

**Pro-Life Action League, Inc.**

***Financial Statements  
and  
Independent Auditor's Report - Cash Basis  
For the Period Ended May 31, 2024***

**Prepared By Vincent M. Marotta & Associates, Ltd.  
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# **Pro-Life Action League, Inc.**

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## **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

### **Opinion**

We have audited the accompanying financial statements of Pro-Life Action League, Inc. (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets - cash basis as of May 31, 2024, and the related statement of support, revenue and expenses - cash basis for the year 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 assets, liabilities, and net assets of Pro-Life Action League, Inc. as of May 31, 2024, and its supporting revenue, and expenses for the year then ended in accordance with the cash basis of accounting as described in Note B.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibility 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 Pro-Life Action League, Inc. and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Basis of Accounting**

We draw attention to Note B of the financial statements which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, 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.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note B and for determining that the cash

basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. 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 misstatement, whether due to fraud or error.

### **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 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 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 through 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 Pro-Life Action League, 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 Pro-Life Action League, Inc.'s ability to continue as a going concern for a reasonable period of time.

**Restriction on Use**

Our report is intended solely for the information and use of the board of trustees and management of Pro-Life Action League, Inc. and 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.

*Vincent M. Marotta, CPA*

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Vincent M. Marotta, CPA  
Vincent M. Marotta & Associates, Ltd.  
November 20, 2024

**Pro-Life Action League, Inc.**  
**Statement of Assets , Liabilities and Net Assets - Cash Basis**  
**As of May 31, 2024**

**ASSETS**

**Current Assets:**

Cash in bank - Operating	\$	11,557
Cash in bank - Money Market Plus		378,979
Cash in bank - Vanguard		1,226
Petty cash		116
Investments - Vanguard		2,016
Investments - Associated		560
		560

**Total Current Assets**

394,454

**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		(54,683)
		20,849

**Net Property and Equipment**

20,849

**Other Assets:**

Rent deposit		625
		625

**Total Other Assets**

625

**Total Assets**

\$ 415,928

Statement of Support, Revenue and Expenses  
The accompanying Notes to the Financial Statements  
are an integral part of these statements

**Pro-Life Action League, Inc.**  
**Statement of Assets , Liabilities and Net Assets - Cash Basis**  
**As of May 31, 2024**

**Liabilities and Net Assets**

**Current Liabilities:**

Employee 401(k) payable	\$ <u>300</u>
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<b><u>Total Current Liabilities</u></b>	<u>300</u>
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<b><u>Total Liabilities</u></b>	<u>300</u>
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**Net Assets:**

**Unrestricted**

Beginning Net Assets	585,836
Change in Unrestricted Net Assets	<u>(170,208)</u>

<b><u>Total Net Assets</u></b>	<u>415,628</u>
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<b><u>Total Liabilities and</u></b>	
<b><u>Net Assets</u></b>	<u>\$ 415,928</u>

Statement of Support, Revenue and Expenses  
The accompanying Notes to the Financial Statements  
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**Pro-Life Action League, Inc.**  
**Statement of Support, Revenue and Expenses - Cash Basis**  
**For the Year Ended May 31, 2024**

	<u>AMOUNT</u>	<u>%</u>
<b><u>Support &amp; Revenues:</u></b>		
General donations	\$ 907,280	98.99%
Interest & dividends	1,351	0.15%
Stocks donated	6,363	0.69%
Literature & tapes	1,627	0.18%
Gain\ (loss) on sale of stock	(52)	(0.01)%
	<u>916,569</u>	<u>100.00</u>
<b><u>Total Support &amp; Revenues</u></b>		
<b><u>Cost of Goods Sold:</u></b>		
Literature/tapes/photos	589	0.06
	<u>589</u>	<u>0.06</u>
<b><u>Total Cost of Goods Sold</u></b>		
	<u>915,980</u>	<u>99.94</u>
<b><u>Total Revenues</u></b>		

Statement of Support, Revenue and Expenses  
The accompanying Notes to the Financial Statements  
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**Pro-Life Action League, Inc.**  
**Statement of Support, Revenue and Expenses - Cash Basis**  
**For the Year Ended May 31, 2024**

	<u>AMOUNT</u>	<u>%</u>
<b><u>Functional Expenses</u></b>		
<b><u>Program Services:</u></b>		
Salaries	196,231	21.41
Salaries - officers	160,711	17.53
Credit card processing fee	70	0.01
Insurance - workers' compensation	3,011	0.33
Insurance - health	62,852	6.86
Insurance - liability	3,944	0.43
Rent	22,372	2.44
Video production services	12,000	1.31
Telephone	8,927	0.97
Depreciation and amortization	922	0.10
Printing & stationery	28,999	3.16
Printing PLAL newspaper	13,299	1.45
Database rental	5,407	0.59
Office supplies	13,198	1.44
Display supplies	10,249	1.12
Postal meter fees	4,625	0.50
Postage	17,595	1.92
Media support	22,920	2.50
Legal fees	568	0.06
Consulting - general	12,335	1.35
Travel & staff expenses	9,893	1.08
Staff expenses - other	600	0.07
Advertising & promotion	1,901	0.21
Billboard project	31,048	3.39
Computer supplies	765	0.08
Computer support	1,577	0.17
Miscellaneous	2,322	0.25
Reimbursement - speaking	1,059	0.12
Contributions	400	0.04
Gift	363	0.04
Payroll taxes	27,632	3.01
Special events	11,573	1.26
<b><u>Total Program Services</u></b>	<b>689,368</b>	<b>75.21</b>

Statement of Support, Revenue and Expenses  
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**Pro-Life Action League, Inc.**  
**Statement of Support, Revenue and Expenses - Cash Basis**  
**For the Year Ended May 31, 2024**

	<u>AMOUNT</u>	<u>%</u>
<b><u>Management &amp; General:</u></b>		
Salaries	21,154	2.31
Salaries - officers	34,420	3.76
Bank charges	7,761	0.85
Dues & subscriptions	40	0.00
Insurance - health	10,923	1.19
Insurance - workers' compensation	531	0.06
Licenses & fees	248	0.03
Rent	8,079	0.88
Copier rental	4,946	0.54
Newspapers & magazines	1,274	0.14
Accounting tabulating fees	3,013	0.33
Accounting fees	13,390	1.46
Auto expenses	1,369	0.15
Entertainment	4,541	0.50
Delivery service fees	7,184	0.78
Payroll taxes	4,876	0.53
Annual fee	29	0.00
Sundry taxes & licenses	466	0.05
	124,244	13.56
<b><u>Total Management &amp; General</u></b>		

Statement of Support, Revenue and Expenses  
The accompanying Notes to the Financial Statements  
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**Pro-Life Action League, Inc.**  
**Statement of Support, Revenue and Expenses - Cash Basis**  
**For the Year Ended May 31, 2024**

	<u>AMOUNT</u>	<u>%</u>
<b><u>Fundraising:</u></b>		
Salaries - officers	13,428	1.47
Salaries	3,000	0.33
Rent	621	0.07
Fundraising printing	153,322	16.73
Fundraising postage	63,463	6.92
Fundraising mailing list	20,692	2.26
Consulting - fundraiser	16,050	1.75
Consulting - copyright	2,000	0.22
	<u>272,576</u>	<u>29.74</u>
<b><u>Total Fundraising</u></b>		
	<u>1,086,188</u>	<u>118.51</u>
<b><u>Total Functional Expenses</u></b>		
	<u>\$ (170,208)</u>	<u>(18.57)%</u>
<b><u>Change in Net Assets</u></b>		
	<u>\$ 585,836</u>	
<b><u>Net Assets at Beginning of Year</u></b>		
	<u>\$ 415,628</u>	
<b><u>Net Assets at End of Year</u></b>		

Statement of Support, Revenue and Expenses  
The accompanying Notes to the Financial Statements  
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**Pro-Life Action League, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended May 31, 2024**

**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, 2024**

**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, 2024, under the accelerated method was \$922. Expenses for maintenance and repairs are charged to expense as incurred, whereas major improvements are capitalized.

**Pro-Life Action League, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended May 31, 2024**

**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.

**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.

**Pro-Life Action League, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended May 31, 2024**

**NOTE 2 - COMMITMENTS AND CONTINGENCIES**

The Organization leases its office facility in Aurora for \$1,950 per month. As of January 1, 2024, the Organization renewed its lease for \$1,980 per month.

Rent expense under this lease was \$23,550 for the year ended May 31, 2024.

In addition to the above office facility, the Organization leases a storage facility for \$510 per month.

Rent expense under this lease was \$5,532 for the year ended May 31, 2024.

**NOTE 3 - SUBSEQUENT EVENTS**

Date of Management's Review - Management has evaluated subsequent events through November 20, 2024, the date on which the financial statements were available to be issued.

**NOTE 4 - LIQUIDITY AND AVAILABILITY**

Total financial statements at year end May 31, 2024:

Cash and cash equivalents	\$ 391,878
Investments at cost value	<u>2,576</u>
Total financial assets at year end	394,454

Less: amounts not available to be used within one year:       -      

Financial assets available to meet cash needs for general expenditures within one year	\$ <u>394,454</u>
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The Organization receives contributions from the general public for programs which are ongoing, major and central to its annual operations to be available to meet cash needs for general expenditures.