



STREET ANGELS, INC.

FINANCIAL STATEMENTS

June 30, 2025 and 2024

CONTENTS

Independent Auditor's Report	1
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	6
Statements of Cash Flows	7
Notes to Financial Statements	8

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Street Angels, Inc.
Milwaukee, Wisconsin

Opinion

We have audited the financial statements of Street Angels, Inc., which comprise the statements of financial position as of June 30, 2025 and 2024, 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 accompanying financial statements present fairly, in all material respects, the financial position of Street Angels, Inc. as of June 30, 2025 and 2024, 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 (GAAS). 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 Street Angels, Inc. 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 Street Angels, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 auditor's 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 GAAS 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 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 GAAS, 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 Street Angels, Inc.'s 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 Street Angels, Inc.'s 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.

Wegner CPAs LLP

Wegner CPAs, LLP
Waukesha, Wisconsin
November 12, 2025

STREET ANGELS, INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2025 and 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash	\$ 363,675	\$ 284,258
Certificates of deposit	419,246	402,811
Unconditional promises to give	126,727	77,887
Prepaid expenses	8,401	7,671
Inventory	93,407	60,962
Total current assets	1,011,456	833,589
PROPERTY AND EQUIPMENT		
Vehicles	185,592	181,542
Accumulated depreciation	(71,476)	(37,920)
Property and equipment, net	114,116	143,622
OTHER ASSETS		
Security deposit	4,600	4,600
Operating lease right-of-use asset	103,233	146,918
Total other assets	107,833	151,518
Total assets	\$ 1,233,405	\$ 1,128,729
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 16,465	\$ 8,162
Accrued payroll	21,052	13,696
Current portion of operating lease liability	49,201	43,690
Total current liabilities	86,718	65,548
LONG-TERM LIABILITIES		
Operating lease liability less current portion	62,424	111,625
Total liabilities	149,142	177,173
NET ASSETS		
Without donor restrictions	994,263	886,556
Restricted by donors for:		
Shower trailer	50,000	-
Subsequent year's operations	40,000	65,000
Total with donor restrictions	90,000	65,000
Total net assets	1,084,263	951,556
Total liabilities and net assets	\$ 1,233,405	\$ 1,128,729

See accompanying notes.

STREET ANGELS, INC.
STATEMENT OF ACTIVITIES
Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions of cash and other financial assets	\$ 817,410	\$ 50,000	\$ 867,410
Contributed nonfinancial assets	648,191	-	648,191
Interest income	16,497	-	16,497
	<u>1,482,098</u>	<u>50,000</u>	<u>1,532,098</u>
Total support and revenue	1,482,098	50,000	1,532,098
EXPENSES			
Community outreach services	1,256,695	-	1,256,695
Management and general	99,691	-	99,691
Fundraising	43,005	-	43,005
	<u>1,399,391</u>	<u>-</u>	<u>1,399,391</u>
Total expenses	1,399,391	-	1,399,391
NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of purpose restrictions	25,000	(25,000)	-
	<u>107,707</u>	<u>25,000</u>	<u>132,707</u>
Change in net assets	107,707	25,000	132,707
Net assets at beginning of year	886,556	65,000	951,556
	<u>886,556</u>	<u>65,000</u>	<u>951,556</u>
Net assets at end of year	<u>\$ 994,263</u>	<u>\$ 90,000</u>	<u>\$ 1,084,263</u>

See accompanying notes.

STREET ANGELS, INC.
STATEMENT OF ACTIVITIES
Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions of cash and other financial assets	\$ 612,700	\$ 105,000	\$ 717,700
Contributed nonfinancial assets	510,917	-	510,917
Interest income	3,607	-	3,607
	<u>1,127,224</u>	<u>105,000</u>	<u>1,232,224</u>
Total support and revenue			
EXPENSES			
Community outreach services	953,422	-	953,422
Management and general	75,012	-	75,012
Fundraising	37,838	-	37,838
	<u>1,066,272</u>	<u>-</u>	<u>1,066,272</u>
Total expenses			
NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of purpose and expiration of time restrictions	140,000	(140,000)	-
	<u>140,000</u>	<u>(140,000)</u>	<u>-</u>
Change in net assets	200,952	(35,000)	165,952
Net assets at beginning of year	685,604	100,000	785,604
	<u>685,604</u>	<u>100,000</u>	<u>785,604</u>
Net assets at end of year	<u>\$ 886,556</u>	<u>\$ 65,000</u>	<u>\$ 951,556</u>

See accompanying notes.

STREET ANGELS, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended June 30, 2025 and 2024

	2025			
	Community Outreach Services	Management and General	Fundraising	Total Expenses
Personnel	\$ 382,373	\$ 21,482	\$ 21,482	\$ 425,337
Outreach supplies and fees	735,512	-	-	735,512
Professional fees	-	39,929	-	39,929
Office expenses	-	30,249	-	30,249
Telephone	5,028	283	283	5,594
Occupancy	63,192	3,550	3,550	70,292
Insurance	20,089	488	488	21,065
Bank fees	-	1,955	-	1,955
Promotion and media	1,094	-	-	1,094
Travel	18,174	-	-	18,174
Event fees and supplies	-	-	15,447	15,447
Depreciation	30,166	1,695	1,695	33,556
Miscellaneous	1,067	60	60	1,187
Total expenses	\$ 1,256,695	\$ 99,691	\$ 43,005	\$ 1,399,391

	2024			
	Community Outreach Services	Management and General	Fundraising	Total Expenses
Personnel	\$ 242,970	\$ 18,310	\$ 18,310	\$ 279,590
Outreach supplies and fees	576,032	-	-	576,032
Professional fees	-	30,111	-	30,111
Office expenses	-	17,556	-	17,556
Telephone	4,333	327	327	4,987
Occupancy	80,133	6,012	6,012	92,157
Insurance	13,592	458	458	14,508
Bank fees	-	1,323	-	1,323
Travel	24,221	-	-	24,221
Event fees and supplies	-	-	11,816	11,816
Depreciation	12,141	915	915	13,971
Total expenses	\$ 953,422	\$ 75,012	\$ 37,838	\$ 1,066,272

See accompanying notes.

STREET ANGELS, INC.
STATEMENTS OF CASH FLOWS
Years Ended June 30, 2025 and 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 132,707	\$ 165,952
Adjustments to reconcile change in net assets to change in cash flows from operating activities		
Depreciation	33,556	13,971
Amortization of operating lease right-of-use asset	43,685	37,110
Contributions of inventory	(648,191)	(510,917)
Distributions of inventory	615,746	489,219
(Increase) decrease in assets		
Unconditional promises to give	(48,840)	(66,286)
Prepaid expenses	(730)	(2,837)
Security deposit	-	(2,315)
Increase (decrease) in liabilities		
Accounts payable	8,303	2,693
Accrued payroll	7,356	1,364
Operating lease liability	(43,690)	(28,713)
Net cash flows from operating activities	99,902	99,241
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of and interest retained in certificates of deposit	(16,435)	(277,775)
Purchases of property and equipment	(4,050)	(115,493)
Net cash flows from investing activities	(20,485)	(393,268)
Change in cash	79,417	(294,027)
Cash at beginning of year	284,258	578,285
Cash at end of year	<u>\$ 363,675</u>	<u>\$ 284,258</u>

See accompanying notes.

STREET ANGELS, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Street Angels, Inc. is a nonprofit volunteer-based organization that reaches into the Milwaukee, Wisconsin, community to restore hope by empowering individuals, inspiring others to pay it forward, and providing basic human necessities to those in need. The Organization is primarily supported through contributions.

Promises to Give

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Inventory

Inventory consists of donated clothing, hygiene supplies, blankets, pillows, tents, and other goods and at estimated resale value.

Property and Equipment

The Organization capitalizes all acquisitions of property and equipment of \$2,500 or more. Depreciation is computed using the straight-line method.

Contributions

Contributions received are recorded as increases in net assets without donor restrictions and net assets with donor restrictions depending on the existence of any 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.

Donated Services

Donated services are recognized as contributions if the services create or enhance nonfinancial assets or they require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Volunteers also provided various services that assist the Organization with community outreach services, meal preparation, and inventory counts throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Income Tax Status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

STREET ANGELS, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

The Organization does not recognize short-term leases in the statement of financial position. For these leases, the Organization recognizes the lease payments in the change in net assets on a straight-line basis over the lease term. The Organization also does not separate nonlease components from lease components for all classes of underlying assets and instead accounts for each separate lease component and the nonlease components associated with that lease component as a single lease component. If the rate implicit in the lease is not readily determinable, the Organization uses a risk-free rate as the discount rate for the lease for all classes of underlying assets.

Expense Allocation

The financial statements report certain categories of expenses that are attributable to more than one program service or supporting activity. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include personnel, telephone, occupancy, insurance, and depreciation, which are allocated on the basis of estimates of time and effort.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Date of Management's Review

Management has evaluated subsequent events through November 12, 2025, the date which the financial statements were available to be issued.

NOTE 2—CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash balances in one financial institution located in southeastern Wisconsin. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At June 30, 2025 and 2024, the Organization's uninsured cash balances total approximately \$533,000 and \$437,000, respectively.

STREET ANGELS, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 3—CONTRIBUTED NONFINANCIAL ASSETS

Contributed nonfinancial assets recognized within the statement of activities include:

	2025	2024
Food and beverage	\$ 338,990	\$ 281,021
Clothing	110,892	97,776
Other program supplies	198,309	132,120
	\$ 648,191	\$ 510,917

Contributed nonfinancial assets consist of food and beverage, clothing, and other program supplies, which consist of hygiene products, snack bags, blankets, tents, hand sanitizer, and other items, all of which were used in community outreach services. In valuing food and beverage and other items, the Organization estimated the fair value on the basis of estimates of wholesale values that would be received for selling similar products in the United States. Clothing is valued at the estimated resale value at thrift stores. None of the items were received with donor-imposed restrictions.

In addition, during the years ended June 30, 2025 and 2024, numerous volunteers donated approximately 10,700 and 8,700 hours, respectively, to the Organization to assist with community outreach services, meal preparation, and inventory counts. Management estimates the fair value of those services to be approximately \$214,000 and \$174,000, respectively.

NOTE 4—OPERATING LEASES

The Organization leases a facility under an operating lease that expires August 31, 2027. The lease includes a renewal option that can extend the lease term up to three years with a 3% increase for each year included in the renewal option. The exercise of the renewal option is at the sole discretion of the Organization. The Organization is not reasonably certain to exercise this option and, thus, it is not included in the measurement of the right-of-use asset and lease liability.

Operating lease cost for the years ended June 30, 2025 and 2024 was \$50,964 and \$50,496, respectively.

Other information related to the lease is as follows:

	2025	2024
Cash paid for amounts included in the measurement of lease liabilities	\$ 50,500	\$ 37,500
Right-of-use assets obtained in exchange for new lease liabilities	-	188,584
Weighted-average remaining lease term	2.17 years	3.17 years
Weighted-average discount rate	5.16%	5.16%

STREET ANGELS, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 4—OPERATING LEASES (continued)

The maturity of lease liability as of June 30, 2025, are as follows:

Year ending June 30:		
2026	\$	53,600
2027		55,000
2028		<u>9,200</u>
Total minimum lease payments		117,800
Imputed interest		<u>(6,175)</u>
Total lease liability	\$	<u><u>111,625</u></u>

NOTE 5—CONDITIONAL GRANT

The Organization has a grant that is conditional upon the Organization incurring qualifying expenses under the grant program. At June 30, 2025, the conditional grant totals approximately \$30,000, and will be recognized as revenue when the conditions are met in future years.

NOTE 6—LIQUIDITY AND AVAILABILITY

The following table reflects the Organization's financial assets as of the date of the statement of financial position, reduced by amounts not available for general expenditures within one year of the date of the statement of financial position because of donor-imposed restrictions:

	<u>2025</u>	<u>2024</u>
Financial assets at end of year:		
Cash	\$ 363,675	\$ 284,258
Certificates of deposit	419,246	402,811
Unconditional promises to give	<u>126,727</u>	<u>77,887</u>
Total financial assets at end of year	909,648	764,956
Less amounts unavailable for general expenditures within one year:		
Restricted by donor with purpose restrictions	<u>(50,000)</u>	<u>-</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 859,648</u></u>	<u><u>\$ 764,956</u></u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.