

CARING TO LOVE MINISTRIES, INC.

Financial Statements

June 30, 2025

(With Independent Accountant's Compilation Report Thereon)

CARING TO LOVE MINISTRIES, INC.

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Independent Accountant's Compilation Report

**To the Board of Directors
Caring to Love Ministries, Inc.
Baton Rouge, Louisiana**

Management is responsible for the accompanying financial statements of Caring to Love Ministries, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, 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. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

Other Information

The schedule of compensation, benefits and other payments to the agency head is presented for purposes of additional analysis as required by Act 706 of the 2014 Louisiana Legislative Session and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Griffin & Furman, LLC

October 28, 2025

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CARING TO LOVE MINISTRIES, INC.

Statement of Financial Position

June 30, 2025

(See Independent Accountant's Compilation Report)

<u>Assets</u>		
Current assets:		
Cash and cash equivalents	\$	321,152
Investments		9,792
Grants receivable		6,000
Prepaid expenses		<u>35,242</u>
Total current assets		372,186
Property and equipment, net		<u>360,510</u>
Total assets	\$	<u><u>732,696</u></u>
 <u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable	\$	7,385
Payroll liabilities		<u>12,447</u>
Total current liabilities		19,832
Net assets:		
Without donor restrictions		<u>712,864</u>
Total net assets		<u>712,864</u>
Total liabilities and net assets	\$	<u><u>732,696</u></u>

CARING TO LOVE MINISTRIES, INC.

Statement of Activities

For the Year Ended June 30, 2025

(See Independent Accountant's Compilation Report)

	Without Donor Restrictions	Total
Revenues and support:		
Grant income - life choice	\$ 100,800	100,800
Grant income - FEMA	17,863	17,863
Contributions	337,539	337,539
Special events	170,957	170,957
Other revenue	45,553	45,553
	<u>672,712</u>	<u>672,712</u>
Total revenues and support		
	<u>672,712</u>	<u>672,712</u>
Expenses:		
Program services	648,408	648,408
Supporting services	119,294	119,294
	<u>767,702</u>	<u>767,702</u>
Total expenses		
	<u>767,702</u>	<u>767,702</u>
Decrease in net assets	(94,990)	(94,990)
Net assets, beginning of year	807,854	807,854
Net assets, end of year	\$ <u><u>712,864</u></u>	<u><u>712,864</u></u>

CARING TO LOVE MINISTRIES, INC.

Statement of Functional Expenses

For the Year Ended June 30, 2025

(See Independent Accountant's Compilation Report)

	<u>Program Services</u>		<u>Supporting Services</u>		<u>Total</u>
	<u>Life Choice</u>	<u>CPC/ Other</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Expenses</u>
Salaries and payroll taxes:					
Salaries	\$ 77,378	158,993	2,400	-	238,771
Payroll taxes	-	11,303	183	-	11,486
Total salaries and payroll taxes	77,378	170,296	2,583	-	250,257
Other expenses:					
FEMA expenses	-	1,720	-	-	1,720
Contract labor	-	29,264	-	-	29,264
President housing	-	155,067	-	-	155,067
Special events	-	-	-	68,673	68,673
Benevolence	-	282	-	-	282
Travel	-	520	-	-	520
Employee benefits	-	5,086	-	-	5,086
Computer expense	869	41,149	1,067	-	43,085
Maintenance	-	19,654	-	-	19,654
Meals	-	1,619	-	-	1,619
Insurance	585	28,977	-	-	29,562
Interest	-	95	-	-	95
Advertising/media	-	9,056	-	-	9,056
Telephone/internet	4,380	7,434	-	-	11,814
Legal/professional	10,400	23,001	-	-	33,401
Miscellaneous	969	8,876	-	-	9,845
Printing/copy	2,314	14,234	-	-	16,548
Postage	9	9,117	-	-	9,126
Bank charges	-	3,540	812	-	4,352
Supplies	605	10,538	154	-	11,297
Licenses and fees	-	2,667	283	-	2,950
Repairs	-	258	-	-	258
Rent	-	1,200	-	-	1,200
Auto	-	2,770	-	-	2,770
Utilities	3,291	888	3,017	-	7,196
Donations	-	300	-	-	300
Total other expenses before depreciation	23,422	377,312	5,333	68,673	474,740
Depreciation	-	-	42,705	-	42,705
Total expenses	\$ 100,800	547,608	50,621	68,673	767,702
Percentage of total expenses	13%	71%	7%	9%	100%

CARING TO LOVE MINISTRIES, INC.

Statement of Cash Flows

For the Year Ended June 30, 2025

(See Independent Accountant's Compilation Report)

Cash flows from operating activities:

Decrease in net assets **\$ (94,990)**

**Adjustments to reconcile decrease in net assets
to net cash used by operating activities:**

Depreciation expense **\$ 42,705**

(Increase) decrease in assets:

Grants receivable **17,286**

Prepaid expenses **(16,230)**

Other assets **(1,160)**

Increase (decrease) in liabilities:

Accounts payable **2,877**

Payroll liabilities **3,964**

Total adjustments **49,442**

Net cash used by operating activities **(45,548)**

Cash and cash equivalents, beginning of year **366,700**

Cash and cash equivalents, end of year **\$ 321,152**

CARING TO LOVE MINISTRIES, INC.

Notes to the Financial Statements

June 30, 2025

(See Independent Accountant's Compilation Report)

(1) Summary of Significant Accounting Policies

(a) Reporting Entity

Caring to Love Ministries, Inc. (a nonprofit organization) (the "Organization") was established in 1983 and is a 501(c)(3) non-profit, non-discriminatory organization with a voluntary Board of Directors. The Organization originated to assist and educate teens in various life-changing issues. This assistance is practical in mature-adult women helping teenage women to extend a loving hand to teens, offering them real hope out of unplanned pregnancy, chemical dependency, and poverty.

(b) Basis of Accounting

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

(c) Basis of Presentation

The financial statements have been prepared in accordance with the reporting requirements of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958, *Not-for-Profit Entities*. Under ASC 958, net assets and related activities are classified for external financial reporting purposes into two categories as follows:

- Net assets without donor restrictions – Net assets which are free of donor-imposed restrictions; all revenues, expenses, gains, and losses that are not changes in permanently or temporarily restricted net assets.
- Net assets with donor restrictions – Net assets whose use by the Organization is limited by donor - imposed stipulations that either expire by the passage of time or that can be fulfilled and removed by the actions of the Organization pursuant to such situations. Net assets whose use by the Organization is limited by donor-imposed stipulation that neither expire with the passage of time nor can be fulfilled and removed by the actions of the Organization.

The classification of net assets into two separate groupings described above is based on criteria established by the Financial Accounting Standards Board, which are not necessarily consistent with regulations of the Internal Revenue Service concerning restrictions on donations.

(d) Donated Services

No amounts have been reflected in the financial statements for donated services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific programs and assignments.

CARING TO LOVE MINISTRIES, INC.

Notes to the Financial Statements

June 30, 2025

(See Independent Accountant's Compilation Report)

(e) Contributions

In accordance with FASB Accounting Standards Codification (ASC) Topic 958, *Not-for-Profit Entities* – Subtopic 605, Revenue Recognition (ASC 958-605), contributions received are recognized as net assets with donor restrictions or net assets without donor restrictions, depending on the presence and nature of any donor-imposed restrictions. When donor restrictions are satisfied in the same reporting period in which the contribution is received, the contribution is reported as net assets without donor restrictions.

(f) Other Revenue

The Organization receives other revenue from miscellaneous events and presentations that are held periodically. There are no restrictions on this income and is disclosed as other revenue under unrestricted revenue in the financial statements.

(g) Functional Allocation of Expenses

The costs of providing the Organization's programs and services have been summarized on a functional basis in the Statement of Functional Expenses. Management and general expenses include those expenses that are not directly identifiable with any other specific functions but provide for the overall support and direction of the Organization.

(h) Federal Income Tax

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Financial Accounting Standards Board ("FASB") issued FASB Interpretation No. 48 (FIN 48), *Accounting for the Uncertainty in Income Taxes*, which clarifies the accounting for income taxes recognized in the financial statements in accordance with Statements of Financial Accounting Standard ("SFAS 109"), *Accounting for Income Taxes* (FASB Accounting Standards Codification (ASC 740, Income Taxes)). FIN 48 provides that a tax benefit from an uncertain tax position may be recognized when it is more-likely-than-not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits.

The Organization's Form 990, Return of Organization Exempt from Income Tax, for the years ending 2022 - 2024 are subject to examination by the IRS, generally for three years after they were filed.

(i) Public Support and Revenue

The Organization receives its support primarily from contributions and special events revenue.

CARING TO LOVE MINISTRIES, INC.

Notes to the Financial Statements

June 30, 2025

(See Independent Accountant's Compilation Report)

Irrevocable promises to give and outright contributions are recorded as revenue on the accrual basis as they are received, and allowances are provided for promises to give estimated to be uncollectible. Promises to give and contributions are principally received from corporate, foundation, and individual donors around the United States.

Promises to give and contributions are considered available for unrestricted use unless specifically restricted by donors. Irrevocable promises to give which relate to a subsequent year are recorded as receivables and net assets with donor restrictions in the year the commitment is received. Contributions whose donor restrictions are met in the same reporting period are reported as net assets without donor restrictions.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to and reported in the statement of activities as net assets released from restrictions. If the expenses related to restricted revenues occur in the same year the revenues are received, these revenues are recorded as without donor restrictions.

(j) Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

(k) Investments

As of June 30, 2025, the Organization held donated stock with a fair value of \$9,792. The investment is recorded at fair value based on quoted market prices and is reported as an asset on the statement of financial position.

(l) Property and Equipment

The purchase of property and equipment is recorded at cost. It is the Organization's policy to capitalize expenditures for these items in excess of \$2,000. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Property and equipment are depreciated using the straight-line method over their estimated useful lives of 5 to 30 years.

Generally, when property and equipment are retired or disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in the Statement of Activities. Expenditures for repairs and maintenance are charged to expense.

CARING TO LOVE MINISTRIES, INC.

Notes to the Financial Statements

June 30, 2025

(See Independent Accountant's Compilation Report)

(m) Advertising

Advertising costs are expensed as incurred.

(n) Estimates

The preparation of financial statements in conformity with United States' 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.

(o) Concentrations

The Organization occasionally maintains cash and cash equivalents on deposit at financial institutions in excess of the federally insured limits. Accordingly, at times the deposits are uninsured and uncollateralized. The Organization has not experienced any losses in such accounts and believes its cash is not exposed to any significant credit risk.

(2) Grants Receivable

Grants receivable of \$6,000 at June 30, 2025 is comprised of grants receivable from the State of Louisiana and FEMA.

(3) Property and Equipment

Property and equipment and depreciation activity as of and for the year ended June 30, 2025 are as follows:

	Balance July 1, <u>2024</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2025</u>
Property and equipment being depreciated:				
Vehicle	\$ 35,359	-	-	35,359
Building and improvements	570,048	-	-	570,048
Equipment	228,682	-	-	228,682
Furniture and fixtures	27,064	-	-	27,064
Total property and equipment being depreciated	861,153	-	-	861,153
Less accumulated depreciation	(457,938)	(42,705)	-	(500,643)
Total property and equipment being depreciated, net	\$ 403,215	(42,705)	-	360,510

CARING TO LOVE MINISTRIES, INC.

Notes to the Financial Statements

June 30, 2025

(See Independent Accountant's Compilation Report)

The Organization recorded \$42,705 of depreciation expense on its property and equipment for the year ended June 30, 2025.

(4) Lease Commitments and Related Party Transactions

On March 16, 1992, the Organization entered into a 99-year land lease with a nonprofit organization. A Board member of the Organization is an authorized agent for the leasing nonprofit organization. The rent to be paid by the Organization is \$1,200 per year. The Organization evaluated its lease agreements under ASC Topic 842, *Leases*, and identified one lease subject to the standard. Management determined the impact was not material to the financial statements; therefore, no right-of-use asset or lease liability has been recorded as of June 30, 2025.

The future minimum lease payments are as follows:

2026	\$	1,200
2027		1,200
2028		1,200
2029		1,200
2030-2091		<u>73,200</u>
Total	\$	<u>78,000</u>

For the year ended June 30, 2025, the Organization received contributions of \$12,550 from the leasing nonprofit organization.

(5) Concentration of Grant Income

During the year ended June 30, 2025, approximately 18% of revenues were from the Department of Social Services, Department of Children and Family Services, Temporary Assistance for Needy Families (TANF) grant, and the Federal Emergency Management Administration. The grant amounts are appropriated each year by the federal and state governments.

If budget cuts or program changes are made at the federal or state level, the amount of grant income the Organization receives could be reduced significantly and have an adverse impact on its operations.

The Organization has \$336,944 of financial assets available within one year of the statement of financial position date to meet the needs for general expenditure consisting of cash and cash equivalents of \$321,152, receivables of \$6,000, and investments of \$9,792.

CARING TO LOVE MINISTRIES, INC.

Notes to the Financial Statements

June 30, 2025

(See Independent Accountant's Compilation Report)

(6) Contingencies

The Organization receives a significant portion of its revenue from government grants and contracts, all of which are subject to audit by the government. The ultimate determination of amounts received under these programs generally is based upon allowable costs reported to and are subject to audit by the government. Until such audits, if any, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from any such audit.

(7) Risk Management

The Organization is exposed to various risks of loss related to torts; theft of, damage of, and destruction of assets; errors and omissions; and natural disasters, for which the Organization carries commercial insurance. There have been no significant reductions in coverage from prior years.

(8) Board of Directors

The Board of Directors serves and directs the Organization on a voluntary basis. The Board does not receive compensation.

(9) Line of Credit

The Organization has a line of credit with a local bank. The maximum loan amount is \$175,000 with interest due monthly at the Wall Street Journal prime rate plus 2% (9.50% at June 30, 2025). The line is secured by equipment. There was no balance outstanding on this line at June 30, 2025.

(10) Subsequent Events

The Organization has evaluated subsequent events through October 28, 2025, which is the date the financial statements were available to be released. No additional disclosures were necessary.

CARING TO LOVE MINISTRIES, INC.

Schedule of Compensation, Benefits, and Other Payments to Agency Head

For the Year Ended June 30, 2025

Agency Head Name: Dorothy Wallis, CEO

<u>Purpose</u>	<u>Amount</u>
Compensation*	\$ <u>7,500</u>
	\$ <u><u>7,500</u></u>

*** Amounts represent the portion reimbursed through public funding**

CARING TO LOVE MINISTRIES, INC.

Schedule of Findings

June 30, 2025

We have compiled the financial statements of Caring to Love Ministries, Inc. as of and for the year ended June 30, 2025, and have issued our report thereon dated October 28, 2025. We conducted our compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We did not audit or review the financial statements and, accordingly, did not express an opinion or provide any assurance about whether the financial statements of Caring to Love Ministries, Inc. were in accordance with accounting principles generally accepted in the United States of America.

During our engagement to compile the financial statements, we did not become aware of any matters that we deemed reportable to the board and management of Caring to Love Ministries, Inc.

SECTION I - Findings Related to the Financial Statements

Not applicable.

SECTION II - Management Letter

Not applicable.

CARING TO LOVE MINISTRIES, INC.

Summary Schedule of Prior Year Findings

June 30, 2025

SECTION I - Findings Related to the Financial Statements

Not applicable.

SECTION II - Management Letter

Not applicable.