CHICAGO LIGHTS

FINANCIAL STATEMENTS

DECEMBER 31, 2024

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Warady & Davis LLP
Certified Public Accountants & Consultants

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Chicago Lights
Chicago, Illinois

Opinion

We have audited the accompanying financial statements of CHICAGO LIGHTS (an Illinois nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CHICAGO LIGHTS as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of CHICAGO LIGHTS and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about CHICAGO LIGHTS' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CHICAGO LIGHTS' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CHICAGO LIGHTS' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of support, revenue, and expenses (the information) is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Warady & Davis LLP

July 24, 2025

STATEMENTS OF FINANCIAL POSITION

As of December 31	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	**$ 1,642,700**	$ 972,130
Contributions Receivable	**75,000**	—
Other Receivables	**320**	—
Due from The Congregation of The Fourth Presbyterian Church of Chicago, Illinois	**120,551**	506,810
Prepaid Expenses	**101,782**	29,534
Total Current Assets	**1,940,353**	1,508,474
PROPERTY AND EQUIPMENT, net	**5,168**	11,671
INTANGIBLE ASSETS, net	**62,244**	81,396
	$ 2,007,765	$ 1,601,541
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	**$ 6,385**	$ 2,373
Accrued Payroll and Vacation	**10,596**	10,596
Accrued Expenses	**1,200**	1,314
Deferred Special Event Revenue	**101,573**	46,390
Total Current Liabilities	**119,754**	60,673
NET ASSETS		
Without Donor Restrictions		
Undesignated	**903,150**	882,640
Board-Designated	**455,749**	437,500
With Donor Restrictions	**529,112**	220,728
Total Net Assets	**1,888,011**	1,540,868
	$ 2,007,765	$ 1,601,541

See accompanying notes.

STATEMENTS OF ACTIVITIES

For the Years Ended December 31

	2024			2023		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT, REVENUE, AND GAINS						
Public Support						
Contributions	**$ 1,594,132**	**$ 409,037**	**$ 2,003,169**	$ 1,947,432	$ 109,464	$ 2,056,896
In-Kind Contributions	**1,106,356**	—	**1,106,356**	910,409	—	910,409
Total Public Support	**2,700,488**	**409,037**	**3,109,525**	2,857,841	109,464	2,967,305
Program Services Revenue						
Urban Farm and Summer Day	**14,891**	—	**14,891**	37,852	—	37,852
Investment Income	**30,355**	**383**	**30,738**	12,313	255	12,568
Special Events Revenue						
Mission Benefit Event	**664,117**	—	**664,117**	385,494	—	385,494
Other Events	**68,755**	—	**68,755**	73,613	—	73,613
In-Kind Contributions	**74,367**	—	**74,367**	85,865	—	85,865
Less: Direct Expenses for Special Events	**(299,484)**	—	**(299,484)**	(206,918)	—	(206,918)
Total Special Events Revenue, net	**507,755**	—	**507,755**	338,054	—	338,054
Net Assets Released from Restrictions	**101,036**	**(101,036)**	—	243,090	(243,090)	—
Total Revenues	**3,354,525**	**308,384**	**3,662,909**	3,489,150	(133,371)	3,355,779
EXPENSES						
Program Services	**2,758,923**	—	**2,758,923**	2,415,047	—	2,415,047
Management and General	**297,448**	—	**297,448**	343,838	—	343,838
Fundraising	**469,413**	—	**469,413**	455,798	—	455,798
Total Expenses	**3,525,784**	—	**3,525,784**	3,214,683	—	3,214,683
CHANGE IN NET ASSETS BEFORE EQUITY TRANSFER	**(171,259)**	**308,384**	**137,125**	274,467	(133,371)	141,096
Equity Transfer	**210,018**	—	**210,018**	193,831	—	193,831
CHANGE IN NET ASSETS	**38,759**	**308,384**	**347,143**	468,298	(133,371)	334,927
Net Assets, Beginning	**1,320,140**	**220,728**	**1,540,868**	851,842	354,099	1,205,941
NET ASSETS, END	**$ 1,358,899**	**$ 529,112**	**$ 1,888,011**	$ 1,320,140	$ 220,728	$ 1,540,868

See accompanying notes.

STATEMENTS OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2024

	Program Services					Supporting Services				
	Tutoring	Elam Davies Social Service Center	Summer Day	Urban Farm	Total Program Services	Management and General	Fundraising	Direct Expenses for Special Events	Total Supporting Services	Total Expenses
Salaries, Payroll Taxes, and Benefits	$ 418,328	$ 459,998	$ 165,989	$ 256,596	$ 1,300,911	$ 114,424	$ 246,435	$ —	$ 360,859	$ 1,661,770
Depreciation and Amortization	9,576	9,576	—	6,503	25,655	—	—	—	—	25,655
Donated Goods	—	90,366	—	—	90,366	—	—	—	—	90,366
Grants	89,940	—	—	—	89,940	—	—	—	—	89,940
Interest, Fees, and Taxes	—	—	—	—	—	30,538	—	441	30,979	30,979
Meetings, Trips, and Retreats	41,193	—	32,851	10,884	84,928	3,330	—	240	3,570	88,498
Occupancy and Insurance	233,538	201,102	84,333	163,895	682,868	65,705	155,516	—	221,221	904,089
Postage and Printing	—	—	—	—	—	6,434	2,911	6,532	15,877	15,877
Professional Fees	118,525	102,918	38,347	62,152	321,942	76,931	64,504	26,093	167,528	489,470
Supplies, Transportation, and Miscellaneous	47,588	86,750	8,268	19,707	162,313	86	47	64,780	64,913	227,226
Venue, Meals, and Entertainment	—	—	—	—	—	—	—	201,398	201,398	201,398
TOTAL	$ 958,688	$ 950,710	$ 329,788	$ 519,737	$ 2,758,923	$ 297,448	$ 469,413	$ 299,484	$ 1,066,345	$ 3,825,268

See accompanying notes.

STATEMENTS OF FUNCTIONAL EXPENSES (Continued)

For the Year Ended December 31, 2023

	Program Services					Supporting Services				
	Tutoring	Elam Davies Social Service Center	Summer Day	Urban Farm	Total Program Services	Management and General	Fundraising	Direct Expenses for Special Events	Total Supporting Services	Total Expenses
Salaries, Payroll Taxes, and Benefits	$ 420,833	$ 393,822	$ 150,459	$ 246,516	$ 1,211,630	$ 135,516	$ 261,344	$ —	$ 396,860	$ 1,608,490
Depreciation and Amortization	7,181	7,182	—	14,339	28,702	—	—	—	—	28,702
Donated Goods	—	62,174	—	—	62,174	—	—	—	—	62,174
Grants	105,146	—	—	—	105,146	—	—	—	—	105,146
Interest, Fees, and Taxes	—	—	—	—	—	24,421	537	5,125	30,083	30,083
Meetings, Trips, and Retreats	41,902	—	44,065	8,282	94,249	3,773	60	260	4,093	98,342
Occupancy and Insurance	190,660	125,434	65,226	161,073	542,393	75,412	124,894	—	200,306	742,699
Postage and Printing	—	—	—	—	—	2,678	7,784	4,965	15,427	15,427
Professional Fees	95,104	61,565	35,664	63,651	255,984	101,492	60,577	20,522	182,591	438,575
Supplies, Transportation, and Miscellaneous	24,625	54,146	7,375	28,623	114,769	546	400	11,673	12,619	127,388
Venue, Meals, and Entertainment	—	—	—	—	—	—	202	164,373	164,575	164,575
TOTAL	$ 885,451	$ 704,323	$ 302,789	$ 522,484	$ 2,415,047	$ 343,838	$ 455,798	$ 206,918	$ 1,006,554	$ 3,421,601

See accompanying notes.

STATEMENTS OF CASH FLOWS

For the Years Ended December 31	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	**$ 347,143**	$ 334,927
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities		
Depreciation	**6,503**	14,338
Amortization	**19,152**	14,364
Donated Stock	**(126,786)**	(153,190)
Proceeds from Sale of Donated Stocks	**126,786**	153,190
Changes in Assets and Liabilities:		
(Increase) Decrease in Contributions Receivable	**(75,000)**	75,000
Increase in Other Receivables	**(320)**	—
(Increase) Decrease in Due from The Congregation of The Fourth Presbyterian Church of Chicago, Illinois	**386,259**	(211,074)
(Increase) Decrease in Prepaid Expenses	**(72,248)**	38,353
Increase in Accounts Payable	**4,012**	104
Decrease in Accrued Payroll and Vacation	**—**	(6,612)
Increase in Deferred Special Event Revenue	**55,183**	14,801
Decrease in Accrued Expenses	**(114)**	(4,383)
Total Adjustments	**323,427**	(65,109)
NET CASH PROVIDED BY OPERATING ACTIVITIES AND NET INCREASE IN CASH AND CASH EQUIVALENTS	**670,570**	269,818
Cash and Cash Equivalents, Beginning	**972,130**	702,312
CASH AND CASH EQUIVALENTS, END	**$ 1,642,700**	$ 972,130
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Donated Services	**$ 356,072**	$ 340,026
Donated Facilities	**$ 869,936**	$ 702,040
Donated Goods	**$ 90,366**	$ 62,174
Donated Auction Items	**$ 74,367**	$ 85,865

See accompanying notes.

NOTES TO FINANCIAL STATEMENTS

NATURE OF ORGANIZATION

Chicago Lights (the Organization), an Illinois nonprofit corporation, was formed on April 25, 1991. The Organization focuses on the educational and social service needs of people living in Chicago communities that are facing systemic economic barriers. The Organization is a community outreach organization of The Congregation of the Fourth Presbyterian Church of Chicago, Illinois (the Church). The specific purposes of the Organization are to advance the community outreach and mission activities of the Church in providing programs and resources for youth and adults facing systemic social and economic barriers. The Organization creates, develops, and manages educational, arts, social service, and community building programs and such other purposes as the Church and the Organization's Board of Trustees (the Board) may elect. The Organization annually partners with individuals of all races, ethnic backgrounds, and religious traditions. The Church is the sole corporate member and includes the activities of the Organization in its consolidated financial statements.

The Organization’s financial accounts are organized in program services and supporting services categories, which are as follows:

Tutoring

Tutoring matches students one-to-one with caring volunteer mentors to help them build academic and social-emotional skills, graduate from high school, and pursue meaningful careers.

Elam Davies Social Service Center

The social service center helps adults achieve individual goals through case management and enrichment groups, plus appointments for food, clothing, housing case management, and other resources.

Summer Day

Summer Day bridges the summer learning and safety gap for students by engaging them in a six-week, full-day program that includes academic and art classes, outdoor recreation, field trips, and a dynamic final performance written and produced by the students.

Urban Farm

The Urban Farm cultivates a thoughtful and engaged community of youth and adults through educational and economic opportunities, hands-on learning experiences, and access to fresh, local, and sustainably grown produce.

NOTES TO FINANCIAL STATEMENTS

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of management who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States (U.S. GAAP) and have been consistently applied in the preparation of the financial statements.

BASIS OF ACCOUNTING

The Organization prepares its financial statements on the accrual basis of accounting in accordance with U.S. GAAP applicable to not-for-profit organizations.

BASIS OF PRESENTATION

Financial statement presentation follows the requirements of the Financial Accounting Standards Board (FASB) Codification topic related to "Financial Statements of Not-for-Profit Organizations." This guidance requires the Organization to report information regarding its financial position and activities, based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions are available to finance the general operations of the Organization. These represent net assets that are not restricted by donors, or for which donor-imposed restrictions have expired or been fulfilled. The only limits on the use of net assets are the broad limits resulting from the nature of the Organization, its mission and the environment in which it operates. Net assets without donor restrictions may be designated for specific purposes by action of the Board. The Board has designated net assets without donor restrictions as a board-designated endowment of $455,749 and $437,500 at December 31, 2024 and 2023.

Net assets with donor restrictions result (a) from contributions and other inflows of assets, the use of which is limited by donor imposed stipulations that either expire by passage of time or can be fulfilled by action of the Organization pursuant to those stipulations, (b) from other asset enhancements and diminishments subject to the same kinds of stipulations and (c) from reclassifications to (or from) other classes of net assets as a consequence of donor-imposed stipulations, their expiration by passage of time or their fulfillment and removal by actions of the Organization pursuant to those stipulations (Note 6).

Additionally, net assets with donor restrictions exist where the donor-imposed restrictions stipulate that the contributed resources be maintained in perpetuity by the Organization, but may permit the Organization to utilize or expend part or all of the income or other economic benefits derived from the donated assets. (Note 8).

Revenues are reported as increases in net assets without donor restrictions unless use of the related asset is limited by donor-imposed restrictions. Contribution revenue with donor-imposed restrictions that are met in the period in which the contribution is received is reported as an increase in net assets without donor restrictions. Expenses are reported as decreases in net assets without donor restrictions.

NOTES TO FINANCIAL STATEMENTS

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

USE OF ESTIMATES

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, gains, and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

CASH EQUIVALENTS

Cash equivalents represents a money market fund with an original maturity of three months or less at the time of purchase. The money market fund is stated at its estimated fair value. Fair value is based on quoted market prices. Investment income is recorded on the accrual basis as net assets without donor restrictions unless restricted by the donor or by law.

CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash at a financial institution which, at times, may exceed federally insured limits. At December 31, 2024 and 2023, the Organization has deposits in excess of federally insured limits of $596,079 and $454,098, respectively. In addition, at December 31, 2024 and 2023, the Organization has cash equivalents of $798,577 and $268,602, which are not federally insured. The Organization has not experienced any losses in such accounts. Management believes it is not exposed to any significant credit risk on cash and cash equivalents.

Credit risk associated with contributions receivable and the amount due from the Church is considered limited due to favorable prior collection rates and because the outstanding amounts are due from the Church, which is the Organization's sole corporate member and main supporter, and from other donors supportive of the Organization's mission.

CONTRIBUTIONS RECEIVABLE

The Organization reports contributions receivable at the amount management expects to collect from outstanding balances. The allowance for doubtful accounts is based on past experience, current economic conditions, assessment of the specific individual receivables, and a review of subsequent collections. It is the Organization's policy to write off receivables when management deems them uncollectible.

Contributions receivable at December 31, 2024 and 2023 were $75,000 and $-0-, respectively. Management has assessed the outstanding contributions receivable at December 31, 2024 as fully collectible and, therefore, no allowance was recorded.

PREPAID EXPENSES

Prepaid expenses consist of payments made by the Organization for the Mission Benefit special event, to be held in future periods, as well as services to be received in future periods and prepaid insurance coverage. Items are expensed at the time the related special event is held, the future services are received, and ratably as the insurance coverage period elapses.

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

PROPERTY AND EQUIPMENT, AND DEPRECIATION

Property and equipment is recorded at cost if purchased or fair value if received as a donation. Expenditures for additions, renewals and betterments that extend the useful life of an asset, greater than $1,000 are capitalized, while routine maintenance and repairs are expensed as incurred. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets, which are 5 years for vehicles and 10 years for building improvements.

INTANGIBLE ASSETS

The Organization capitalizes software and other intangible assets with useful lives greater than one year. Intangible assets at December 31, 2024 and 2023 consist of a specialized software developed for the Organization's use. Amortization is provided using the straight-line method over an estimated useful life of five years.

PUBLIC SUPPORT REVENUE

Contributions of cash and other assets, including unconditional promises to give in the future, are reported as revenue when received, measured at fair value. Donor promises to give in the future are recorded as contributions receivable at the present value of estimated future cash flows.

Contributions without donor-imposed restrictions and contributions with donor-imposed time or purpose restrictions that are met in the period in which the gift is received are reported as contributions without donor restrictions.

Conditional promises to give are not recognized as revenue until the conditions are met, generally when the barriers prescribed by the donation agreements are overcome. The Organization records cash received in advance of meeting conditions as a refundable advance on the statements of financial position. As of December 31, 2024 and 2023, the Organization had no conditional promises to give.

IN-KIND CONTRIBUTIONS OF GOODS, FACILITIES, AND SERVICES

Contributions of goods, supplies, and other non-cash assets, including stock, are recorded at their estimated fair values in the period received. Donated goods received from the public were $90,366 and $62,174 for the years ended December 31, 2024 and 2023, respectively. These amounts are included in the statements of activities as in-kind contributions. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and that would typically need to be purchased if not provided by donation, are also recorded at their estimated fair values in the period received. Donated professional services, and donated use of facilities and related utilities provided by the Church to the Organization were $1,226,008 and $1,042,066 for the years ended December 31, 2024 and 2023, respectively. These amounts are included in the statements of activities as in-kind contributions and equity transfers, as further detailed in Note 7. These donated services are valued based on the hourly rates for the same or similar services in the Organization's primary market - the Chicagoland area. There were no donor-imposed restrictions associated with the donated services and all were utilized in the Organization’s programs and supporting services.

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

IN-KIND CONTRIBUTIONS OF GOODS, FACILITIES, AND SERVICES (Continued)

The Organization also receives donated items to be sold at its special event auction. These items are monetized and recorded in special events in-kind contributions on the statements of activities. Donated auction items are valued at the gross selling price received at the Organization's special events and total $74,367 and $85,865 for the years ended December 31, 2024 and 2023, respectively.

A substantial number of volunteers have also donated significant amounts of time to the tutoring program. The value of this contributed time is not reflected in the accompanying financial statements since it does not meet the criteria for financial statement recognition in conformity with U.S. GAAP.

PROGRAM SERVICES REVENUE

Program services revenue is derived primarily from sales by the Urban Farm, which is reported on the statements of activities. This revenue is from the specific exchange of goods priced at fair value and is recognized at the time of sale.

SPECIAL EVENTS REVENUE

The Organization holds an annual Mission Benefit special event and smaller other events. Special events revenue, which includes charitable contributions, registration fees, sponsorships and sales of auction items or raffle tickets, is recorded as revenue when the event occurs, equal to the amounts received. If a payment is received in advance, the amount considered a direct benefit to the donor is deferred until the event occurs and presented in deferred special event revenue on the statements of financial position, while the contribution portion, the excess amount paid over the direct benefit, is recorded immediately, unless there is a right of return if the special event does not take place. Typically, the prepayments have such rights of return and are considered conditional on the event taking place. As such, the majority of prepaid contributions for the event are also deferred in the same deferred special event revenue account until the event takes place.

Deferred special event revenue as of December 31, 2024 and 2023 was $101,573 and $46,390, respectively.

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities. Expenses are charged directly to programs or supporting services categories based upon specific identification where possible. Accordingly, certain costs have been allocated among the programs and supporting services benefited, based on direct charges, or appropriate methods determined by management. These allocation methods include allocation of personnel and any other related costs based on estimated time and efforts spent by employees on the different functional categories, and allocation of occupancy and related costs using space utilization percentages occupied by the various functions.

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

INCOME TAX STATUS

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRC) and is exempt from federal income taxes on related income pursuant to Section 501(a) of the IRC. The Organization is similarly exempt for state purposes. In addition, the Internal Revenue Service has determined that the Organization is not a private foundation within the meaning of Section 509(a) of the IRC. The Organization files its forms 990 in the U.S. federal jurisdiction and the office of the State's Attorney General for the State of Illinois.

The Organization follows the guidance in the FASB Codification topic related to uncertainty in income taxes which prescribes a comprehensive model for recognizing, measuring, presenting and disclosing in the financial statements uncertain tax positions that the Organization has taken or expects to take in its tax returns. Under the guidance, the Organization may recognize the tax benefit from an uncertain tax position only if it is "more likely than not” that it is sustainable, based on its technical merits. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with a taxing authority having full knowledge of all relevant information. Management believes that the Organization has appropriate support for the positions taken on its returns.

NOTE 2—LIQUIDITY AND AVAILABILITY OF RESOURCES

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

	2024	2023
Cash and Cash Equivalents	**$ 1,642,700**	$ 972,130
Contributions Receivable	**75,000**	—
Other Receivables	**320**	—
Due from The Congregation of The Fourth Presbyterian Church of Chicago, Illinois	**120,551**	506,810
Less: Net Assets without Donor Restrictions - Board-Designated	**(455,749)**	(437,500)
Less: Net Assets with Donor Restrictions	**(529,112)**	(220,728)
	$ 853,710	$ 820,712

As part of its liquidity management plan, the Organization attempts to maintain sufficient cash to meet current operating needs. Assuming revenue and expenses are consistent in the next year, the Organization would have sufficient liquid assets to meet at least one year of expenses. In addition, although the Organization does not intend to spend its board-designated net assets, these amounts may be undesignated by the Board and expended should the need arise.

NOTE 3—FAIR VALUE MEASUREMENTS

The FASB Codification provides a framework for measuring fair value using a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis.

There have been no changes in the methodologies used at December 31, 2024 and 2023.

Level 1 Fair Value Measurements

The fair value of money market funds are based on quoted prices in active markets for identical assets, when available.

The Organization has no Level 2 and Level 3 fair value measurements.

NOTE 4—PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31:

	2024	2023
Building Improvements	**$ 116,448**	$ 116,448
Vehicles	**12,920**	12,920
	129,368	129,368
Less: Accumulated Depreciation	**(124,200)**	(117,697)
Property and Equipment, net	**$ 5,168**	$ 11,671

Depreciation expense for the years ended December 31, 2024 and 2023 was $6,503 and $14,338, respectively.

NOTE 5—INTANGIBLE ASSETS

Intangible assets consist of the following at December 31:

	2024	2023
Software	**$ 95,760**	$ 95,760
Less: Accumulated Amortization	**(33,516)**	(14,364)
Intangibles, net	**$ 62,244**	$ 81,396

Amortization expense for the years ended December 31, 2024 and 2023 was $19,152 and $14,364, respectively.

Estimated amortization expense over the next four years will be $19,152 for the years ending December 31, 2025 through December 31, 2027, and $4,788 for the year ending December 31, 2028.

NOTE 6—NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions due to purpose or time restrictions as of December 31 are as follows:

	2024	2023
Funds Restricted for Use in Future Years' Programming	**$ 65,856**	$ 41,982
Tutoring	**173,661**	103,001
Elam Davies Social Service Center	**78,000**	12,000
Summer Day	**20,000**	25,000
Urban Farm	**152,500**	—
Light Up a Life	**28,745**	28,745
Accumulated Endowment Fund Earnings	**350**	—
Donor-Restricted Endowment - In Perpetuity	**10,000**	10,000
	$ 529,112	$ 220,728

NOTE 6—NET ASSETS WITH DONOR RESTRICTIONS (Continued)

Net assets released from restrictions due to fulfillment of purpose or time restrictions for the years ended December 31 are as follows:

	2024	2023
Time Restricted for General Purpose	**$ 45,496**	$ 74,083
Tutoring	**30,540**	126,850
Elam Davies Social Service Center	**—**	10,000
Summer Day	**25,000**	23,333
Urban Farm	**—**	8,824
	$ 101,036	$ 243,090

NOTE 7—RELATED-PARTY TRANSACTIONS

Pursuant to a service agreement, the Organization utilizes employees from the Church. The service agreement is for a period of one year and is automatically renewed for successive one-year periods; either party can terminate the automatic renewal with 60 days' written notice. The employees participate in the benefit plans of the Church, as eligible. The Church charges the Organization for direct salary and benefit costs, and the Organization makes periodic reimbursements to the Church.

The Church continues to support the Organization by providing free use of facility space and related utilities for its programs and administration functions. The Church also provides human resources, information technology, and accounting services to the Organization, free of charge. The estimated value of these contributed nonfinancial assets was $1,226,008 and $1,042,066 for the years ended December 31, 2024 and 2023, respectively. For the years ended December 31, 2024 and 2023, the Organization received in-kind contributions of human resources, information technology, accounting, and other expenses from the Church of $356,072 and $340,026, respectively. Of these totals, $210,018 and $193,831, for the years ended December 31, 2024 and 2023, respectively, consist of donated salaries, related payroll taxes, and benefits, and are reported as equity transfers on the statements of activities. These contributed nonfinancial assets are valued based on the actual costs incurred by the Church, and estimated allocation of the costs between the Church and the Organization, using full-time equivalents and other estimation techniques. In addition, for the years ended December 31, 2024 and 2023, the Organization received an estimated $869,936 and $702,040, respectively of free use of space and related utilities, valued based on estimated rental fees for similar space in the Organization's area.

For the years ended December 31, 2024 and 2023, the Organization also received contributions from the Church totaling $61,878, and $60,809, respectively, from the Church' investment draw allocation, which are reported in public support – contributions on the statements of activities.

As of December 31, 2024 and 2023, a receivable of $120,551 and $506,810, respectively, is due from the Church.

Contributions to the Organization and the Church from board trustees of the Organization amounted to $312,690 and $929,245 for the years ended December 31, 2024 and 2023, respectively.

NOTE 8—DONOR-RESTRICTED AND BOARD-DESIGNATED ENDOWMENT FUNDS

The Organization's endowment includes donor-restricted and board-designated endowment funds. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. While donor-restricted endowment fund's corpus is restricted in perpetuity, the board-designated endowment could be undesignated by the Board.

The Board has interpreted the Illinois Uniform Prudent Management of Institutional Funds Act (UPMIFA) as not requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions in perpetuity (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the funds, (2) the purposes of the Organization and the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Organization, and (7) the Organization's investment policies.

INVESTMENT RETURN OBJECTIVES, RISK PARAMETERS AND STRATEGIES, AND SPENDING POLICY

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment, while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period. Under this policy, as approved by the Board, the endowment assets are to be invested in a diversified portfolio of investment assets to provide for a total return. The overall rate of return objective is a reasonable real rate of return consistent with the risk levels established by the Organization's investment committee.

The objective is a minimum acceptable rate of return over a full market cycle (three years) that equals or exceeds the assumed spending rate plus the rate of inflation.

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization places a greater emphasis on fixed-income investments to achieve its long-term return objectives within prudent risk constraints.

The Organization has a policy of appropriating for distribution each year. The current spending policy is 5 percent of the trailing 12-quarter average balance of its total investment holdings. In establishing this policy, the Organization considered the long-term expected rate of return on its endowment. Accordingly, over the long-term, the Organization expects the current spending policy to allow its endowment to grow an average of 5% annually. The Organization has a policy that permits spending from underwater endowment funds, depending on the degree to which the fund is underwater, unless otherwise precluded by donor intent or relevant laws and regulations. The Board did not appropriate from the endowment during the years ended December 31, 2024 and 2023.

NOTE 8—DONOR-RESTRICTED AND BOARD-DESIGNATED ENDOWMENT FUNDS (Continued)

INVESTMENT RETURN OBJECTIVES, RISK PARAMETERS AND STRATEGIES, AND SPENDING POLICY (Continued)

Endowment net asset composition by type of fund as of December 31, 2024 is as follows:

		With Donor Restrictions		
	Without Donor Restrictions	Time and Purpose Restrictions	Endowment in Perpetuity	Total
Donor-Restricted Endowment Funds				
Original Gift Amounts	$ —	$ —	$ 10,000	$ 10,000
Accumulated Investment Earnings	—	350	—	350
Board-Designated Endowment Funds	455,749	—	—	455,749
Total Endowment Funds	$ 455,749	$ 350	$ 10,000	$ 466,099

Changes in endowment net assets for the year ended December 31, 2024 are as follows:

		With Donor Restrictions		
	Without Donor Restrictions	Time and Purpose Restrictions	Endowment in Perpetuity	Total Endowment Net Assets
Endowment Net Assets, Beginning	$ 437,500	$ —	$ 10,000	$ 447,500
Contributions	1,441	—	—	1,441
Investment Income	16,808	350	—	17,158
Endowment Net Assets, End	$ 455,749	$ 350	$ 10,000	$ 466,099

Endowment net asset composition by type of fund as of December 31, 2023 is as follows:

		With Donor Restrictions		
	Without Donor Restrictions	Time and Purpose Restrictions	Endowment in Perpetuity	Total
Donor-Restricted Endowment Funds	$ —	$ —	$ 10,000	$ 10,000
Board-Designated Endowment Funds	437,500	—	—	437,500
Total Endowment Funds	$ 437,500	$ —	$ 10,000	$ 447,500

NOTE 8—DONOR-RESTRICTED AND BOARD-DESIGNATED ENDOWMENT FUNDS (Continued)

Changes in endowment net assets for the year ended December 31, 2023 are as follows:

	Without Donor Restrictions	With Donor Restrictions: Time and Purpose Restrictions	With Donor Restrictions: Endowment in Perpetuity	Total Endowment Net Assets
Endowment Net Assets, Beginning	$ —	$ (255)	$ 10,000	$ 9,745
Contributions	437,500	—	—	437,500
Investment Income	—	255	—	255
Endowment Net Assets, End	$ 437,500	$ —	$ 10,000	$ 447,500

UNDERWATER ENDOWMENT FUNDS

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or Illinois UPMIFA requires the Organization to retain as a fund of perpetual duration. Deficiencies of this nature exist in the donor-restricted endowment fund, which has an original gift value of $10,000 and a current fair value of $9,745 as of December 31, 2022. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new contributions for donor-restricted endowment funds. The fair value recovered to $10,000 as of December 31, 2023, and has maintained such value through December 31, 2024.

NOTE 9—RECLASSIFICATIONS

Certain prior year amounts have been reclassified to conform with the current year presentation.

NOTE 10—SUBSEQUENT EVENTS

Management has evaluated subsequent events through July 24, 2025, the date which the financial statements were available for issue.

SUPPLEMENTARY INFORMATION

SCHEDULES OF SUPPORT, REVENUE, AND EXPENSES

For the Year Ended December 31, 2024

	Tutoring	Elam Davies Social Service Center	Summer Day	Urban Farm	Other	Total
Revenue and Support						
Contributions	$ 234,848	$ 246,397	$ 45,000	$ 218,499	$ 1,286,625	$ 2,031,369
In-Kind Contributions	274,657	318,602	100,560	154,177	258,360	1,106,356
Mission Benefit and Other Events (net of Expenses of $299,484)	173,849	144,466	63,651	97,589	—	479,555
Program Services Revenue	—	11,480	3,411	—	—	14,891
Investment Income	—	—	—	—	30,738	30,738
Total Revenue and Support	683,354	720,945	212,622	470,265	1,575,723	3,662,909
Expenses						
Program Services	(958,688)	(950,710)	(329,788)	(519,737)	—	(2,758,923)
Management and General	(80,410)	(66,820)	(29,441)	(45,138)	(75,639)	(297,448)
Fundraising	(126,898)	(105,451)	(46,461)	(71,233)	(119,370)	(469,413)
Total Expenses	(1,165,996)	(1,122,981)	(405,690)	(636,108)	(195,009)	(3,525,784)
Increase (Decrease) in Net Assets	$ (482,642)	$ (402,036)	$ (193,068)	$ (165,843)	$ 1,380,714	$ 137,125

SCHEDULES OF SUPPORT, REVENUE, AND EXPENSES (Continued)

For the Year Ended December 31, 2023

	Tutoring	Elam Davies Social Service Center	Summer Day	Urban Farm	Other	Total
Revenue and Support						
Contributions	$ 180,516	$ 165,329	$ 44,029	$ 108,286	$ 1,586,399	$ 2,084,559
In-Kind Contributions	232,766	213,065	77,039	145,522	242,017	910,409
Mission Benefit and Other Events (net of Expenses of $206,918)	119,179	77,258	39,445	74,509	—	310,391
Program Services Revenue	—	—	18,697	19,155	—	37,852
Investment Income	—	—	—	—	12,568	12,568
Total Revenue and Support	532,461	455,652	179,210	347,472	1,840,984	3,355,779
Expenses						
Program Services	(885,451)	(704,323)	(302,789)	(522,484)	—	(2,415,047)
Management and General	(94,353)	(61,165)	(31,228)	(58,988)	(98,104)	(343,838)
Fundraising	(125,076)	(81,081)	(41,397)	(78,196)	(130,048)	(455,798)
Total Expenses	(1,104,880)	(846,569)	(375,414)	(659,668)	(228,152)	(3,214,683)
Increase (Decrease) in Net Assets	$ (572,419)	$ (390,917)	$ (196,204)	$ (312,196)	$ 1,612,832	$ 141,096