

Review Report of Independent Accountant

To Board of Directors of
Rosemary's Babies Co.
4439 Reading Rd Suite 107
Cincinnati, Ohio 45229

Report on the Financial Statements

I have reviewed the accompanying financial statements of Rosemary's Babies Co. which comprise the of the Statement of Financial Position as of December 31, 2021, Statement of Activities for the period ended December 31, 2021, and the Statement of Cash Flows for the period ended December 31, 2021. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company 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, I do not express such an opinion.

Management's Responsibility 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; 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

My 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 me to perform procedures to obtain limited assurance as a basis for reporting whether I am 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. I believe that the results of the procedures provide a reasonable basis for my conclusion.

Accountants' Conclusion

Based on the review, I am 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.


Jacqueline Ann DeStefano, CPA, CFE, MBA
Nesconset, New York
jacqueline@tangoramartech.com
March 26th, 2022

Rosemary's Babies Co.
Statement of Financial Position
As of December 31, 2021

	TOTAL
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$131,671.20
Accounts Receivable	\$20.00
Other Current Assets	\$ -4,286.66
Total Current Assets	\$127,404.54
Fixed Assets	\$17,423.43
TOTAL ASSETS	\$144,827.97
LIABILITIES AND EQUITY	
Liabilities	\$3,265.84
Net Assets	\$141,562.13
TOTAL LIABILITIES AND EQUITY	\$144,827.97

Rosemary's Babies Co.
Statement of Activities
For the Period Ended December 31, 2021

	TOTAL
Revenues, Gains, and Other Support	\$310,393.31
Total Revenues, Gains, and other support	\$310,393.31
Expenditures	\$232,166.43
Net Assets Released from Restriction	\$78,226.88
Other Revenue	\$173.26
Other Expenditures	\$110.00
NET OTHER REVENUE	\$63.26
Net Assets at the End of the Year	\$78,290.14

Rosemary's Babies Co.
Statement of Cash Flows
For the Period Ended December 31, 2021

	TOTAL
OPERATING ACTIVITIES	\$86,675.64
INVESTING ACTIVITIES	
Furniture	-3,435.59
Net cash provided by investing activities	\$ -3,435.59
FINANCING ACTIVITIES	\$ -2,417.59
NET CASH INCREASE FOR PERIOD	\$80,822.46
Cash at beginning of period	50,847.86
CASH AT END OF PERIOD	\$131,670.32

Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities

Rosemary's Babies Company ("The Company") provides support for teen parent families in Greater Cincinnati and surrounding areas. Mothers and fathers (9-19) receive emotional, educational, and financial resources to ensure they have healthy babies and lead productive lives. Services are offered in-person and virtually. RBC is primarily funded by individual donor contributions, grants, sponsorships, foundations, non-federal grants, state funding (Ohio Department of Job & family Services | TANF Funds) and the United Way of Greater Cincinnati. Rosemary's Babies serves more than 200 families annually. In 2021, the Company launched a capital campaign to expand its programs and space. The intended new space will support current operations as well as offer a supportive housing option for teen moms and their babies.

Financial Statement Presentation

Under Statement of Financial Accounting Standards (SFAS) No. 117, financial statements for not-for-profit organization, the organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Summary of Significant Accounting Principles

Rosemary's Babies Company financial statements have been prepared on the accrual basis of accounting. Under SFAS No. 116, Accounting for Contributions Received and Contributions Made, contributions received, and net assets are recorded as unrestricted, temporarily restricted or permanently restricted depending on the existence and/or nature of any donor restrictions. Donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. The Organization has no permanently restricted net assets.

Contributed Services

During the year ending December 2022, the value of contributed services meeting the requirements for recognition in the financial statements has been recorded as in-kind services. In addition, many individuals volunteer their time and perform a variety of tasks that Rosemary's Babies Co. within the facility. In 2021, Rosemary's Babies Co. reported 1,800 volunteer hours for the calendar year. Rosemary's Babies reported \$21,232 of in-kind services.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Rosemary's Babies Co. has determined that no estimates were done in 2021 that would result in differed calculations.

Cash and Cash Equivalents

Highly liquid investments with a maturity of three months or less from purchase are generally considered to be cash equivalents. Investments are stated at market value and consist of money market, equities, and fixed income mutual funds. Rosemary's Babies Co. had no investments in 2021.

Grants

Rosemary's Babies Co. grants are primarily receivables from local foundations, state funds, and non-federal granting agencies. They were deemed fully collectible and no provision for uncollectible accounts was considered necessary. Rosemary's Babies Co. had not received any federal grants/funding in 2021.

Property and equipment

Property and equipment over \$5,000 are capitalized. Items are stated at cost and are depreciated principally using the straight-line method over the estimated useful life of the asset. Costs of maintenance and repairs are charged to expense when incurred. In 2020, The Organization purchased a van for program services. Additionally, RBC purchased an industrial printer for our office space.

Deferred revenue

Deferred revenue represent grant funds received in advance of related program expenses. Rosemary's Babies Co. has deferred any revenue in our accounting statements.

Functional allocation of expenses

The cost of providing various programs and other activities has been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among programs and supporting services based on time. Certain immaterial in-kind donations have not been recorded.

Income Taxes

Rosemary's Babies Co. (RBC) is a not-for-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

Leasing arrangements

The facilities used 4439 Reading Road Suite 107 Cincinnati Ohio 45229 for Rosemary's Babies Co. operations are leased through Rodanthe Investments owner Charlene Stevenson. Rosemary's Babies Co. had rented the space for \$1,020 per month until October 2021. In December 2021, Rosemary's Babies Co. expanded space within the facility with a rent increase of \$760 per month. Rosemary's Babies Co. then signed a 2 year lease (1/2022-1/2024) at a rate of \$1,780.

Revenue

RBC reported revenues of \$307,393 in 2021 and has shown a continuous increase in revenue since its inception. This increase resulted from our increased marketing, focused efforts in writing grants, and our amazing 5th Anniversary Gala that resulted in our organization raising \$125,000 to support our expansion. In 2021, RBC saw a 49% decrease in Grants with Donor Restrictions but a 134% increase in Grants without Donor Restriction. Individual Donor contributions increased by 330%.

Expenses

RBC reported expenses of \$236,298 in 2021. Due to the increase in the number of families RBC serves, our expenses increased by 20%. RBC purchased more supplies, rented additional space including a storage facility for in-kind donations.

In-kind

RBC reported In-kind of \$21,232 in 2021. Rosemary's Babies Co. appreciates those who continue to support our organization with in-kind professional services and supplies. Your donations help us to better serve our families.

Volunteer Hours

RBC reported 1,800 hours in 2021. Rosemary's Babies Co. team is comprised of paid staff, contractors, and more than (3) dozen volunteers who contribute their time yearly