LITTLE VILLAGE COMMUNITY FOUNDATION CORPORATION AND SUBSIDIARY
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

LITTLE VILLAGE COMMUNITY FOUNDATION CORPORATION AND SUBSIDIARY

CALLERO
& CALLERO LLP
CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
of Little Village Community Foundation Corporation and Subsidiary

Opinion

We have audited the accompanying consolidated financial statements of Little Village Community Foundation Corporation (a nonprofit organization) and Little Village Business Incubator, LLC, which comprise the consolidated statement of financial position as of December 31, 2025, and the related statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Little Village Community Foundation Corporation and Subsidiary as of December 31, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities 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 Little Village Community Foundation Corporation and Subsidiary and to meet our other 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.

Emphasis of Matter

As discussed and detailed in Note 8 to the consolidated financial statements, Little Village Community Foundation Corporation and Subsidiary recorded prior period adjustments to correct errors identified in prior years related to the accounting for certain assets and expenses. Accordingly, the opening balance of net assets without donor restrictions as of January 1, 2025, has been restated. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidated 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, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Little Village Community Foundation Corporation and Subsidiaries ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Auditor's Responsibilities for the Audit of the Consolidated 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 throughout 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 Little Village Community Foundation Corporation and Subsidiary 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 Little Village Community Foundation Corporation and Subsidiary ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Callero & Callero, LLP

Des Plaines, Illinois
June 23, 2026

LITTLE VILLAGE COMMUNITY FOUNDATION CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
For the Year Ended December 31, 2025

ASSETS	2025
Current Assets	
Cash	$ 256,502
Restricted Cash	1,174,665
Grants and Accounts Receivable	64,269
Prepaid Expenses	17,235
Micro Loans Receivable	73,000
Construction in Escrow	22,876
TOTAL CURRENT ASSETS	1,608,547
Fixed Assets	
Furniture & Office Equipment	40,597
Xquina Construction in Progress	4,168,550
Leasehold Improvements	140,431
Land	59,700
	4,409,278
Accumulated Depreciation & Amortization	(12,364)
TOTAL FIXED ASSETS	4,396,914
TOTAL ASSETS	$ 6,005,461
LIABILITIES AND NET ASSETS	
Current Liabilities	
Current Maturities of Long Term Debt	$ 29,767
Accounts Payable	14,605
Accrued Expenses	594,891
Deposits	2,000
TOTAL CURRENT LIABILITIES	641,263
Long-Term Liabilities	
Long Term Debt, net of Current Maturities	1,525,106
TOTAL LONG-TERM LIABILITIES	1,525,106
Net Assets	
Without donor restrictions	843,636
With donor restrictions	2,995,456
TOTAL NET ASSETS	3,839,092
TOTAL LIABILITIES AND NET ASSETS	$ 6,005,461

The accompanying notes are an integral part of the financial statements

LITTLE VILLAGE COMMUNITY FOUNDATION CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Year Ended December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	2025
Revenues and Other Support			
Grant Revenue	$ 268,684	$ 1,020,000	$ 1,288,684
Corporate Grants	47,000	15,000	62,000
Individual Donations	10,393	0	10,393
Government Grants	261,879	0	261,879
In-Kind Donations	22,450	0	22,450
Miscellaneous Income	57,247	0	57,247
Net assets released from restriction	191,364	(191,364)	0
TOTAL REVENUE AND SUPPORT	859,017	843,636	1,702,653
Expenses			
Program Services	810,058	0	810,058
Supporting Services:			
Management and General	247,868	0	247,868
Fundraising	84,807	0	84,807
TOTAL EXPENSES	1,142,733	0	1,142,733
CHANGE IN NET ASSETS	(283,716)	843,636	559,920
Net Assets			
Beginning of Year	3,279,172	0	3,279,172
End of Year	$ 2,995,456	$ 843,636	$ 3,839,092

The accompanying notes are an integral part of the financial statements

LITTLE VILLAGE COMMUNITY FOUNDATION CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2025

		Supporting Services		
	Program Services	Management and General	Fundraising	2025
Salaries	$ 258,702	$ 62,612	$ 16,061	$ 337,375
Payroll Tax Expense	19,791	6,791	1,229	27,811
Program Contractor Expense	282,989	44,100	34,380	361,469
Accounting Fees	64,411	19,548	3,875	87,834
Advertising	48,246	10,134	10,134	68,514
Bank and Credit Card Charges	0	12,805	845	13,650
Micro Grant Expense	24,400	0	0	24,400
Meals and Entertainment	21	746	38	805
Equipment Rental Expense	1,377	1,377	1,500	4,254
Office Supplies	607	5,787	35	6,429
Occupancy	23,959	11,142	1,498	36,599
Computer Expense	1,933	4,707	2,128	8,768
Professional Fees	20,108	4,193	0	24,301
Depreciation Expense	3,709	924	230	4,863
Amortization Expense	0	7,500	0	7,500
Taxes and Licenses	0	38,800	0	38,800
Insurance Expense	15,103	11,759	937	27,799
Miscellaneous Expense	44,702	4,943	11,917	61,562
TOTAL	$ 810,058	$ 247,868	$ 84,807	$ 1,142,733

The accompanying notes are an integral part of the financial statements

LITTLE VILLAGE COMMUNITY FOUNDATION CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2025

		2025
Cash Flows from Operating Activities		
Change in Net Assets	$	559,920
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided by Operating Activities		
Depreciation & Amortization		12,364
(Increase) Decrease in Assets:		
Grants and Account Receivable		19,495
Prepaid Expenses		(12,476)
Micro Loans Receivable		(73,000)
Construction in Escrow		(22,876)
Increase (Decrease) in Liabilities		
Accounts Payable		(41,836)
Accrued Expenses & Other Current Liabilities		(198,360)
NET CASH PROVIDED BY OPERATING ACTIVITIES		243,231
Cash Flows from Investing Activities		
Funding of Construction in Progress		(356,831)
Purchase of Fixed Assets		(19,291)
NET CASH USED IN INVESTING ACTIVITIES		(376,122)
Cash Flows from Financing Activities		
Borrowings on Long Term Debt		500,000
Payments on Long Term Debt		(21,881)
NET CASH PROVIDED BY FINANCING ACTIVITIES		478,119
NET INCREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH		345,228
Cash and Cash Equivalents and Restricted Cash		
Beginning of Year		1,085,939
End of Year	$	1,431,167
Supplemental Cash Flow Information - Cash paid for:		
Capitalized Interest	$	82,455

The accompanying notes are an integral part of the financial statements

(1) Nature of the Organization

The Little Village Community Foundation Corporation ("the Foundation") is an Illinois not-for-profit entity incorporated under the General Not-For-Profit Corporation Act of Illinois on August 3, 2018. The Foundation's mission is to provide culturally relevant programming, bilingual resources, workforce training, and access to capital for current and emerging entrepreneurs that invest in the Little Village community. The Foundation also provides leadership and investments to assist with digital divide and tech insecurity for youth and businesses in the Little Village community.

The Little Village Business Incubator, LLC ("Incubator") is an Illinois Limited Liability Company formed on November 7, 2019. The Incubator owns and manages a multi-unit commercial real property located at 3523-25 W 26th Street Chicago Illinois which is currently under reconstruction.

(2) Summary of Significant Accounting Policies

Consolidation of Financial Statements:

The consolidated financial statements include the accounts of the Foundation and the Incubator. All significant intercompany transactions have been eliminated. The Foundation consolidated the results of the Incubator's operations consisting of the following selected assets, liabilities and equity at December 31, 2025:

Cash	$ 562,191
Other Current Assets	37,149
Fixed Assets	4,383,054
Accounts Payable	340
Other Current Liabilities	1,382,692
Long Term Liabilities	1,569,246
Member Equity	$2,030,116

Basis of Presentation:

The financial statements of the Foundation have been prepared on the accrual basis of accounting. The Foundation reports information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restriction – Net assets that are not subject to or are no longer subject to donor-imposed stipulations.

Net Assets With Donor Restriction – Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of donor restrictions on net assets are reported as reclassifications between the applicable classes of net assets. The Foundation has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that the donor restrictions were met in the year the contribution was received.

(2) Summary of Significant Accounting Policies (continued)

Revenue Recognition:
Grant Awards:

Grant awards are either recorded as contributions or exchange transactions based on the criteria in the grant award.

Grants that qualify as contributions are recorded as invoiced to the funding sources in accordance with ASC Topic 958-905.

Grant awards that are exchange transactions are typically reimbursed based on a predetermined rate for services performed in accordance with the grant award and ASC Topic 606.

State and local governments have awarded grants to support the Organization's program activities that are conditioned on performing certain services or incurring certain reimbursable expenditures. These grants represent exchange transactions and are accounted for accordingly under ASC Topic 606. The grant revenue is measured based on the amount of consideration specified in the contract as performance obligations are satisfied as the Foundation incurs allowable and reasonable qualifying expenses.

Cash and Cash Equivalents:
For purposes of the consolidated statements of cash flows, the Foundation and subsidiary considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Restricted Cash:
Restricted cash represents the amounts held in cash restricted by donors to pay for Xquina Building project, program expenses, specific curriculums.

Promises to Give:
Unconditional promises to give are recognized as revenue or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promise becomes unconditional.

Functional Expenses:
Direct expenses have been charged to program, general and administrative or fund-raising categories based on specific identification. Indirect expenses have been allocated depending on the type of expense and are based on full-time equivalents of personnel, by program area or occupancy percentages.

Use of Estimates:
The preparation of consolidated 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.

(2) Summary of Significant Accounting Policies (continued)

Contributions:

Individual and corporate contributions are recognized when cash is received or ownership of donor assets is transferred to the Foundation. Contributions received are recorded without donor restrictions or with donor restrictions, depending on the existence and nature of any donor restrictions. Contributions with donor restrictions expended in the year received are reported as without donor restrictions.

No amounts have been reflected in the financial statements for donated services. The Foundation generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Foundation, but these services do not meet the criteria for recognition contributed service

Property and Equipment:

All fixed assets are carried at cost if purchased and fair market value if donated. Generally accepted accounting principles require fixed assets to be capitalized and depreciated over their estimated useful lives. Depreciation is computed by the straight-line method over the useful lives of the assets as follows:

Furniture & Fixtures	5 to 7 years
Leasehold Improvements	Shorter of asset life or lease life

Depreciation Expense amounted to $4,863 for the year ended December 31, 2025.

Income Taxes:

The Foundation is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

In – Kind Contributions

The Organization recognized in – kind contributions at their fair value at date of donation. In – kind contributions are reported without donor restrictions unless explicit donor stipulations specify how the donated assets must be used.

(3) Concentrations of Credit Risk

The Foundation and Subsidiary maintain cash balances at a financial institution in Illinois. All cash accounts are insured by the Federal Deposit Insurance Corporation up to $250,000. Cash balances exceeded insured balances by $878,253 at December 31, 2025.

(4) Xquina Construction in Progress

The Xquina Construction in Progress is stated at cost, which includes the cost of the land and building, construction costs, interest and other direct costs attributable to the construction. No provision for depreciation is made on construction in progress until such time as the relevant assets are completed and put into use.

(5) Long - Term Debt

The Foundation and Incubator entered into a $1,100,000 long-term debt refinance transaction with Old National Bank on June 9, 2023. Terms of the note include 12 monthly interest payments calculated on the unpaid principal balance beginning July 9, 2023, at an interest rate of 6.150% followed by 47 monthly payments of principal and interest of $7,191 beginning July 9, 2024, and one payment of principal and interest amounting to $1,023,076 on June 9, 2028. The loan is collateralized by real property located at 3523-25 W 26th street, Chicago Illinois with a current carrying value of $3,863,994.

The Foundation and Incubator entered into a $500,000 long-term debt transaction with Old National Bank on May 1, 2025. Terms of the note include 3 monthly interest payments calculated on the unpaid principal balance beginning June 1, 2025, at an interest rate of 6.40% followed by 34 monthly payments of principal and interest of $3,477 beginning September 1, 2025, and one payment of principal and interest amounting to $473,809 on June 1, 2028. The loan is collateralized by real property located at 3523-25 W 26th street, Chicago, Illinois with a current carrying value of $3,863,994.

Annual maturities of long-term debt for the years ending December 31, are as follows:

2026	$ 29,767
2027	31,704
2028	1,507,775
Unamortized debt Issuance cost	(14,373)
Total	$ 1,554,873

(6) Leases

The Foundation leases office space with a one-year lease term at $1,900 per month terminating on February 28, 2026. Rent expense amounted to $22,250 for the year ended December 31, 2025. The lease was renewed on March 1, 2025, at $1,900 per month through December 31, 2025.

(7) Liquidity and Availability of Financial Assets

The following reflects the Foundation's financial assets as of the financial position date reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. As part of the Foundation's liquidity management, cash in excess of daily requirements is invested in short-term investments.

Financial assets at year-end:	
Cash	$ 1,431,167
Grants and Accounts Receivable	64,269
Micro Loans Receivable	73,000
	1,568,436
Less amounts not available to be used for general use:	
Restricted cash for fulfillment of grants	(1,174,665)
Financial assets available to meet general expenditures over the next twelve months	$ 393,771

(8) Prior Period Adjustment

During the year ended December 31, 2025, the Incubator recorded a prior period adjustment to correct an error related to interest expense on loans that should have been capitalized in prior years related to the construction in progress. As a result of the correction, the asset Xquina Construction in Progress was increased by $281,801 with a corresponding increase to beginning net assets without donor restrictions as of January 1, 2025.

(9) Subsequent Events

The Foundation has evaluated subsequent events through June 23, 2026, the date which the consolidated financial statements were available to be issued.

In January 2026, the project secured a $1.7 million bridge loan from Old National Bank to provide interim financing for construction activities while awaiting access to committed public funding sources. Construction activities resumed following the loan closing and remain ongoing as of the date of issuance of the financial statements.

The project has secured all identified funding sources necessary to complete construction, including private financing, philanthropic commitments, City of Chicago funding, and State of Illinois capital appropriations totaling $1,135,000. As of the date of issuance of the financial statements, the project is awaiting execution of Uniform Grant Agreements with the Illinois Department of Commerce and Economic Opportunity (DCEO) related to the State appropriations. Accordingly, the timing of access to those funds remains uncertain.

The project is also subject to certain completion deadlines associated with its City of Chicago Neighborhood Opportunity Fund grant agreement. Management is actively working with the City regarding project timing and has requested an extension of the current deadline. While management believes the project remains viable and that sufficient funding sources have been identified to complete construction, delays in accessing State reimbursement funding could impact project completion timelines and related financing arrangements.