

**STUDENTS WITHOUT MOTHERS, INC.**

**FINANCIAL STATEMENTS WITH  
ACCOUNTANTS' COMPILATION REPORT**

**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**



Management is responsible for the accompanying financial statements of Students Without Mothers, Inc. (a nonprofit organization) which comprise the statements of financial position as of December 31, 2025 and 2024 and the related statements of activities and changes in net assets, statements of cash flows, and the statements of functional expenses for the two years 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 form of assurance on these financial statements.

We are not independent with respect to Students Without Mothers, Inc because we performed certain accounting services that impaired our independence.

***WMBO CPA Group***

Duluth, GA  
March 26, 2026

STUDENTS WITHOUT MOTHERS, INC.  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2025 AND 2024

ASSETS

	<u>2025</u>	<u>2024</u>
CURRENT ASSETS-		
Cash and cash equivalents	\$ 56,452	\$ 80,643
Investments (at Fair Market Value)	<u>86,839</u>	<u>133,913</u>
Total	\$ 143,291	\$ 214,556
 PROPERTY AND EQUIPMENT:		
Furniture and fixtures	7,853	7,853
Accumulated depreciation	<u>(7,192)</u>	<u>(7,192)</u>
Property and equipment, net	661	661
 OTHER ASSETS-		
 TOTAL ASSETS	 <u>\$ 143,952</u>	 <u>\$ 215,217</u>

LIABILITIES AND NET ASSETS

LONG-TERM LIABILITIES:		
SBA Loan	\$ 240,100	\$ 240,100
 NET ASSETS:		
Without donor restrictions	(96,148)	(24,883)
With donor restrictions	<u>-</u>	<u>-</u>
Total	<u>(96,148)</u>	<u>(24,883)</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 143,952</u>	 <u>\$ 215,217</u>

STUDENTS WITHOUT MOTHERS, INC.  
STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	December 31 2025			December 31 2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT						
Contributions	\$ 127,081	\$ -	\$ 127,081	\$ 90,416	\$ -	\$ 90,416
Grants	61,600	-	61,600	32,800	-	32,800
Auctions and events	81,096	-	81,096	87,273	-	87,273
Donated goods and services in kind	288,536	-	288,536	173,816	-	173,816
Investment Income						
Dividends, interest & capital gains	-	-	-	3,751	-	3,751
Net unrealized gains on investments	18,126	-	18,126	26,162	-	26,162
Total revenue and support	576,439	-	576,439	414,218	-	414,218
Net assets released from restrictions	-	-	-	-	(100,500)	-
EXPENSES						
Program Services:						
Scholarship program	27,000	-	27,000	20,000	-	20,000
Life coaching/board mentoring	415,578	-	415,578	225,977	-	225,977
Total program services	442,578	-	442,578	245,977	-	245,977
Fundraising event expenses	142,765	-	142,765	162,823	-	162,823
General and administrative	64,361	-	64,361	75,116	-	75,116
Total expenses	649,704	-	649,704	483,916	-	483,916
CHANGE IN NET ASSETS - Increase	(73,265)	-	(73,265)	(69,698)	-	(69,698)
Net assets at beginning of year	(24,883)	-	(24,883)	(55,685)	100,500	44,815
Net assets at end of year	\$ (98,148)	\$ -	\$ (98,148)	\$ (125,383)	\$ 100,500	\$ (24,883)

See Notes to Financial Statements and Accountants' Compilation Report

STUDENTS WITHOUT MOTHERS, INC.  
STATEMENTS OF FUNCTIONAL EXPENSES  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	December 31, 2025				December 31, 2024			
	<u>Program Services</u>	<u>Fundraising</u>	<u>Management and General</u>	<u>Total Expenses</u>	<u>Program Services</u>	<u>Fundraising</u>	<u>Management and General</u>	<u>Total Expenses</u>
Salaries & Related Benefits	\$ 132,354	\$ 30,000	\$ 30,000	\$ 192,354	\$ 59,170	\$ 51,288	\$ 38,617	\$ 149,075
Professional Services	-	-	2,630	2,630	-	-	2,410	2,410
Web Services	6,129	1,226	3,677	11,032	899	2,697	899	4,495
Office Expenses	1,400	467	467	2,334	239	717	239	1,195
Program events and marketing	84,880	3,469	21,282	109,631	55,476	30,865	29,972	116,313
Grants	27,000	-	-	27,000	20,000	-	-	20,000
Interest	8,911	-	3,819	12,730	2,544	7,642	2,544	12,730
Donated volunteer services	13,500	-	-	13,500	10,350	2,000	-	12,350
Donated radio advertising	101,292	103,293	2,000	206,585	67,614	67,614	-	135,228
Clothing, supplies and items	66,626	3,825	-	70,451	29,250	-	-	29,250
Insurance	486	485	486	1,457	435	-	435	870
<b>TOTAL FUNCTIONAL EXPENSES</b>	<u>\$ 442,578</u>	<u>\$ 142,765</u>	<u>\$ 64,361</u>	<u>\$ 649,704</u>	<u>\$ 245,977</u>	<u>\$ 162,823</u>	<u>\$ 75,116</u>	<u>\$ 483,916</u>

STUDENTS WITHOUT MOTHERS, INC.  
STATEMENT OF CASH FLOWS  
FOR THE YEARS ENDED DECMEBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Decrease in net assets	\$ <u>(73,265)</u>	\$ <u>(69,698)</u>
Depreciation		
Adjustments to reconcile change in net assets to net cash used by operating activities:	\$ <u>-</u>	\$ <u>-</u>
CASH USED BY OPERATING ACTIVITIES	<u>(73,265)</u>	<u>(69,698)</u>
 CASH FLOWS USED BY OPERATING ACTIVITIES	 <u>(73,265)</u>	 <u>(69,698)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES -		
Dividends, interest & capital gains	<u>-</u>	<u>-</u>
NET CASH (USED) PROVIDED BY INVESTING ACTIVITIES	<u>-</u>	<u>-</u>
 CASH FLOWS FROM FINANCING ACTIVITIES:		
New borrowing	<u>-</u>	<u>-</u>
CASH PROVIDED BY FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
 Net decrease in cash and cash equivalents	 (73,265)	 (69,698)
 Cash and cash equivalents, beginning of year	 <u>214,556</u>	 <u>284,254</u>
 Cash and cash equivalents, end of year	 <u>\$ 141,291</u>	 <u>\$ 214,556</u>
 SUPPLEMENTAL DISCLOSURES		
Interest paid	\$ 12,730	\$ 12,720

STUDENTS WITHOUT MOTHERS, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2025 AND 2024  
SEE ACCOUNTANTS' COMPILATION REPORT

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**NOTE 1 – DESCRIPTION OF ORGANIZATION AND NATURE OF ACTIVITIES**

Students Without Mothers Inc. (the “Organization”) is a Section 501(c)(3) not-for-profit corporation that was incorporated under the laws of Georgia on March 4, 2004, and is dedicated to helping high school students without mothers by empowering them to continue their education. The Organization’s main purpose is to provide life coaching and scholarships to college-bound high school students who have lost their mothers due to death or other unfortunate circumstances.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Accounting*

The Organization prepares its financial statements using the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. To ensure observance of limitations and restrictions placed on the use of resources available to the Organization, the resources are classified for accounting and reporting purposes into categories established according to their nature and purpose. Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as net assets without donor restrictions and net assets with donor restrictions.

*Estimates*

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues and expenses. Actual results could differ from those estimates.

*Net Assets without Donor Restrictions*

Net assets that are not subject to donor-imposed restrictions may be expended for any purpose in performing the primary objectives of the Organization. The Organization’s board may designate assets without restrictions for specific operation purposes from time to time. This category also includes unrestricted investment income and all expenses.

*Net Assets with Donor Restrictions*

Net assets with donor restrictions are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

STUDENTS WITHOUT MOTHERS, INC.  
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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

*Fair Value of Financial Instruments*

The carrying amounts of the Organization's cash, accounts receivable, other current assets, accounts payable, and accrued liabilities approximate their fair values based on their short-term nature.

*Donated Services and In-Kind Support*

The Organization may receive services, equipment, and material without payment or compensation. Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require special skills performed by people with those skills and would otherwise be purchased by the Organization. A number of volunteers donate significant amounts of time to the Organization. The value of these contributed services has not been recorded in the financial statements as they do not meet the criteria for recognition.

*Cash and Cash Equivalents*

Cash and cash equivalents reflect amounts that approximate fair value due to the short maturity of these instruments. The operating checking accounts are included in cash and cash equivalents.

*Income Taxes*

Under applicable provisions of the Internal Revenue Code section 501(c)(3) of the Internal Revenue Code (the "Code") whereby only unrelated business income as defined by Section 512(a)(1) of the Code, is subject to federal income tax. For years ended December 31, 2025 and 2024, the Organization did not have any unrelated business income, and accordingly, no unrelated business tax.

*Subsequent Events*

Subsequent events have been evaluated through March 26, 2026 which is the date the financial statements were available to be issued.

*Property and Equipment*

Acquisitions of property and equipment with an estimated useful life of more than one year are capitalized at cost. Property and equipment are stated at cost. Depreciation is based on the straight-line method over the estimated lives of the respective assets (See Note 6).

STUDENTS WITHOUT MOTHERS, INC.  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 3 – CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of demand deposits at a commercial bank. Balances maintained in the Organization's accounts, as reflected in the bank's records, are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2025, the Organization had \$143,291 held in two separate accounts. At December 31, 2024, the Organization had \$214,556 held in two separate accounts. For both years, deposits held at the banks were below the FDIC insurance limit.

**NOTE 4 – NET ASSETS WITH RESTRICTIONS**

At December 31, 2025 and 2024, there were no net assets with donor restrictions. When present, these funds are restricted for assistance to students who meet the qualifying criteria.

**NOTE 5 – CONTRIBUTIONS IN KIND**

The Organization receives donations of goods and services from corporations and individuals. Donated goods and services are recorded as unrestricted contributions when received. Donated goods are valued at the Organization's estimate of fair value at the time of receipt. Donated services are valued based on the estimated dollar value of the volunteers' time.

In 2025, total donated goods and services amounted to \$288,536, including \$13,500 in volunteer time for student life coaching, \$204,585 in radio time and graphic design provided for fundraising and program services, \$64,000 in clothing donations, \$2,626 in gift cards for the benefit of students, and \$3,825 in items used for fundraising.

In 2024, total donated goods and services amounted to \$173,816, including \$10,350 in volunteer time for student life coaching, \$2,000 in volunteer time related to fundraising, \$135,228 in radio advertising provided for fundraising and marketing, and \$29,250 in clothing, supplies, and items used for fundraising and for the benefit of the college students.

**NOTE 6 - PROPERTY AND EQUIPMENT**

Major classifications of property and equipment and their respective lives are summarized below:

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**NOTE 6 - PROPERTY AND EQUIPMENT (CONTINUED)**

	<u>Depreciable Lives</u>	<u>2025</u>	<u>2024</u>
Office and computer equipment	5 & 7 Years	\$ 7,853	\$ 7,853
Less: accumulated depreciation		<u>7,192</u>	<u>7,192</u>
		<u>\$ 661</u>	<u>\$ 661</u>

Depreciation expense for the years ended December 31, 2025 and 2024 totaled \$-0-.

**NOTE 7 – NOTE PAYABLE**

\$240,100 30-year note bearing interest at 2.75%. Monthly payments of \$1,060 are required and will be automatically withdrawn from the Organization's bank account beginning in January 2023. Any balance remaining will be due in January 2053.

**NOTE 8 - FUNDRAISING AND SPECIAL EVENTS**

Fundraising and special events are held throughout the year to help raise money and make others aware of the organization.

Fundraising events held in 2025 included the following:

- Chastain for Charity 2025
- Charity Golf Outing
- Annual Luncheon
- Scholarship Awards Reception

These fundraising events generated a net cash surplus detailed as follows:

Gross receipts	\$ 81,096
Less: direct expenses	<u>20,622</u>
Net cash surplus	<u>\$ 60,474</u>

Fundraising events held in 2024 included the following:

- Chastain for Charity 2024
- 20 Year Anniversary Gala
- Scholarship Awards Reception

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**NOTE 8 - FUNDRAISING AND SPECIAL EVENTS (CONTINUED)**

These fundraising events generated a net cash surplus detailed as follows:

Gross receipts	\$ 87,273
Less: direct expenses	<u>20,117</u>
Net cash surplus	<u>\$ 67,156</u>

Other costs allocated to fundraising have been allocated among the various programs and supporting services benefited as required by FASB ASC 958-205. Some examples of costs allocated to fundraising include contract labor, rent, telephone expense, and office expenses.

**NOTE 9 – RELATED PARTY DISCLOSURES**

Key management personnel compensation totaled \$71,413 in 2025 and \$66,000 in 2024.

**NOTE 10 – COMMITMENTS**

A lease agreement was signed effective January 1, 2026 through December 31, 2028. Lease payments are \$1,100 per month for the period January 1, 2026 through December 31, 2028.

**NOTE 11 – CONTINGENCIES**

There are no contingencies as of March 26, 2026.

**NOTE 12 – SUBSEQUENT EVENTS**

There are no subsequent events as of March 26, 2026.