RODRIGUES, DRUM & COMPANY, LLC.
CERTIFIED PUBLIC ACCOUNTANTS - MANAGEMENT CONSULTANTS
Where Your Financial Success Begins
215 Pleasant Street, Fall River, MA 02721
TEL (508) 679-6079 ◆ FAX (508) 672-4938 ◆ Web: RODRIGUESACCOUNTING.COM

Gifts to Give, Inc.

Financial Statements
And
Independent Accountants' Review Report

March 31, 2024

Gifts to Give, Inc.

Financial Statements

For the Years Ended
March 31, 2024

Contents

RODRIGUES, DRUM & COMPANY, LLC.
CERTIFIED PUBLIC ACCOUNTANTS · MANAGEMENT CONSULTANTS
Where Your Financial Success Begins
215 Pleasant Street, Fall River, MA 02721
TEL (508) 679-6079 ◆ FAX (508) 672-4938 ◆ Web: RODRIGUESACCOUNTING.COM

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To Management
Gifts to Give, Inc.
Acushnet, MA 02743

We have reviewed the accompanying financial statements of Gifts to Give, Inc. (a non-profit organization), which comprise the statement of financial position as of March 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 these 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 Gifts to Give, Inc. and to meet our 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 accordance with accounting principles generally accepted in the United States of America.

Rodrigues, Drum & Company, LLC

Fall River, Massachusetts
February 20, 2025

Gifts to Give, Inc.

Statement of Financial Position
March 31, 2024

Assets		
Cash	$	68,401
Deposits		19,578
Property and Equipment, net		21,061
Total Assets	$	109,040
Liabilities and Net Assets		
Liabilities		
Accrued Expenses	$	6,674
Total Liabilities		6,674
Net assets, without Donor Restrictions		102,366
Total Liabilities and Net Assets	$	109,040

Gifts to Give, Inc.

Statement of Activities
For the Years Ended March 31, 2024

	Without Donor Restrictions	With Restrictions	Total
Program and other revenue			
Contributions - cash	$ 383,407	$ -	$ 383,407
Contributions - in-kind	66,300	-	66,300
Contributions - supplies	145,650	-	145,650
Foundation and Trust Grants	11,500	-	11,500
	606,857	-	606,857
		-	
Expenses		-	
Program	503,593	-	503,593
Management and general	74,462	-	74,462
Fundraising	9,263	-	9,263
	587,318	-	587,318
Change in net assets	19,539	-	19,539
Net assets at beginning of year	82,827	-	82,827
Net assets at end of year	$ 102,366	$ -	$ 102,366

Gifts to Give, Inc.

Statement of Functional Expenses
For the Year Ended March 31, 2024

	Program	Management and General	Fundraising	Total
Donated supplies	$ 4,549	$ -	$ -	$ 4,549
Occupancy	143,525	25,328	-	168,853
Professional fees	5,228	923	-	6,151
Warehouse supplies	46,504	-	-	46,504
Office Expenses	13,343	2,355	-	15,698
Repairs	18,778	3,314	-	22,092
Meals	58,250	10,279	-	68,529
Depreciation	2,817	-	-	2,817
Insurance	-	13,815	-	13,815
Marketing	-	-	9,263	9,263
Telephone	12,677	2,237	-	14,914
Volunteer Recognition	10,955	-	-	10,955
Non-cash contributions	145,650	-	-	145,650
Stipends	898	-	-	898
Program Expense	6,607	-	-	6,607
Bank Charges	5,883	1,038	-	6,921
Dues and Subscriptions	7,547	1,332	-	8,879
Travel	2,645	467	-	3,112
Thrift Store	1,729	305	-	2,034
Miscellaneous	1,944	343	-	2,287
Auto expenses	14,065	-	-	14,065
Contract Services	-	12,725	-	12,725
	$ 503,594	$ 74,461	$ 9,263	$ 587,318

Gifts to Give, Inc.

Statement of Cash Flows
For the Years Ended March 31, 2024

		2024
Cash flows from operating activities		
Change in net assets	$	19,539
Adjustments to reconcile change in net assets to net cash provided by operating activities		
(Increase) Decrease in operating assets:		
Depreciation		2,817
Increase (Decrease) in Operating Liabilities:		
Accrued expenses		(7,817)
Net cash (used in) provided by operating activities		14,539
Net (decrease) increase in cash		14,539
Cash at beginning of year		53,862
Cash at end of year	$	68,401

Supplemental Disclosure of Cash Flow Information		
Interest Paid	$	-
Taxes Paid		-
Total	$	-

1. Organization

Gifts to Give, Inc. (the "Organization") was organized under the laws of the Commonwealth of Massachusetts for the purpose of operating a large-scale repurposing center, designed to use thousands of student volunteers to reprocess donated in-kind items designated for children residing on the south coast of Massachusetts.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements of the Organization are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

The statement of financial position presents two classes of net assets (net assets without restrictions and net assets with restrictions) and the statement of activities displays the change in each class of net assets.

The classes of net assets applicable to the Organization are presented as follows:

> *Net Assets Without Restrictions* - Net assets that are not subject to donor-imposed restrictions.
>
> *Net Assets with Restrictions* - Net assets that are subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and /or passage of time.

Use of Estimates

The preparation of financial statements 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 amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Donated Items

The Organization receives donations of new and used supplies and equipment from individuals and organizations in the United States. The Organization in turn, gives these donated goods, at no charge, to other organizations with the intent of the goods ultimately being delivered to children in need. The Organization records the donated goods at their estimated fair value on the date of donation. During the years ended March 31, 2024, the Organization received donations of supplies with an estimated fair value of $145,650.

To determine fair value, the Organization gathers as much information as possible on each donated good. The value is obtained by researching websites of vendors selling similar goods. If the value for the exact piece cannot be obtained, then the value for a comparable item can be substituted.

2. Summary of Significant Accounting Policies (cont.)

Donated Services

Donated services are recognized as contributions if the services a) create or enhance nonfinancial assets or b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Volunteers also provided services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Recognition of Donor Restrictions

Net assets that are subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and /or passage of time. When a restriction expires net assets with restrictions are reclassified to net assets without restrictions and reported in the statement of activities as net assets released from restrictions. Restricted gifts whose purpose restriction is met in same year the gift is received is reported as unrestricted support.

Property and Equipment

All acquisitions of property and equipment in excess of $1,500 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using primarily the straight-line method over the estimated useful lives of the assets. Estimated useful lives are five years for office equipment and ten years for furniture and fixtures. Leasehold improvements are amortized over shorter of their estimated useful life or the terms of the related leases.

Advertising

The Organization expenses advertising costs as incurred. Advertising expense amounted to $9,263 for the year ended March 31, 2024.

Functional Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

2. Summary of Significant Accounting Policies (cont.)

Income Taxes

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization is also exempt from Massachusetts state income taxes under Massachusetts General Law 180. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income at both the federal and state levels. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as an organization other than a private foundation under Section 509(a)(1).

The Organization evaluates all significant tax positions. As of March 31, 2024, the Organization does not believe that it has taken any tax positions that would require the recording of any additional tax liability nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next twelve months. The Organization's tax returns are subject to examination by the appropriate taxing jurisdictions. As of March 31, 2024, the Organization's federal and state tax returns generally remain open for examination for three years from the date filed with each taxing jurisdiction.

Management Review

The Organization has evaluated all subsequent events through February 20, 2025, the date the financial statements were available to be issued.

3. Property and Equipment

Property and equipment consist of the following at March 31:

	2024
Equipment	$ 26,066
Furniture and fixtures	59,873
Leasehold Improvements	53,369
Software	29,424
Accumulated depreciation	(147,671)
	$ 21,061

4. Donated Services

The value of donated services recorded as in-kind contributions in the financial statements for the years ended March 31:

	2024
Rent	$ 66,300
	$ 66,300

5. Leases

The Company entered into a lease agreement for warehouse and office space located at One Titleist Drive, Acushnet, Massachusetts under a non-cancelable operating lease commencing August 1st, 2014 and ending July 31st, 2017 with an option for two additional three-year periods. The Organization exercised the extension options and continued the lease to 2024. The lease agreement then entered into a month-to-month tenant at will on a verbal basis

In connection with the lease, for the years ended March 31, 2024 rent expense was $162,690. Under current professional standards, capitalization is not required.

6. Concentrations

The Company has a potential concentration of credit risk in that it maintains deposits with a financial institution in excess of amounts insured by the Federal Deposit Insurance Corporation ("FDIC"). Beginning on January 1, 2013, the FDIC insures up to $250,000, per depositor, per insured depository institution for each account ownership category. At March 31, 2024, there were no uninsured deposits.

7. Revenue Recognition

At the beginning of the year Accounts Receivable was $0.

The following disclosures discuss the Organization's revenue recognition practices upon the adoption of ASU 2014-09 on April 1, 2019.
The following disclosures discuss the Organization's revenue recognition practices.

Disaggregation of Revenue: The following table presents the Organization's 2024 revenue disaggregated by primary performance obligation:

	At a point in time	Over Time
Grants	$ 750	0
Foundation and Trust Grants	11,500	0
Individual Business Contributions	88,873	0
Contributions- non-cash	145,650	0
In-Kind	66,300	0
Rag Man	43,306	0
eBay Sales	662	0
Thrift Store	249,816	0

Grants, Individual Business Contributions, In-Kind: The organization receives grants and contributions from outside organizations to assist the organization to better their community. It is recognized at a point in time, on the day the grant or contribution was given.

Contributions non-cash, Yard Sale/ Rag Man, Book Buyer. eBay Sales, and Thrift Store: The organization receives donating items from individuals and resells those items to donated the proceeds to the community. Revenue is recognized at a point in time, on the day the items are received and resell.

In-Kind: Non-monetary gift made to the organization, in this case the organization received in-kind rent. It is recognized at a point in time.

8. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date comprises the following:

	2024
Financial assets at year-end:	
Cash	$ 69,401
Deposits	19,883
Financial Assets Available to Meet General Expenditures Over the Next 12 Months	$ 89,284

9. Adoption of New Accounting Standard: Credit Losses

On April 1, 2023, the Company adopted ASU 2016-13 Financial Instruments Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which replaces the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss (CECL) methodology. The measurement of expected credit losses under the CECL methodology is applicable to financial assets measured at amortized cost, consisting of trade receivables. Under the CECL, the Organization adjusts its trade receivables for credit losses using an allowance account. The net amount of receivables less its allowance account represents the amount expected to be collected. The CECL methodology requires that the allowance account be measured based on various information that includes historical data and information, current economic conditions, and reasonable and supportable forecasted information about future events. The Company adopted the changes made by ASU 2016-13 using the modified retrospective method from its trade receivables, under which the allowance account was remeasured as of April 1, 2023 using the CECL model, with the cumulative effect of the changes being recorded to retained earnings.

Accounts receivables are recorded net of an allowance for expected losses. Accounts receivables for the Organization are expected to be collected within one year of the receivable being recorded. All receivables for the Organization are through the normal course of business. The allowance for doubtful accounts is provided based upon management's judgement, including such factors as prior collection history and type of receivable. As of March 31, 2024, management has concluded an allowance for doubtful accounts was not required.