	8,600.00	2,457.25	50,374.00	61,431.25
72200 Reimbursements	504.00	144.00	2,952.00	3,600.00
72500 Payroll Tax Expense	657.68	188.00	3,853.80	4,699.48
Total 72000 Salaries & Related Expenses	9,761.68	2,789.25	57,179.80	69,730.73
75000 Contract Services				0.00
75030 Accounting Services	3,850.00			3,850.00
75050 Professional Fundraising Svcs		15,425.00		15,425.00

	Admin	Fundraising	Program	TOTAL
75090 Temporary Help - Contract Labor			25.00	25.00
Total 75000 Contract Services	3,850.00	15,425.00	25.00	19,300.00
82000 Office Expenses				0.00
82010 Office Supplies	467.83		349.80	817.63
82030 Postage & Mailing Expenses	482.75	12.60		495.35
82050 Bank Fees	749.79			749.79
82051 PayPal Fees		333.42		333.42
82060 Printing & Copying Expenses	141.92		1,392.30	1,534.22
Total 82000 Office Expenses	1,842.29	346.02	1,742.10	3,930.41
83000 Information Technology Expenses				0.00
83020 Software Expenses	143.88			143.88
Total 83000 Information Technology Expenses	143.88			143.88
84000 Occupany Expenses				0.00
84010 Rent Expense			1,200.00	1,200.00
84100 Repairs & Maintenance			11.72	11.72
Total 84000 Occupany Expenses			1,211.72	1,211.72
85000 Travel Expenses				0.00
85030 Mileage Reimbursements			2,780.33	2,780.33
85100 Auto - Repairs & Maintenance			56.00	56.00
85110 Auto - Fuel			899.02	899.02
Total 85000 Travel Expenses			3,735.35	3,735.35
86000 Conferences & Meetings				0.00
86240 Meetings & Luncheons			389.00	389.00

	Admin	Fundraising	Program	TOTAL
Total 86000 Conferences & Meetings			389.00	389.00
88000 Insurance Expense				0.00
88010 Board Liability Insurance	729.00			729.00
88020 General Liability Insurance	418.75			418.75
88030 Auto Insurance			2,314.37	2,314.37
Total 88000 Insurance Expense	1,147.75		2,314.37	3,462.12
91000 Direct Program Expenses				0.00
91020 Supplies and Materials			2,605.65	2,605.65
Total 91000 Direct Program Expenses			2,605.65	2,605.65
92000 Volunteer Expenses				0.00
92040 Volunteer Awards & Recognition			50.00	50.00
92041 VolunteerAwardsRecogn Non Cash			289.34	289.34
Total 92000 Volunteer Expenses			339.34	339.34
93000 Other Expenses				0.00
93005 Advertising & Promotion		550.00	159.25	709.25
93010 Dues & Subscriptions		50.00	225.00	275.00
93560 Organizational (corp) expenses	10.00			10.00
Total 93000 Other Expenses	10.00	600.00	384.25	994.25
94000 Event Expenses				0.00
94040 Food & Beverage		898.39		898.39
94080 Event Supplies		1,052.12		1,052.12
Total 94000 Event Expenses		1,950.51		1,950.51
Total Expenditures	16,755.60	21,110.78	71,015.58	108,881.96

	Admin	Fundraising	Program	TOTAL
NET OPERATING REVENUE	-16,755.60	-21,110.78	110,235.91	72,369.53
OTHER REVENUE				
98000 Non-Cash PJs and Books				0.00
98100 PJs & Books Received			68,860.57	68,860.57
98200 PJs & Books Donated Out			-124,327.42	-124,327.42
Total 98000 Non-Cash PJs and Books			-55,466.85	-55,466.85
Total Other Revenue	0.00	0.00	-55,466.85	-55,466.85
OTHER EXPENDITURES				
87000 Depreciations & Amortization				0.00
87005 Depreciation - Auto			10,694.36	10,694.36
Total 87000 Depreciations & Amortization			10,694.36	10,694.36
Total Other Expenditures	0.00	0.00	10,694.36	10,694.36
NET OTHER REVENUE	0.00	0.00	-66,161.21	-66,161.21
NET REVENUE	\$ -16,755.60	\$ -21,110.78	\$44,074.70	\$6,208.32

Statement of Cash Flows

January - December 2023

	Total
OPERATING ACTIVITIES	
Net Revenue	6,208.32
Adjustments to reconcile Net Revenue to Net Cash provided by operations:	
14001 Inventory:Pajamas	-230.13
14002 Inventory:Books	3,779.60
14003 Inventory:Comfort Pillows	-247.42
1699 Accumulated Depreciation	10,694.36
27500 Payroll Payables	3,358.68
Total Adjustments to reconcile Net Revenue to Net Cash provided by operations:	17,355.09
Net cash provided by operating activities	23,563.41
INVESTING ACTIVITIES	
16005 Vehicles	-53,471.79
Net cash provided by investing activities	-53,471.79
FINANCING ACTIVITIES	
30100 Net Assets:Net Assets No Donor Restriction	160,808.40
31100 Temp. Restricted Net Assets:Use Restricted	-60,000.00
32001 *Unrestricted Net Assets	-100,808.40
Net cash provided by financing activities	0.00
NET CASH INCREASE FOR PERIOD	-29,908.38
Cash at beginning of period	172,601.90
CASH AT END OF PERIOD	\$142,693.52

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 December 31, 2023.

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 and comfort pillows 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 \$10.00 per item for books and pajamas and \$5.00 for comfort pillows. 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 December 31, 2023 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.