

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees of  
Pro-Life Action League, Inc.  
d/b/a Pro Life Action League  
Aurora, Illinois 60506

We have audited the accompanying financial statements of Pro-Life Action League, Inc. (a nonprofit organization), which comprise the balance sheet (Part X) of Pro-Life Action League, Inc. (a nonprofit organization) as of May 31, 2023, and the related statement of revenues (Part VIII) and statement of functional expenses (Part IX) for the year then ended included in the accompanying Internal Revenue Service Form 990 and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Internal Revenue Service and the Illinois Attorney General Office State Regulatory Agency. Management is also responsible 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**


In our opinion the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of Pro-Life Action League, Inc. as of May 31, 2023, and its revenues, expenses, and changes in net assets for the year then ended, in accordance with the financial reporting provisions prescribed by the Internal Revenue Service and Illinois Attorney General Office State Regulatory Agency as described in Note B.

### **Basis of Accounting**

We draw attention to Note B of the financial statements which describes the basis of accounting. As described in Note B, the financial statements included in Form 990 were prepared on the basis of the financial reporting provisions prescribed by the Internal Revenue Service and the Illinois Attorney General Office State Regulatory Agency, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### **Restriction on Use**

This report is intended solely for the information and use of the Board of Trustees and management of Pro-Life Action League, Inc., the Internal Revenue Service, and the Illinois Attorney General Office State Regulatory Agency and is not intended to be and should not be used by anyone other than these specified parties.



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Vincent M. Marotta, CPA  
Vincent M. Marotta & Associates, Ltd.  
October 27, 2023

**Pro-Life Action League, Inc.**  
**Statement of Financial Position - Cash Basis**  
**As of May 31, 2023**

**ASSETS**

**Current Assets:**

Cash in bank - Associated	\$ (3,579)
Cash in bank - Small Business NP	564,854
Petty cash	116
Investments - Vanguard	2,016
Investments - Associated	<u>534</u>

**Total Current Assets** 563,941

**Property and Equipment:**

Computer Software	3,839
Computer Equipment	10,591
Office Furniture & Equipment	24,472
Leasehold Improvements	18,840
Transportation Vehicle	17,790
Less: Accumulated Depreciation	<u>(53,762)</u>

**Net Property and Equipment** 21,770

**Other Assets:**

Rent deposit	<u>625</u>
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**Total Other Assets** 625

**Total Assets** \$ 586,336

The accompanying Notes to the Financial Statements  
are an integral part of these statements

**Pro-Life Action League, Inc.**  
**Statement of Financial Position - Cash Basis**  
**As of May 31, 2023**

**LIABILITIES AND NET ASSETS**

**Current Liabilities:**

Employee 401(k) payable \$ 500

**Total Current Liabilities** 500

**Total Liabilities** 500

**Net Assets:**

**Unrestricted**

Beginning Net Assets 603,627

Change in Unrestricted Net Assets (17,791)

**Total Net Assets** 585,836

**Total Liabilities and**

**Net Assets** \$ 586,336

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***Pro-Life Action League, Inc.***  
***Statement of Financial Position - Cash Basis***  
***For the Year Ended May 31, 2023***

	<u>2023</u>	<u>%</u>
<b><u>Support &amp; Revenues</u></b>		
Contributions - Direct Public Support	1,010,768	99.89
Interest & dividends	\$ <u>1,158</u>	<u>0.11</u>
<b><u>Total Support &amp; Revenues</u></b>	<b>\$ <u>1,011,926</u></b>	<b><u>100.00</u></b>
 <b><u>Literature &amp; Tapes Sales</u></b>		
 <b><u>Total Support &amp; Revenues and Literature &amp; Tapes Sales</u></b>	 <b>\$ <u>1,011,926</u></b>	 <b><u>100.00</u></b>

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***Pro-Life Action League, Inc.***  
***Statement of Financial Position - Cash Basis***  
***For the Year Ended May 31, 2023***

	<u>2023</u>	<u>%</u>
<b><u>Functional Expenses</u></b>		
<b><u>Program Services</u></b>		
Salaries	\$ 168,166	16.62
Salaries - officers	153,601	15.18
Credit card processing fee	87	0.01
Insurance - workers' compensation	8,247	0.81
Insurance - health	70,287	6.95
Insurance - liability	2,432	0.24
Rent	36,657	3.62
Video production services	13,500	1.33
Telephone	12,980	1.28
Depreciation and amortization	6,376	0.63
Printing & stationery	19,837	1.96
Printing PLAL newspaper	16,888	1.67
Brochures, etc.	1,196	0.12
Office supplies	6,412	0.63
Display supplies	5,720	0.57
Postal meter fees	3,508	0.35
Postage	18,024	1.78
Media support	25,320	2.50
Legal fees	988	0.10
Consulting - general	1,000	0.10
Travel & staff expenses	9,819	0.97
Staff expenses - other	433	0.04
Auto expenses	1,433	0.14
Advertising & promotion	1,788	0.18
Computer supplies	227	0.02
Computer support	1,797	0.18
Miscellaneous	3,315	0.33
Gift	562	0.06
Payroll taxes	25,168	2.49
Special events	2,963	0.29
	\$ 618,731	61.14
<b><u>Total Program Services</u></b>		

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***Pro-Life Action League, Inc.***  
***Statement of Financial Position - Cash Basis***  
***For the Year Ended May 31, 2023***

	<u>2023</u>	<u>%</u>
<b><u>Management &amp; General</u></b>		
Salaries	\$ 19,428	1.92
Salaries - officers	33,510	3.31
Bank charges	4,417	0.44
Dues & subscriptions	54	0.01
Insurance - health	11,628	1.15
Insurance - workers' compensation	1,455	0.14
Licenses & fees	473	0.05
Rent	17,492	1.73
Maintenance & repairs	1,344	0.13
Copier rental	4,673	0.46
Newspapers & magazines	1,652	0.16
Accounting tabulating fees	2,937	0.29
Accounting fees	11,935	1.18
Entertainment	989	0.10
Delivery service fees	6,116	0.60
Cable service	700	0.07
Payroll taxes	4,441	0.44
Illinois annual report fee	10	-
Annual fee	50	-
Interest & finance charges	160	0.02
Sundry taxes & licenses	151	0.01
<b><u>Total Management &amp; General</u></b>	<b>\$ 123,615</b>	<b>12.22</b>

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***Pro-Life Action League, Inc.***  
***Statement of Financial Position - Cash Basis***  
***For the Year Ended May 31, 2023***

	<u>2023</u>	<u>%</u>
<b><u>Fundraising</u></b>		
Salaries - officers	13,355	1.32
Salaries	3,000	0.30
Rent	973	0.10
Fundraising printing	140,725	13.91
Fundraising postage	60,141	5.94
Fundraising mailing list	15,977	1.58
Consulting - fundraiser	<u>53,200</u>	<u>5.26</u>
<b><u>Total Fundraising</u></b>	<u>287,371</u>	<u>28.40</u>
<b><u>Total Functional Expenses</u></b>	<u>1,029,717</u>	<u>101.76</u>
<b><u>Change in Net Assets</u></b>	<u>\$ (17,791)</u>	<u>(1.76)</u>
<b><u>Net Assets at Beginning of Year</u></b>	<u>\$ 603,627</u>	
<b><u>Net Assets at End of Year</u></b>	<u>\$ 585,836</u>	

The accompanying Notes to the Financial Statements  
are an integral part of these statements



**Pro-Life Action League, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended May 31, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**NOTE A. REPORTING ENTITY**

Pro-Life Action League, Inc. (the Organization) was incorporated in 1980 as a not-for-profit corporation in Illinois. The Organization is tax exempt under Section 501(c)(3) of the Internal Revenue Code. The Organization conducts ongoing public awareness campaigns relating to abortion and other life issues.

**NOTE B. BASIS OF ACCOUNTING**

The accompanying financial statements have been prepared on the cash basis of accounting, which is a basis of accounting other than generally accepted accounting principles. Under this basis of accounting, assets are recognized when paid for in cash, such as depreciable property and equipment and investments. Also, revenues are recognized when received in cash rather than when earned, and expenses are recognized when paid rather than when the obligations are incurred. Consequently, the Organization has not recognized pledges receivable from donors, accounts payable to vendors, and their related effects on the change in net assets in the accompanying financial statements. Also, the statement of cash flows has been omitted.

**NOTE C. NET ASSETS**

Net assets and revenues and 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 follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization.

Net assets with donor restrictions: Net assets 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.

**Pro-Life Action League, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended May 31, 2023**

**NOTE D. USE OF ESTIMATES**

The preparation of financial statements requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities and the reported revenues and expenses. Accordingly, actual results could differ from those estimates that are used.

**NOTE E. PROPERTY & EQUIPMENT**

Property and equipment are recorded at cost. Depreciation is computed using the Modified Accelerated Cost Recovery System (MACRS) and is used for financial accounting purposes and for federal income tax purposes. The use of MACRS depreciation is not in conformity with generally accepted accounting principles. The rates are based on the following estimated useful lives:

**Estimated Useful Life**

Computer Software	3 years
Computer Equipment	5 years
Office Furniture & Equipment	5-7 years
Transportation Vehicle	5 years

Depreciation expense for the year ended May 31, 2023, under the accelerated method was \$6,376. Expenses for maintenance and repairs are charged to expense as incurred, whereas major improvements are capitalized.

**NOTE F. CONTRIBUTIONS**

Contributions: The Organization records contributions when they are received. Contributions received in the form of cash, checks, money orders, credit card charges, wire transfers, and other transfers are deposited into one of the Organization's bank accounts. Gifts of cash and other assets are reported as with donor restriction if they are received with donor stipulations that limit their use or if they are intended to support activities in future periods.

Revenue recognition: Revenue is recognized when received and consists primarily of contributions from direct public.

Donated stock: Donated stock is recorded at its fair market value at the time of the donation.

**Pro-Life Action League, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended May 31, 2023**

**NOTE G. INCOME TAXES**

No provision has been made for income taxes in the financial statements. The Organization is exempt from federal and state income taxes under Internal Revenue Service Code Section 501(c)(3.) This code section enables the Organization to accept donations which qualify as charitable contributions to the donor.

**NOTE 2 - COMMITMENTS AND CONTINGENCIES**

The Organization leases its office facility in Chicago for \$3,425 per month. As of January 1, 2023, the Organization closed its office facility and moved to the Aurora location.

Rent expense under the prior lease was \$25,450 for the year ended May 31, 2023.

The Organization leases a second office facility in Aurora for \$1,950 per month. As of November 1, 2021, the Organization signed a new 24-month lease, expiring January 31, 2024.

Rent expense under this lease was \$23,190 for the year ended May 31, 2023.

In addition to the above office facilities, the Organization leases a storage facility for \$437 per month.

Rent expense under this lease was \$4,845 for the year ended May 31, 2023.

**NOTE 3 - SUBSEQUENT EVENTS**

Date of Management's Review - Management has evaluated subsequent events through October 27, 2023, the date on which the financial statements were available to be issued.

