

FRESNO MADERA YOUTH FOR CHRIST INC

**Compilation Financial Statements
June 30, 2024**

FRESNO MADERA YOUTH FOR CHRIST INC

June 30, 2024

TABLE OF CONTENTS

| | <u>Page No.</u> |
|--|-----------------|
| Accountant's Compilation Report | 1 |
| Statement of Financial Position | 2 |
| Statement of Activities | 3 |
| Statement of Functional Expenses | 4 |
| Statement of Cash Flow | 5 |
| Notes to Financial Statements | 6 – 10 |



Daniel, Towle & Warkentine

ACCOUNTANCY CORPORATION

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ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors
Fresno Madera Youth for Christ Inc
Fresno, CA.

Management is responsible for the accompanying financial statements of Fresno Madera Youth for Christ Inc (a nonprofit corporation), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. 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.

Daniel, Towle & Warkentine

Daniel, Towle & Warkentine
Fresno, California

September 27, 2024

FRESNO MADERA YOUTH FOR CHRIST INC
Statement of Financial Position
June 30, 2024

ASSETS

Current Assets

| | | |
|-----------------------------|------------|-------------------|
| Cash and Cash Equivalents | \$ 860,506 | |
| Prepaid Expenses | 24,992 | |
| Accounts Receivable | 1,431 | |
| Total Current Assets | | \$ 886,929 |

Investments

| | | |
|--------------------------|----------------|----------------|
| | <u>130,527</u> | |
| Total Investments | | 130,527 |

Property, Plant & Equipment

| | | |
|---------------------------------------|------------------|-------------------------|
| Land | 160,949 | |
| Buildings & Improvements | 1,389,577 | |
| Furniture & Equipment | 121,979 | |
| Capital Leases | 18,562 | |
| Less Accumulated Depreciation | <u>(590,170)</u> | |
| Total Property & Equipment | | <u>1,100,897</u> |

| | | |
|---------------------|--|----------------------------|
| Total Assets | | <u>\$ 2,118,353</u> |
|---------------------|--|----------------------------|

Liabilities & Net Assets

Current Liabilities

| | | |
|--|--------------|-------------------|
| Accounts Payable | \$ 11,643 | |
| Accrued Expenses | 85,054 | |
| Current portion of Capital Lease Obligations | <u>3,547</u> | |
| Total Current Liabilities | | \$ 100,244 |

Long Term Liabilities

| | | |
|---|------------------|----------------------|
| Capital Lease Obligations, Less Current Portion | <u>10,009.00</u> | |
| Total Long Term Liabilities | | <u>10,009</u> |
| Total Liabilities | | 110,253 |

Net Assets

| | | |
|----------------------------|---------------|-------------------------|
| Without Donor Restrictions | 1,978,146 | |
| With Donor Restrictions | <u>29,954</u> | |
| Total Net Assets | | <u>2,008,100</u> |

| | | |
|---|--|----------------------------|
| Total Liabilities & Net Assets | | <u>\$ 2,118,353</u> |
|---|--|----------------------------|

See accompanying notes and independent accountant's compilation report.

FRESNO MADERA YOUTH FOR CHRIST INC
Statement of Activities
For the year ended June 30, 2024

| | Without Donor <u>Restrictions</u> | With Donor <u>Restrictions</u> | <u>Total</u> |
|--|---|-----------------------------------|---------------------|
| Revenues | | | |
| Contributions | \$ 954,713 | | \$ 954,713 |
| Grants | - | 201,530 | 201,530 |
| Special event income, net of expense of \$46,244 | 75,038 | | 75,038 |
| Rent Income | 17,184 | | 17,184 |
| Investment Income(Loss) | 30,199 | | 30,199 |
| Net assets released from restrictions: | | | |
| -Satisfaction of purpose restrictions | <u>254,245</u> | <u>(254,245)</u> | <u>-</u> |
| Total net assets released from restrictions | <u>254,245</u> | <u>(254,245)</u> | <u>-</u> |
| Total Revenues | <u>1,331,379</u> | <u>(52,716)</u> | <u>1,278,664</u> |
| Expenses | | | |
| Program Expenses | | | |
| Campus Ministry | 416,053 | | 416,053 |
| Community Ministry | 341,860 | | 341,860 |
| Various Christian Based Programs | <u>238,230</u> | <u>-</u> | <u>238,230</u> |
| Total Program Expenses | 996,143 | - | 996,143 |
| Supporting Services | | | |
| General & Administrative | 193,642 | | 193,642 |
| Fundraising | <u>99,683</u> | <u>-</u> | <u>99,683</u> |
| Total Supporting Services Expenses | 293,325 | - | 293,325 |
| Total Expenses | <u>1,289,468</u> | <u>-</u> | <u>1,289,468</u> |
| Change in Net Assets | 41,911 | (52,716) | (10,805) |
| Net Assets at Beginning of Year | <u>1,936,235</u> | <u>82,669</u> | <u>2,018,904</u> |
| Net Assets at End of Year | <u>\$ 1,978,146</u> | <u>\$ 29,954</u> | <u>\$ 2,008,100</u> |

See accompanying notes and independent accountant's compilation report.

FRESNO MADERA YOUTH FOR CHRIST INC
Statement of Functional Expenses
For the year ended June 30, 2024

| | <u>PROGRAM SERVICES</u> | | | <u>SUPPORTING SERVICES</u> | | |
|------------------------------|----------------------------|-------------------------------|---|---|-------------------------|----------------------------|
| | <u>Campus Ministry</u> | <u>Community Ministry</u> | <u>Various Christian based Programs</u> | <u>General and Administrative</u> | <u>Fund Raising</u> | <u>Total Expenses</u> |
| Accounting | \$ - | \$ - | \$ - | \$ 44,900 | \$ - | \$ 44,900 |
| Bank Fees | 201 | 6 | 517 | 8,579 | 3,322 | 12,625 |
| Depreciation Expense | 44,997 | 4,526 | - | 2,362 | - | 51,885 |
| Development & Promotional | - | - | 1,275 | - | 44,638 | 45,913 |
| Dues & Subscriptions | - | - | - | 11,069 | - | 11,069 |
| Employee Benefits | 50,003 | 56,164 | - | 13,038 | - | 119,205 |
| Facility Expense | 21,565 | 36 | 41,565 | 4,611 | - | 67,777 |
| Insurance Expense | - | - | 9,164 | 4,772 | - | 13,936 |
| Interest Expense | - | - | - | 1,493 | - | 1,493 |
| Ministry Expense | 48,381 | 14,778 | 40,647 | - | 351 | 104,157 |
| National Office Fees | - | - | 43,873 | - | - | 43,873 |
| Office Expense | 711 | - | 11,537 | 15,692 | 15,409 | 43,349 |
| Payroll Taxes | 20,606 | 22,808 | - | 8,564 | - | 51,978 |
| Professional Fees | - | - | - | - | - | - |
| Salary | 221,760 | 241,550 | 69,302 | 78,562 | 80,131 | 691,305 |
| Staff & Volunteer Expense | 7,829 | 1,992 | 20,350 | - | 2,076 | 32,247 |
| | <u>416,053</u> | <u>341,860</u> | <u>238,230</u> | <u>193,642</u> | <u>145,927</u> | <u>1,335,712</u> |
| Less: Special Event Expenses | - | - | - | - | (46,244) | (46,244) |
| Total Expenses | <u><u>\$ 416,053</u></u> | <u><u>\$ 341,860</u></u> | <u><u>\$ 238,230</u></u> | <u><u>\$ 193,642</u></u> | <u><u>\$ 99,683</u></u> | <u><u>\$ 1,289,468</u></u> |

See accompanying notes and independent accountant's compilation report.

FRESNO MADERA YOUTH FOR CHRIST INC
Statement of Cash Flows
For the year ended June 30, 2024

Operating Activities

| | |
|---|-------------|
| Change in net assets | \$ (10,805) |
| Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities | |
| Depreciation | 51,885 |
| Increase in Prepaid Expenses | (13,005) |
| Unrealized Gain on Stocks | (8,389) |
| Increase in Accounts Receivable | (206) |
| Increase in Accounts Payable | 6,460 |
| Increase in Accrued Expenses | 9,017 |
| Net Cash Provided (Used) by Operating Activities | 45,762 |

Investing Activities

| | |
|---|----------|
| Purchase of Investments | (3,194) |
| Purchase of Property Improvements | (37,657) |
| Net Cash Provided (Used) for Investing Activities | (40,851) |

Financing Activities

| | |
|--|---------|
| Payments made on Capital Lease Obligations | (3,243) |
| Net Cash Provided (Used) by Financing Activities | (3,243) |

Net increase (decrease) in cash (9,137)

Cash and cash equivalents and restricted cash, beginning of year 869,643

Cash and cash equivalents and restricted cash, end of year \$ 860,506

Cash and cash equivalents and restricted cash consist of:

| | |
|---------------------------|------------|
| Cash and cash equivalents | \$ 860,506 |
| | \$ 860,506 |

Supplemental Disclosure of Cash Flow Information

| | |
|---------------|----------|
| Interest Paid | \$ 1,493 |
| Taxes Paid | \$ - |

See accompanying notes and independent accountant's compilation report.

Notes to Fresno Madera Youth for Christ Inc.
Notes to the Financial Statements
Year Ended June 30, 2024

NOTE 1: NATURE OF ACTIVITIES

Fresno/Madera Youth for Christ Inc (the Organization) is an organization that aims to reach young people everywhere, working together with the local church and other like-minded partners to raise up lifelong followers of Jesus who lead by their godliness in lifestyle, devotion to prayer and the Word of God, passion for sharing the love of Christ and commitment to social involvement. The Organization's programs are supported primarily by contributions.

The Fresno/Madera chapter of Youth for Christ was founded in 1945. The Organization reaches teens in Christ-sharing relationships through Campus Life, Juvenile Justice Ministries, and City Life. The Organization utilizes training and curriculum from Youth for Christ USA which was founded in 1944. Fresno/Madera Youth for Christ also utilizes two of its own locations in Fresno to provide specialized, youth-focused space for programming and mentoring.

Fresno/Madera Youth for Christ has a goal to build relationships with kids that will lead to relationships with Christ and the Church.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of Fresno/Madera Youth for Christ Inc have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments with maturity of three months or less to be cash equivalents. Cash and cash equivalents for purposes of cash flows exclude permanently restricted cash and cash equivalents.

Restricted Cash

These funds have been restricted by donors for capital projects.

Property and Equipment

Property and Equipment is recorded at cost when purchased or at fair market value if donated. Fresno/Madera Youth for Christ Inc follows the practice of capitalizing all expenditures for property and equipment in excess of \$2,500 and the fair value of any similar assets donated. Depreciation is provided over the estimated useful lives of the assets (between 5-40 years) on a straight-line basis.

Net Assets

The financial statements report amounts by class of net assets:

Net assets without donor restrictions: All net assets that are free of donor-imposed stipulations are included in net assets without donor restrictions. They may be designated for specific purposes by action of the Board of Directors.

Net assets with donor restrictions: Net assets are subject to donor-imposed restrictions, either for a specific purpose or subject to the passage of time are included in net assets with donor restrictions. Donor-imposed restrictions can be temporary or perpetual, although the Organization does not have any assets that are perpetually restricted.

Notes to Fresno Madera Youth for Christ Inc.
Notes to the Financial Statements
Year Ended June 30, 2024

Accounting for Contributions

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Contributions are recognized in revenue when received or unconditionally promised. Conditional promises to give are recorded in revenue when the conditions are satisfied. Contributions received are recorded as contributions without donor restrictions, or with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. All donor-restricted support is reported as an increase to net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributed Services and Donations of Noncash Assets

Amounts are reported in the financial statements for contributed services when they create or enhance nonfinancial assets or require specialized skills and are provided by individuals that possess those skills, and would typically need to be purchased if not contributed. For year ended June 30, 2024, no amounts for contributed services were recognized. Contributions of donated investments or noncash assets are recorded at their fair values in the period received. The organization used Level 2 inputs to determine value.

Advertising Costs

Advertising/Marketing costs are expensed as incurred. Total advertising/marketing costs for the period are \$938.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in these financial statements. Based on management estimates, costs have been allocated among the programs and supporting services as they relate to those functions. For salaries, taxes, employee benefits, fees, ministry, depreciation, staffing, office expenses, travel, and other miscellaneous are allocated based on estimates of time, effort and benefits derived.

Financial Instruments

Carrying values of certain financial instruments, including cash and cash equivalents, investments, accounts payables and accrued expenses, approximated fair values due to the short-term nature of these financial instruments.

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values based on quoted prices in active markets (all Level 1 measurements) in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

Fair Value Measurements

Generally accepted accounting principles provide guidance on how fair value should be determined when financial statement elements are required to be measured at fair value. Valuation techniques are ranked in three levels depending on the degree of objectivity of the inputs used with each level:

Level 1 inputs - quoted prices in active markets for identical assets.

Level 2 inputs - quoted prices in active or inactive markets for the same or similar assets.

Level 3 inputs - estimates using best information available when there is little or no market.

The Organization is required to measure investments at fair value. The technique used to measure the fair value of investments is described in Note 5.

**Notes to Fresno Madera Youth for Christ Inc.
Notes to the Financial Statements
Year Ended June 30, 2024**

Use of Estimates

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

Tax Status

The Organization is a not-for-profit corporation exempt from federal income tax under Internal Revenue Code Section 501(c)(3) of the U.S. Internal Revenue Code (the Code) and from state and local taxes under comparable laws. Contributions to the Organization are tax deductible within the limitations prescribed by the Code. The Organization has been classified as a church, which is not a private foundation. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have uncertain tax positions that are material to the financial statements. The Organization is subject to income tax examinations for the current year and certain prior years based on the applicable laws and regulations.

NOTE 3: RESTRICTIONS ON NET ASSETS

Net assets with donor restrictions are available for the following purposes:

Restricted by purpose:

| | |
|--------------------------|-----------|
| Campus Ministry Campaign | \$ 29,954 |
| Total | \$ 29,954 |

NOTE 4: PROPERTY AND EQUIPMENT

The Organization recorded depreciation expense of approximately \$51,885 for the year ended June 30, 2024.

NOTE 5: INVESTMENTS

Fair values of investments measured on a recurring basis at June 30, 2024 are as follows:

Fair Value Measurements at Reporting Date Using

| | <u>Quoted Prices</u> | | | |
|--------------|--|--|--|---|
| | In Active Markets for Identical Assets <u>Fair Value</u> | Significant Other Observable Inputs <u>(Level 1)</u> | Significant Other Observable Inputs <u>(Level 2)</u> | Significant Unobservable Inputs <u>(Level 3)</u> |
| Mutual Funds | \$ 130,527 | \$ 130,527 | \$ 0 | \$ 0 |
| Total | <u>\$ 130,527</u> | <u>\$ 130,527</u> | <u>\$ 0</u> | <u>\$ 0</u> |

Financial assets valued using level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets valued using level 2 inputs are based primarily on quoted prices for similar assets in active or inactive markets.

**Notes to Fresno Madera Youth for Christ Inc.
Notes to the Financial Statements
Year Ended June 30, 2024**

The following schedule summarizes the investment return and its classification in the statement of activities for the year ended June 30, 2024:

| | |
|--------------------------------|------------------|
| Investment Income: | |
| Unrealized gain on investments | \$ 8,389 |
| Interest and dividends | <u>21,810</u> |
| Total investment income | <u>\$ 30,199</u> |

NOTE 6: CONCENTRATIONS

In the current year, a significant amount of contributions were provided by a few major contributors. It is always considered reasonably possible that benefactors, grantors, or contributors might be lost in the near term.

The Organization maintains its cash balances at one financial institution. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2024 the uninsured portion of the balance was approximately \$ 360,000.

NOTE 7: CONTRIBUTORY RETIREMENT PLAN

The Organization has established a contributory retirement plan available for all eligible employees which allows participants to make tax deferred investment contributions. The plan qualifies as a Simple Individual Retirement Account. The Plan reports on a calendar year. The Organization contributes to the plan annually. The organization funded \$ 15,151 during the 2024 fiscal year.

NOTE 8: LEASES

The Organization leases equipment under capital lease obligations. The capital lease obligations have been recorded in the accompanying financial statements at the present value of future minimum lease payments. The lease payments of \$18,562 include imputed annual interest of 9% based on current market borrowing rates. The lease contains an option to purchase at fair market value at lease end. Accumulated depreciation in the statement of financial position included \$3,712 relating to the capital leases. Depreciation expense reported in the statement of activities includes \$3,712 for the capital lease. Interest expense reported was \$1,380. Future minimum lease payments are as follows:

| <u>Year ending June 30,</u> | <u>Amount</u> |
|--|------------------|
| 2025 | \$ 4,624 |
| 2026 | 4,624 |
| 2027 | 4,624 |
| 2028 | 1,926 |
| 2029 | <u>0</u> |
| Total future minimum lease payments | 15,798 |
| Less amount representing interest | <u>(2,241)</u> |
| Present value of future minimum lease payments | <u>\$ 13,557</u> |

**Notes to Fresno Madera Youth for Christ Inc.
Notes to the Financial Statements
Year Ended June 30, 2024**

NOTE 9: LIQUIDITY AND FUNDS AVAILABLE

The Organization's financial assets available within one year of the balance sheet date for general expenditure are as follows.

| | |
|---|-------------------|
| Financial assets, at year end | \$ 992,464 |
| Less those unavailable for general expenditures within one year, due to: | |
| Net assets with donor restrictions | 29,954 |
| Less donor restricted assets expected to be used within one year | <u>(29,954)</u> |
| | 0 |
| Financial assets available to meet cash needs for general expenditures with one year. | <u>\$ 992,464</u> |

The Organization maintains sufficient financial assets to meet its general expenditures. The Organization has checking, savings and investment accounts to maintain its cash reserves. If needed the Organization would draw upon its reserves to pay for general expenditures.

NOTE 10: SUBSEQUENT EVENTS

Subsequent events have been evaluated through September 27, 2024 the date financial statements were available to be issued.