

Susie Q's Kids, Inc.

Financial Statements

December 31, 2024



YEO & YEO

**BUSINESS SUCCESS
PARTNERS**

Table of Contents

	Page
Independent Accountants' Review Report	1
Basic Financial Statements	
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to the Financial Statement	6



800.968.0010 | YEOANDYEO.COM

Independent Accountants' Review Report

To the Board of Directors
Susie Q's Kids, Inc.
Warren, Michigan

We have reviewed the accompanying financial statements of Susie Q's Kids, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 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. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility 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; this includes 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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Susie Q's Kids, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Yeo & Yeo, P.C.

Ann Arbor, Michigan
April 27, 2025

Susie Q's Kids, Inc.
Statement of Financial Position
December 31, 2024

Assets

Current assets

Cash	\$ 87,241
Inventory	43,433
Prepaid expenses	<u>1,221</u>

Total current assets 131,895

Property and equipment, net 13,731

Total assets \$ 145,626

Net Assets

Without donor restrictions

Undesignated \$ 145,626

Susie Q's Kids, Inc.
Statement of Activities
For the Year Ended December 31, 2024

	<u>Without Donor Restrictions</u>
Revenue, support and gains (losses)	
Contributions	\$ 106,834
Contributions of nonfinancial assets	237,513
Net investment income	<u>2</u>
Total revenue, support and gains (losses)	<u>344,349</u>
Expenses	
Program services	269,576
Management and general	<u>54,510</u>
Total expenses	<u>324,086</u>
Change in net assets	20,263
Net assets - beginning of year	<u>125,363</u>
Net assets - end of year	<u><u>\$ 145,626</u></u>

Susie Q's Kids, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2024

	Total Program Services	Management and General	Total
Advertising and marketing	\$ -	\$ 1,356	\$ 1,356
Depreciation	-	2,733	2,733
Grants and donations	265,083	-	265,083
Insurance	-	2,186	2,186
Occupancy	-	23,411	23,411
Office expenses	-	19,325	19,325
Permits and licenses	-	2,614	2,614
Professional fees	-	50	50
Repairs and maintenance	-	1,181	1,181
Supplies	4,493	-	4,493
Travel	-	1,654	1,654
	<u>\$ 269,576</u>	<u>\$ 54,510</u>	<u>\$ 324,086</u>
Total expenses by function	<u>\$ 269,576</u>	<u>\$ 54,510</u>	<u>\$ 324,086</u>

Susie Q's Kids, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2024

Cash flows from operating activities	
Change in net assets	\$ 20,263
Items not requiring cash	
Depreciation	2,733
Contributions of nonfinancial assets	(14,000)
Changes in operating assets and liabilities	
Inventory	12,902
Prepaid expenses	<u>567</u>
 Net cash provided by operating activities	 22,465
 Cash - beginning of year	 <u>64,776</u>
 Cash - end of year	 <u><u>\$ 87,241</u></u>

Susie Q's Kids, Inc.
Notes to the Financial Statements
December 31, 2024

Note 1 - Summary of Significant Accounting Policies

Nature of Activities

Susie Q's Kids, Inc. (the "Organization") is a Michigan non-profit organization, based in Warren, MI. Services include the Comfort Bag Program to provide comfort bags to kids in need and create some normalcy, relief, and support during stressful times for children.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net assets with donor restrictions – Net assets subject to donor- (or certain grantor-) 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 resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as released from restriction when the assets are placed in service.

We report contributions restricted by donors 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, depending on the nature of the restrictions. When a restriction expires, 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.

Cash and Cash Equivalents

The Organization maintains cash accounts at area financial institutions. The carrying amount of the Organization's deposits with financial institutions at year end was \$87,241. The actual bank balances amounted to \$83,230, the amount insured by the FDIC.

Inventory

Inventories consist of finished goods and are stated at the lower of cost or net realizable value. Cost is determined on the first-in, first-out method. Inventories also consist of contributed non-financial assets recorded at fair value.

Property and Equipment

The Organization follows the practice of capitalizing all expenditures in excess of \$100 for property and equipment at cost; the fair value of donated fixed assets is similarly capitalized. Major improvements are capitalized while ordinary maintenance and repairs are expensed.

The Organization evaluates long-lived assets for impairment using a discounted cash flow method whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable in accordance with accounting principles generally accepted in the United States of America.

Depreciation is computed using the straight-line method over the estimated useful lives of the related assets.

Susie Q's Kids, Inc.
Notes to the Financial Statements
December 31, 2024

Gifts of land, buildings, equipment and other long-lived assets are also reported as revenue without donor restrictions and net assets, unless subject to time restrictions. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in reclassification of net assets with donor restrictions as net assets without donor restrictions are reported when the long-lived assets are placed in service.

Revenue and Revenue Recognition

Revenue is recognized when earned. Program service fees are deferred to the applicable period in which the performance obligations are met. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Donated Services and Goods

The Organization records the value of donated goods as contributions using estimated fair values at the date of receipt. The Organization's policy is to utilize, rather than monetize, donated services and goods.

Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills and would typically need to be purchased if not provided by donation are recorded at their fair values in the period received.

Functional Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses present the natural classification detail of expenses by function. Expenses are recorded directly to the appropriate function and no expenses have been allocated between program and administration.

Income Tax Status

The Organization is qualified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, and is classified as an organization other than a private foundation, as described in Section 509(a). The Organization files information returns in the U.S. Federal and Michigan jurisdiction.

Use of Estimates

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

Date of Management's Review

Management has evaluated subsequent events through April 27, 2025, which is the date the financial statements were available to be issued.

Note 2 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at December 31, 2024:

Cash and cash equivalents	\$ <u>87,241</u>
---------------------------	------------------

The Organization's goal is generally to maintain financial assets to meet 180 days of operating expenses.

Susie Q's Kids, Inc.
Notes to the Financial Statements
December 31, 2024

Note 3 - Property and Equipment

Major classes of assets and related accumulated depreciation thereon are summarized as follows:

Office equipment	\$ 6,241
Vehicles	<u>14,000</u>
	20,241
Accumulated depreciation	<u>(6,510)</u>
Property and equipment, net	<u><u>\$ 13,731</u></u>

Note 4 - Contributed Nonfinancial Assets

Contributed nonfinancial assets for the year ended December 31, 2024 were:

Category	Revenue Recognized	Utilization in Programs/ Activities	Donor Restrictions	Valuation Techniques and Inputs
Building	\$ 11,700	General and administrative	No associated donor restrictions	In valuing the contributed building, which is located in Corporate Park West, Susie Q's Kids, Inc estimated the fair value on the basis of the monthly rent discount of \$900.
Supplies	141,813	Comfort Bags	No associated donor restrictions	Susie Q's Kids, Inc estimated the fair value on the basis of the eight donation allocations from NAEIR as well as supply donations from other vendors in 2024.
Clothing	70,000	Program, comfort bags	No associated donor restrictions	In valuating clothing, Susie Q's Kids, Inc estimated the fair value on the basis of prices from Bombas Socks, 10,000 pairs for \$7.00 each.
Vehicles	<u>14,000</u>	Program, comfort bags	No associated donor restrictions	Vehicles are estimated at the fair market value using comparative online resources
	<u><u>\$ 237,513</u></u>			

Note 5 - Concentration

The Organization received 69% of its revenue from contributed non-financial assets in the amount of \$237,513 at December 31, 2024. Approximately 97% of the non-financial assets were donated by four companies.

Note 6 - Related Party Transactions

The Organization receives free office space from property owned by two Board members. The value of the donated office space is \$11,700 at December 31, 2024.